

EXHIBIT 2
DECLARATION OF CONDOMINIUM

Turnover 7/11/85

Established 11/29/83

EXHIBIT A
TO
DECLARATION OF CONDOMINIUM
(See Exhibit 7 of Prospectus
Plot Plan)

DECLARATION OF CONDOMINIUM OF
THE GLENS AT SPRUCE CREEK, A CONDOMINIUM

THIS DECLARATION of Condominium is made on this _____ day of _____, 1983, by THOMPSON PROPERTIES, INC. OF FLORIDA, a Florida corporation, and GAIGE WALTERS, (hereafter sometimes collectively referred to as "Developers").

WITNESSETH:

ARTICLE I
ESTABLISHMENT OF CONDOMINIUM

1.1 PURPOSE. The purpose of this declaration is to submit the lands herein described and the improvements constructed thereon to the condominium form of ownership and use in the manner provided in Chapter 718, Florida Statutes, as amended, hereinafter called the Condominium Act.

1.2 NAME AND ADDRESS. The name by which this condominium is to be identified is THE GLENS AT SPRUCE CREEK, A CONDOMINIUM, and its address is Route 1, Daytona Beach, Florida 32014.

1.3 THE LAND. The lands owned by the Developers, the fee simple title and which is hereby submitted to the condominium form of ownership are described on page 1 of Exhibit A attached hereto, being a survey of the parcel which constitutes and shall be referred to as The Glens at Spruce Creek. The improvements constituting units 81 through 84 are owned by Gaige Walters and are substantially complete. Units 85 through 88 are owned by Thompson Properties, Inc. of Florida, and are not substantially complete. Upon substantial completion, Developers will amend this Declaration to include the certificate required by §718.104, Florida Statutes.

ARTICLE II
DEFINITIONS

The terms used herein or in the exhibits attached hereto shall have the meanings stated in the Condominium Act, Chapter 718, Florida Statutes, and as follows, unless the context otherwise requires:

2.1 ASSOCIATION means The Glens At Spruce Creek, Inc., a Florida non-profit corporation, and its successors.

2.2 ASSESSMENT means a share of the funds required for the payment of common expenses which, from time to time, are assessed against the unit owner.

2.3 COMMON ELEMENTS means the portions of the condominium property not included in the units.

2.4 LIMITED COMMON ELEMENTS are those common elements which are or can be reserved for the use of a certain unit to the exclusion of other units. Appurtenant to each unit as a limited common element is a deck or patio. These decks or patios are for the exclusive use of the occupants of the respective unit to which they are appurtenant. Each unit owner shall be responsible to keep his balcony and/or deck clean and presentable, but the repair and major maintenance shall be the responsibility of the Association. The driveway area extending from each garage to the street shall be a limited common element for the exclusive use of the owner of the unit in which the garage is located.

2.5 COMMON EXPENSES: Common expenses include:

- A. Expenses of administration; expenses of maintenance, operation, repair or replacement of the common elements, and of the portions of units to be maintained by the Association.
- B. Expenses declared common expenses by provisions of this Declaration or by the By-Laws.
- C. Any valid charge against the condominium as a whole.

2.6 CONDOMINIUM means that form of ownership of condominium property under which units or improvements are subject to ownership by different owners, and there is appurtenant to each unit as part thereof, an undivided share in the common elements.

2.7 COMMON SURPLUS means the excess of all receipts of the Association, including but not limited to assessments, rents, profits, and revenues on account of the common elements, over the amount of common expenses.

2.8 CONDOMINIUM PROPERTY: The condominium property means and includes the land described on page 1 of Exhibit A attached, all improvements thereon and all rights appurtenant thereto.

2.9 INSTITUTIONAL FIRST MORTGAGE means a first mortgage originally executed and delivered to a bank, state or federal savings and loan association, or insurance company authorized to transact business in the State of Florida, creating a first mortgage lien on a unit and its appurtenances.

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

2.11 UNIT means a part of the condominium property which is subject to private ownership.

2.12 UNIT OWNER: Unit owner means the owner of a condominium parcel.

2.13 MAJORITY OR MAJORITY OF OWNERS means unit owners with 51 per cent or more of the votes assigned in the condominium documents to the unit owners for voting purposes.

2.14 OPERATION OR OPERATION OF THE CONDOMINIUM means and includes the administration and management of the condominium property.

2.15 DEVELOPERS shall mean Thompson Properties, Inc. of Florida, a Florida corporation, and Gaige Walters, and any successor to which they or either of them may assign their rights and obligations, or any entity which may succeed to those rights and obligations by operation of law.

ARTICLE IIF CONDOMINIUM DOCUMENTS

This Declaration of Condominium, hereinafter called "Declaration," sets forth the nature of the property rights in the condominium and the covenants running with the land which govern those rights. This Declaration shall include the surveys of the land and the plot plans, which are attached to this Declaration of Condominium as Exhibits A.

The following documents which are also attached to this Declaration are also a part of the "condominium documents," to wit:

- A. Articles of Incorporation of The Glens At Spruce Creek, Inc., a non-profit corporation of Florida, Exhibit B, which corporation will administer and operate the condominium for the use and benefit of the owners of the individual units.
- B. By-Laws of The Glens At Spruce Creek, Inc., which are labeled Exhibit C.

3.1 ALTERATION OF UNIT PLANS: Developers reserve the right to change the interior design and arrangement of all units, and to alter the boundaries between units or to retract or extend exterior walls, so long as either Developer owns the units so altered. No such change shall increase the number of units nor alter the boundaries of the common elements without the amendment of this Declaration by approval of the Association, unit owners and owners of mortgages in the manner elsewhere provided. If Developers shall make any changes in units so authorized, such changes shall be reflected by an amendment of this Declaration. If more than one unit is concerned, the Developers shall apportion between the units the shares in the common elements which are appurtenant to the units concerned.

3.2 IMPROVEMENTS - GENERAL DESCRIPTION: The improvements constructed and to be constructed on the land submitted herein to the condominium form of ownership as The Glens at Spruce Creek are as follows:

- A. IMPROVEMENTS
There will be three types of units contained in The Glens at Spruce Creek described as follows:

Unit #	Unit Type	No. of Bedrooms	No. of Bathrooms	No. of Stories	Approximate Sq. Ft. of Living Area
81, 84, 85 & 88	D	3	2	1	1,373
82 & 86	E	3	2 1/2	2	1,786
83 & 87	F	2	2	1	1,315

The condominium will contain eight (8) single units.

3.3 SCHEDULE OF COMPLETION. Units 81 through 85 are complete. Construction of the remaining 4 units will have been completed prior to December 31, 1984.

3.4 UNIT NUMBERING SYSTEM. Each unit in The Glens at Spruce Creek will be designated by a different number, so that units may be described for all purposes, including conveyancing, solely by number. Each unit shall have the number designated on page 1 of Exhibit A.

3.5 EASEMENTS. The following easements are expressly provided for and reserved, to wit:

- (A) Every dwelling unit shall be subject to the following easements:

1. Every portion of a dwelling unit contributing to the support of the common elements or of other dwelling units shall be burdened with an easement of support for the benefit of the Association and the owners and occupants of supported units.

2. An easement in favor of the Association, its employees, agents and independent contractors to install or make necessary repairs to or replacements of utility services, plumbing, wiring or any portion of the common elements, and to perform all obligations and duties of the Association.

- (B) All unit owners shall have as appurtenances to their units:

1. A perpetual non-exclusive easement for ingress to and egress from their units over and upon driveways, walks, corridors, halls, and other common elements to and from the private streets and roadways of the Community Development Plan (PUD) area and thence to public streets.

2. A perpetual non-exclusive easement for the use and enjoyment of all common facilities (including, but not limited to, utilities as they now exist or hereafter may exist) located in the common elements.

(C) In the event that any condominium unit as originally constructed or because of settlement shall encroach upon any of the common elements of the condominium property or upon any other condominium unit, then an easement shall exist to the extent of such encroachment so long as the same shall exist.

(D) Temporary easements are reserved in favor of the Developer until all units in the condominium are sold by Developer to maintain signs, models, and displays upon the common property and in any unit owned by Developer, and to permit access to and utilization of the common property in the condominium by prospective purchasers, and to utilize any units owned by Developer for sales purposes.

(E) Employees and Independent Contractors. Easements of ingress and egress, passage and entry are reserved to employees and independent contractors of the Association and the Developer, in the performance of their duties and functions on behalf of the condominium and the Developer.

(F) A perpetual easement in favor of Spruce Creek Property Owners Association, Inc., for the maintenance, upkeep, and repair of the drainage and retention facilities which serve the development as a whole.

3.6. UNIT BOUNDARIES. Each unit shall include that space which lies within the boundaries of the unit, which boundaries shall be determined in the following manner:

(A) PERIMETRICAL BOUNDARIES. The perimetrical boundaries for the unit shall be the vertical planes of the undecorated finished interior surface of the walls bounding the unit extended to intersection with each other and with the upper and lower boundaries.

(B) LOWER BOUNDARY. The lower boundary of each unit shall be the horizontal plane of the upper unfinished surfaces of the floor slab.

(C) UPPER BOUNDARIES. The upper boundary of each unit shall be the planes at the lower surface of the roof trusses extended to their intersections with one another or with the perimetrical boundaries.

3.7 APPURTENANCES. The ownership of each condominium parcel shall include, and there shall pass with each condominium parcel as appurtenances thereto, whether or not separately described, all of the right, title, and interest of a unit owner in the condominium property, which shall include, but not be limited to:

A. GENERAL COMMON ELEMENTS. The general common elements are all parts of the condominium property other than individual units. The right to use the general common elements in common with the other unit owners is granted to all condominium unit owners. Each condominium unit shall have a 1/8th undivided share in and of the common elements and

surplus, and shall be responsible for the payment of a 1/8th undivided share of the common expenses as hereinafter set forth.

- B. ASSOCIATION. The owner of each condominium unit shall be a member of the Association. There shall be one vote appurtenant to each unit which shall represent 1/8th of the total votes in the Association. The vote appurtenant to each unit shall be cast in the manner prescribed in the By-Laws of the Association, if there is more than one owner or if there is a corporate owner.
- C. LIABILITY FOR COMMON EXPENSES. Each condominium unit owner shall be liable for a 1/8th share of the common expenses. In addition, a unit owner in The Glens At Spruce Creek will have the obligation to pay assessments equal to that of a single family lot owner of a lot in the subdivisions included in Spruce Creek Property Association, Inc. (See Article V of this Declaration of Condominium).

ARTICLE IV MAINTENANCE, ALTERATION AND IMPROVEMENT

Responsibility for the maintenance of the condominium property and restrictions upon the alteration and improvement thereof shall be as follows:

4.1 Common Elements.

(a) By the Association. The maintenance and operation of the common elements shall be the responsibility of the Association and the expense associated therewith shall be designated as a common expense.

(b) Alteration and Improvement. There shall be no alteration or further improvement of the real property constituting the common elements without prior approval in writing by the owners of not less than seventy-five percent (75%) of the common elements, except as provided by the By-Laws. Any such alteration or improvement shall not interfere with the rights of any unit owners without their consent. The cost of such work shall not be assessed against an institutional first mortgagee that acquires its title as a result of owning a mortgage upon the unit owned, unless such owner shall approve the alteration or improvement, and this shall be so whether the title is acquired by foreclosure proceedings or by deed in lieu of foreclosure. The share of any cost not so assessed shall be assessed to other unit owners in the proportion that their shares in the common elements bear to each other. There shall be no change in the shares and rights of unit owners in the common elements altered or further improved, whether or not the institutional owner contributes to the cost of such alteration or improvements.

4.2 Units.

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

(1) All portions of a unit, except interior surfaces, contributing to the support of the building, including load-bearing columns and load-bearing walls.

(2) All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of a unit maintained by the Association; and all such facilities contained within a unit that service part or parts of the condominium other than the unit within which such facilities are contained. This provision excludes from its coverage any air conditioning compressor facility; and also any other facility for the

furnishing of utility services, now or hereafter installed outside any of the buildings, and intended for the purpose of furnishing utility services only to an individual unit.

(3) All incidental damage caused to a unit by reason of the maintenance, repair and/or replacement which is the responsibility of the Association, and such damage shall be promptly repaired by the Association.

(b) By the Unit Owner. The responsibilities of the unit owner shall include, but not be limited to the following:

(1) To maintain, repair and replace at his sole and personal expense, all electric panels, electric wiring, electric outlets and fixtures, air conditioners, including air conditioning compressors and other related outside utility facilities referred to in Section 4.2(a)(2), heaters, hot water heaters, refrigerators, dishwashers, other appliances, drains, plumbing fixtures and connections, interior surfaces of all walls, floors and ceiling, and all other portions of his unit except the portions specifically to be maintained, repaired and replaced by the Association.

(2) Not to enclose, paint or otherwise decorate or change the appearance of any portion of the exterior of the building.

(3) To promptly report to the Association any defect or need for repairs, the responsibility for which is that of the Association.

(4) To pay for the repair, replacement or maintenance occasioned by negligence as more fully set forth in Section 15.2 hereof.

(c) Alteration and Improvement. Subject to the other provisions of 4.2, which in all cases shall supersede and have priority over the provisions of this section when in conflict therewith, a unit owner may make such alterations or improvements within his unit, at his sole and personal cost, as he may be advised, provided all work shall be done without disturbing the rights of other unit owners, and further provided that a unit owner shall make no changes or alterations to any interior boundary wall, exterior wall, balcony or patio, screening, exterior door, windows, structural or load-bearing member, electrical service or plumbing service (except that serving only his unit), without first obtaining approval in writing of owners of all other units in the building in which his unit is located and the approval of the Board of Directors of the Association. All alterations and improvements must be in compliance with all existing building codes.

4.3 Limited Common Elements. The maintenance, repair and/or replacement of the limited common elements appurtenant to each unit shall be the responsibility of the Association, as provided hereinabove in Section 4.1, provided, however, that the unit owner having the exclusive right of use shall be responsible for day to day maintenance and cleaning of such limited common elements.

ARTICLE V APPORTIONMENT OF COMMON EXPENSES AND OWNERSHIP OF COMMON ELEMENTS AND COMMON SURPLUS

5.1 Appurtenant to each unit in The Glens at Spruce Creek is a 1/8th undivided interest in the common elements. Common expenses and common surplus will be apportioned in the same manner as common elements. The allocation of common elements, common surplus and common expense is the same for each unit regardless of size or type.

5.2 DEVELOPERS TEMPORARY EXEMPTION FROM ASSESSMENTS. Developer shall be excused from the payment of assessments on units which it owns during the periods set forth below, but shall be obligated to pay

any amount of common expense incurred which is not produced by the assessments receivable from other unit owners. The period for which the exemption (and the guarantee set forth below) shall be in effect shall commence with the filing of the Declaration and shall end upon the earliest to occur of the following:

(a) December 31, 1984;

(b) The sale by Developer of all condominium units in The Glens at Spruce Creek;

(c) When unit owners other than Developer are entitled to elect a majority of the members of the Board of Directors of the Association.

5.3 Spruce Creek Property Owners Association, Inc. Fly-In Spruce Creek and Spruce Creek Subdivision are parts of a Community Development Plan "PUD" covering more than 1,000 acres including the Spruce Creek Airport and the Spruce Creek Golf Course. This CDP is a private development and the Spruce Creek Property Owners Association, Inc. is responsible for the operation, maintenance and upkeep of the roads, runways, taxiways, drainage system, sewer system, tennis courts, and other facilities which are for the common use of all residents and occupants of the CDP, except those elements which are part of individual condominium projects such as The Glens At Spruce Creek, Inc. Each owner of a unit in The Glens At Spruce Creek is also a member of the Spruce Creek Property Owners Association, Inc., with the rights, privileges and obligations thereof. The rights and privileges include the right to use the private roads, taxiways and runways which are "Association Property", as that term is defined in the Declaration of Covenants and Restrictions of Fly-In Spruce Creek, Inc., Unit 1 Subdivision. Obligations include the obligation of each unit owner to pay an assessment equal to that of a single family lot owner within the subdivisions located in the CDP. This assessment shall be payable to The Glens At Spruce Creek, Inc. which shall, in turn, pay payments to Spruce Creek Property Owners Association, Inc. Both The Glens At Spruce Creek, Inc. and Spruce Creek Property Owners Association, Inc. have the right to impose a lien upon the unit of any owner who fails to pay his assessment when due.

ARTICLE VI ADMINISTRATION OF CONDOMINIUM BY ASSOCIATION

In order to provide for the efficient and effective administration of the condominium by the owners of dwelling units, a non-profit corporation known as The Glens At Spruce Creek, Inc. (hereafter referred to as "Association") is being organized, and said Association shall administer the operation and management of the condominium, and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions, and conditions of this Declaration of Condominium, and in accordance with the terms of the Articles of Incorporation of the Association, its By-Laws and the rules and regulations promulgated by the Association from time to time. A true copy of said Articles of Incorporation and By-Laws setting forth voting rights and other pertinent matters are attached hereto and made a part hereof as Exhibits B and C respectively. The owner or owners of each dwelling unit shall automatically become members of the Association upon acquisition of an ownership interest in the title to any dwelling unit and its appurtenant undivided interest in common elements, and the membership of such owner or owners shall terminate automatically upon such owner or owners being divested of such ownership interest in the title to such unit, regardless of the means by which such ownership may be divested. No person, firm or corporation holding any liens, mortgage or other encumbrance upon any unit shall be entitled, by virtue of such lien, mortgage or other encumbrance to membership in the Association or to any of the rights, privileges, or duties of such membership provided,

however, that nothing herein shall be construed as prohibiting the membership in the Association of a first mortgagee which acquires title to a unit either by foreclosure or by voluntary conveyance from the mortgagor or his successor. In the administration of the operation and management of The Glens At Spruce Creek, the Association shall have and is hereby granted the authority and power to enforce the provisions of this Declaration of Condominium, levy and collect assessments in the manner hereinafter provided for common expenses, and to adopt, promulgate and enforce such rules and regulations governing the use of the units, common property, and limited common property, as the Board of Directors of the Association may deem to be in the best interests of the Condominium.

ARTICLE VII USE RESTRICTIONS

The condominium property is intended as a multi-unit residential complex and shall be used in accordance with the following provisions as long as the condominium exists.

7.1 Residential use restrictions. Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, guests, invitees and lessees. However, so long as Developer shall retain any interest in the condominium, it may utilize a unit or units for a sales office, model, prototype, or other usage for the purpose of selling units in said condominium. Developer may assign this commercial usage rights to such other persons or entities as it may choose; provided, however, that when all units in said condominium have been sold once to an individual purchaser, this commercial right of usage shall immediately cease as to all units.

7.2 Rental. No unit shall be leased or rented by any owner other than Developer for a period of less than one (1) month, unless the Association adopts a By-Law permitting leases of shorter duration. Any lease shall provide that the lessee shall comply with and abide by all of the restrictions pertaining to the use of Units, Common Property, and Limited Common Property contained in this Declaration of Condominium, and with the rules and regulations contained herein or hereafter established by the Association governing the use of such Units, Common Property, and Limited Common Property.

7.3 Use of Common Property. The use of Common Property by the owner or owners of all units and all other parties authorized to use the same, and the use of Limited Common Property by the owner or owners, shall be at all times subject to such reasonable rules and regulations as may be prescribed and established by the Association.

7.4 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of any unit or of the Common Property, or of the Limited Common Property, nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the condominium shall be observed. No owner of any unit shall permit or suffer anything to be done or kept in his unit, or on the Common Property, or on the Limited Common Property, which will increase the rate of insurance on the condominium or which will obstruct or interfere with the rights of other occupants or annoy them by unreasonable noises, nor shall any owner undertake any use or practice which shall create and constitute a nuisance to any other owner of a unit, or which interferes with the peaceful possession and proper use of any other unit or the Common Property, or the Limited Common Property.

7.5 Antennas. No exposed radio antennas, masts or towers shall be permitted on any unit or on the exterior of any unit in the common area. Commencing thirty (30) days from the date when connection to a T.V. cable or master T.V. antenna system is available, no exposed T.V. antennae shall be permitted in the condominium area.

7.6 Other Restrictions. The Glens At Spruce Creek, which is being submitted to condominium by this Declaration, lies within the area designated as "Cluster-Condo" Tract "M" as shown on sheet 7 of that subdivision plat of Spruce Creek Subdivision which is recorded in Map Book 37, at pages 9 through 16 of the Public Records of Volusia County, Florida. Real estate within the subdivision is subject to the terms of Covenants and Restrictions set forth in the Supplementary Declaration of Covenants and Restrictions recorded in Official Records Book 2180, pages 1407 through 1411 of the Public Records of Volusia County, Florida. By the terms of this Supplementary Declaration of Covenants and Restrictions, property within Spruce Creek Subdivision is also subject to pertinent portions of the following covenants and restrictions:

(a) Covenants and Restrictions for Fly-In Spruce Creek, Inc. Subdivision, Unit 1, as recorded in Official Records Book 1739, page 1093 et seq, as amended and supplemented by;

(b) First amendment to Declaration of Covenants and Restrictions for Fly-In Spruce Creek, Inc. Subdivision, Unit 1, recorded in Official Records Book 1777, page 1094;

(c) Supplementary Declaration of Covenants and Restrictions of Fly-In Spruce Creek recorded in Official Records Book 1824, page 1891, et seq;

(d) First amendment to Supplementary Declaration of Covenants - Fly-In Spruce Creek, recorded in Official Records Book 1883, page 1008, et seq; and

(e) Second Amendment to Declaration of Covenants and Restrictions for Fly-In Spruce Creek, Inc. Subdivision Unit I, in Official Records Book 2126, page 1565. (All references to Official Record Books are in the Official Records of Volusia County, Florida.)

In addition, the property lying within Spruce Creek Subdivision is subject to pertinent portions of restrictions contained in Volusia County Resolution No. 79-74, and Order approving amendments to CDP, recorded in Official Records Book 2096, page 1591, et seq, said covenants and restrictions appearing at pages 1598 through 1613.

ARTICLE VIII INSURANCE

Insurance, other than title insurance, which shall be carried upon the condominium property, shall be covered by the following provisions:

8.1 Authority to Purchase. All insurance policies upon the condominium property shall be purchased by the Association for the benefit of the Association, and in the case of insurance covering damage to buildings and its appurtenances, also for the benefit of unit owners and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of unit owners. Such policies and endorsements thereon shall be deposited with the Insurance Trustee, if one has been designated. It shall not be the responsibility or duty of the Association to obtain insurance coverage for the personal liability, contents, personal property, redecorating or living expenses of any unit owner.

8.2 Coverage.

(a) Casualty. All buildings and improvements upon the land and all personal property included in the common elements shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined by the Board

of Directors of the Association. Such coverage shall afford protection against:

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

(2) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.

(b) Public Liability. In such amounts and such coverage as may be required by the Board of Directors of the Association, with cross liability endorsement to cover liabilities of the unit owners as a group to a unit owner, where available.

(c) Workmen's Compensation Policy. To meet the requirements of law.

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

8.3 Premiums. Premiums for insurance shall be a common expense and shall be paid by the Association.

8.4 Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the unit owners and their mortgagees as their interest may appear and shall provide that all proceeds covering property losses shall be paid to the Association which shall hold the same for the purposes elsewhere stated herein and for the benefit of the unit owners and their mortgagees in the following shares.

(a) Common Elements. Proceeds on account of damage to common elements shall be held in undivided shares for each owner of the condominium, each owner's share being the same as his undivided share in the common elements appurtenant to his unit.

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

(1) When the damaged building is to be restored, for the owners of damaged units in proportion to the cost of repairing the damage suffered by each owner, which cost shall be determined by the Board of Directors of the Association.

(2) When the building is not to be restored, for the owners of units in such building, in undivided shares being the same as their respective shares in the common elements appurtenant to their respective units and their respective mortgagees.

(c) Mortgagees. In the event a mortgage is registered as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired except as provided in 9.1(b)(1), (2) and (3). No mortgagee shall have any right to apply or have applied to the reduction of the mortgage debt any insurance proceeds, except a distribution of such proceeds made to the unit owner and mortgagee pursuant to the provisions of paragraphs 8.5(a) and (b) and 9.6(a) and (d).

8.5 Distribution of Proceeds. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial owners in the following manner:

(a) Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to unit owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

(b) Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired; the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

8.6 Association as Agent. The Association is hereby irrevocably appointed Agent for each unit owner and for each owner of any other interest in the Condominium property, for the purpose of empowering the Association to negotiate and adjust all claims arising under the insurance policies purchased by the Association and to execute and deliver releases on behalf of each unit owner upon payment of a claim.

ARTICLE IX RECONSTRUCTION OR REPAIR AFTER CASUALTY

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

(a) Common Elements. If the damaged improvement is a common element, the same shall be reconstructed or repaired unless the damaged common elements are within a building and damages to the building containing such common element extend to units contained within such building, in which case the provisions relative to reconstruction and repair of the buildings, as elsewhere herein provided, shall apply.

(b) Buildings.

1) Partial Destruction - If there is damage to the condominium improvements such that in the judgment of a majority of the Board of Directors will not require repair and reconstruction costs in excess of 80% of total replacement cost of all condominium improvements exclusive of excavation and foundation cost, then the improvements shall be reconstructed and repaired unless owners of 75% of the units in the damaged building or buildings and all holders of first mortgages on units in the damaged building or buildings agree in writing that the same shall not be repaired.

2) Total Destruction of All Buildings - If all buildings are so seriously damaged that the cost of repair will, in the judgment of a majority of the Board of Directors, exceed 80% of total replacement cost exclusive of excavation and foundation cost, then no buildings shall be reconstructed or repaired unless the owners of 75% of all units in the condominium and all mortgagees holding first mortgages on The Glens At Spruce Creek units shall, within 90 days after casualty, agree in writing that the same shall be reconstructed and repaired.

9.2 Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original building and improvements; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and, if the damaged property is a building, by the owners

of all damaged units therein, which approvals shall not be unreasonably withheld.

9.3 Responsibility. If the damage is only to those parts of units for which the responsibility of maintenance and repair is that of unit owners, then the owners shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

9.4 Estimate of Costs. When the Association shall have the responsibility of reconstruction or repair, prior to the commencement of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to repair or rebuild.

9.5 Assessments for Reconstruction and Repair. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for payment of the cost of reconstruction and repair are insufficient, assessment shall be made against the unit owners who own the damaged units, and against all unit owners in the case of damage to common elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments against unit owners for damage to units shall be in proportion to the cost of reconstruction and repair of their respective units. Such assessments on account of damage to common elements shall be in proportion to the owners' shares in the common elements.

9.6 Reconstruction Funds. Reconstruction funds which shall consist of the proceeds of insurance held by the Association and funds collected by the Association from assessments against unit owners, shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner:

a. Unit Owner - The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a unit owner, shall be paid by the Association to the unit owner, or if there is a mortgagee registered as to such unit, then to the unit owner and the mortgagee jointly, who may use such proceeds as they may be advised.

b. Association - Minor Damage - If the amount of the estimated cost of reconstruction and repair which is the responsibility of the Association is less than \$10,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Association.

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

d. Surplus - It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to all owners who have paid assessments pursuant to 9.5 hereof in proportion to such assessments, up to the full amount of said assessments. If funds remain after full refund of all such assessments, such funds shall be distributed ratably to each unit owner, with remittance to an

owner of a mortgaged unit being payable jointly to such owner and his mortgagee.

ARTICLE X
REGISTRY

The Association shall at all times maintain a Register setting forth the names of the owners of all of the units, and in the event of the sale or transfer of any unit to a third party, the purchaser or transferee shall notify the Association in writing of his interest in such unit, together with such recording information as shall be pertinent to identify the instrument by which such purchaser or transferee has acquired his interest in any unit. The holder of any mortgage upon any unit may notify the Association of the existence of any mortgage or mortgages held by such party on any unit and upon receipt of such notice, the Association shall register in its records all pertinent information pertaining to the same.

ARTICLE XI
MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial owners who are responsible, and thus protect the value of the units, the transfer or sale of units by any owner, other than the Developer, shall be subject to the following provisions as long as the condominium exists upon the land, which provisions each unit owner covenants to observe:

11.1 Transfers subject to approval.

a. Sale. No unit owner may dispose of a unit or any interest in a unit by sale without approval of the Association except to a member of his immediate family or to the owner of another unit.

b. Lease. No unit owner may dispose of the unit or any interest in a unit by a lease without approval of the Association except to a member of his immediate family or to the owner of another unit.

c. Gift. If any unit owner shall acquire his title by gift other than from a member of his immediate family, the continuance of his ownership of his unit shall be subject to the approval of the Association.

d. Devise or inheritance. If any unit owner shall acquire his title by devise or inheritance other than from a member of his immediate family, the continuance of his ownership of his unit shall be subject to approval of the Association.

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

11.2 Approval by Association. The approval of the Association that is required for the transfer or ownership of units shall be obtained in the following manner:

a. Notice to Association.

(1) Sale. A unit owner intending to make a bona fide sale of his unit or any interest in it shall give to the Association notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. At the unit owner's option, such notice may include a demand that the Association furnish a purchaser of the unit if the proposed purchaser is not

approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

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

(3) Gift; devise or inheritance; other transfers. A unit owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously considered, shall give to the Association notice of the acquiring of his title, together with such information concerning the unit owner as the Association may reasonably require, and a certified copy of the instrument evidencing the owner's title.

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

b. Certificate of approval.

(1) Sale. If the proposed transaction is a sale, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by two officers of the Association, which shall be recorded in the Public Records of Volusia County, Florida, at the expense of purchaser.

(2) Lease. If the proposed transaction is a lease, then within 15 days after receipt of such notice and information the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be stated in a certificate executed by two officers of the Association in recordable form, which, at the election of the Association shall be delivered to the lessee or shall be recorded in the public records of Volusia County, Florida, at the expense of the lessee.

(3) Gift; devise or inheritance; other transfers. If the unit owner giving notice has acquired his title by gift, devise or inheritance or in any other manner, then within 30 days after receipt of such notice and information the Association must either approve or disapprove the continuance of the unit owner's ownership of his unit. If approved, the approval shall be stated in a certificate executed by two officers of the Association, which shall be recorded in the Public Records of Volusia County, Florida, at the expense of the unit owner.

11.3 Disapproval by Association. If the Association shall disapprove a change of ownership of a unit, the matter shall be disposed in the following manner:

a. Sale. If the proposed transaction is a sale and if the notice of sale given by the unit owner shall so demand, then within 30 days after receipt of such notice and information the Association shall deliver or mail by registered mail to the unit owner an agreement to purchase the unit concerned by a purchaser approved by the Association who will purchase and to whom the unit owner must sell the unit upon the following terms:

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

(2) The purchase price shall be paid in cash.

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

(4) A certificate of the Association executed by two officers of the Association approving the purchaser shall be recorded in the Public Records of Volusia County, Florida, at the expense of the purchaser.

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

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

c. Gifts; devise or inheritance; other transfers. If the unit owner giving notice has acquired his title by gift, devise or inheritance, or in any other manner, then within 30 days after receipt from the unit owner of the notice and information required to be furnished, the Association shall deliver or mail by registered mail to the unit owner an agreement to purchase the unit concerned by a purchaser approved by the Association who will purchase and to whom the unit owner must sell the unit upon the following terms:

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

(2) The purchase price shall be paid in cash.

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

(4) A certificate of the Association executed by two officers of the Association approving the purchaser shall be recorded

in the Public Records of Volusia County, Florida, at the expense of the purchaser.

(5) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding the disapproval such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval as elsewhere provided, which shall be recorded in the Public Records of Volusia County, Florida, at the expense of the unit owner.

11.4 Exceptions. The foregoing provisions of this section entitled "Maintenance of Community Interests" shall not apply to a transfer to or by the Developer or to a transfer to or by a mortgage holder that acquires its title as the result of owning a mortgage upon the unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, his successors or assigns, or through foreclosure proceedings; nor shall such provisions apply to a transfer, sale or lease by a mortgage holder that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to a unit at a duly advertised public sale with open bidding provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial sale or tax sale.

11.5 Unauthorized transactions. Any sale, lease or other transfer not authorized pursuant to the terms of this Declaration shall be void as to the Association, which may deny the transferee access to and use of the transferred unit and of the common elements; and this refusal of access and use shall be in addition to such other remedies, legal or equitable, as may be available to the Association.

ARTICLE XII ASSESSMENTS; LIABILITY, LIEN AND ENFORCEMENT

The Association is given the authority to administer the operation and management of the condominium. To provide the funds necessary for such operation and management, the Association has the right to make, levy and collect assessments against the owners of all units and said units. The making and collection of assessments for common expenses shall be pursuant to the By-Laws and the following provisions:

12.1 Assessments. Common expenses and reserves shall be allocated among the units in 1/8th undivided shares. Regular monthly assessments shall remain uniform throughout a fiscal year.

12.2 Payments. Regular annual assessments shall be payable in monthly installments due in advance on or before the first day of each month. Assessments and installments thereon paid on or before ten (10) days after the day when the same shall become due shall not bear interest, but all sums not so paid on or before ten (10) days after the same is due shall bear interest until paid at the rate of fifteen percent (15%) per annum. All payments on account shall be first applied to interest and then to the assessment payment first due. If any installment of an assessment remains unpaid thirty (30) days after the same shall become due, the Board of Directors may declare the entire annual assessment as to that delinquent owner due and payable in full.

12.3 Lien for Assessments. The Association shall have a lien on each unit for any unpaid assessments and for interest thereon against the owner thereof, which lien shall also secure reasonable attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien. Said lien shall be effective from and after the time of recording in the Public Records of Volusia County, Florida, of a claim of lien stating the description of the unit, the name of the record owner thereof, the amount due and the

date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Such claims of lien shall be signed and verified by an officer of the Association or by a managing agent of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien. Liens for assessment may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property. In any such foreclosure the owner of the unit shall be required to pay a reasonable rental for the unit and the Association shall be entitled as a matter of law to the appointment of a receiver to collect the same. The Association may also sue to recover a money judgment for unpaid assessments without waiving the lien securing the same. Where a purchaser of a unit obtains title to the unit as a result of the foreclosure of the first mortgage or where the holder of a first mortgage of record obtains title to the unit as a result of a conveyance in lieu of foreclosure of the first mortgage, such acquirer of title, its successors and assigns, shall not be liable for the share of the common expenses or assessments by the Association pertaining to such unit or chargeable to the former owner of such unit which became due prior to acquisition of title in the manner above provided, unless the share is secured by a claim of lien of assessments that is recorded prior to the recording of the foreclosed mortgage. Such unpaid share of common expenses or assessments shall be deemed to be common expenses collectible from all of the unit owners including such acquirer, its successors and assigns. The prior owner or owners of the unit shall also remain liable for such unpaid assessments.

ARTICLE XIII TERMINATION

In the event of fire or other casualty or disaster which has so destroyed all condominium improvements as to require more than 80% of the improvements exclusive of excavation and foundation costs, as determined by the Board of Directors of the Association, to be reconstructed, then this Declaration of Condominium and the plan of condominium ownership established herein shall terminate. If this Declaration of Condominium and the plan of condominium ownership established herein is to be terminated, then a certificate of a resolution of the Board of Directors of the Association to said effect and notice of cancellation and termination hereof shall be executed by the President or Vice President and Secretary or Assistant Secretary of the Association in recordable form, and such instrument shall be recorded in the Public Records of Volusia County, Florida. Upon termination of this Declaration of Condominium and the plan of condominium ownership of the condominium property, all of the owners of dwelling units shall be and become tenants in common as to the ownership of the real property herein described and any then remaining improvements thereon, the undivided interest in such real property and remaining improvements held by the owner or owners of each dwelling unit to be the same as the undivided interest in common property which was formerly appurtenant to such dwelling unit. The lien of any mortgage or other encumbrance upon each unit shall attach in the same order of priority, to the percentage of undivided interest of the owner of a dwelling unit in the property, the then remaining improvements and any insurance proceeds allocable to the unit. Upon termination of this Declaration of Condominium and the plan of condominium ownership established herein, the Association shall distribute the proceeds of any policy or policies of casualty insurance to the owners of the dwelling units and their mortgagees, as their respective interests may appear, such distribution to be made in accordance with the undivided interest appurtenant to each unit. The assets of the Association shall, upon termination of the plan of condominium ownership created hereby, then be distributed to the owner or owners of each unit and his or their respective mortgagees, as their respective interests may appear, in the same manner as was provided above for the distribution of any final insurance indemnity.

13.1 Termination by Owners. Except as provided in the preceding paragraphs, this Declaration of Condominium and plan of condominium ownership may only be terminated by the unanimous consent of all of the owners of all units in The Glens At Spruce Creek, and all of the parties holding mortgages, liens or encumbrances against said dwelling units, in which event, the termination of the condominium shall be by such plan as may then be adopted by said owners and parties holding any mortgages, liens and encumbrances. Such election to terminate this Declaration of Condominium and the plan of condominium ownership shall be executed in writing by all of the aforementioned parties, and such instrument shall be recorded in the Public Records of Volusia County, Florida.

ARTICLE XIV AMENDMENT OF DECLARATION OF CONDOMINIUM

Subject to the provisions hereinafter set forth, this Declaration of Condominium may be amended in the following manner:

14.1 Amendment to Reflect Completion of Improvements. At the time of execution and recording of this Declaration, the improvements constituting The Glens at Spruce Creek are not substantially complete. The Developer reserves the right to amend the Declaration to reflect substantial completion of such improvements by executing and recording an amendment which complies with §718.104(4)(e), Florida Statutes; and such amendment shall not require the approval, consent or joinder of the Association, any unit owner or mortgage holder or any other person or entity.

14.2 Articles of Incorporation and By-Laws. Said documents may be amended in accordance with the respective provisions for amendment contained therein, and such amendment shall constitute an amendment to the Exhibits to this Declaration, without the necessity for compliance with the provisions of paragraph 14.3 hereof, provided however that, in the event that an amendment of the Articles of Incorporation or By-Laws is inconsistent with any provision of this Declaration, (other than the Exhibit being amended), then the Declaration shall govern, and the amendment shall be ineffective until adopted or ratified in the manner hereinafter set forth.

14.3 Declaration. An amendment or amendments to this Declaration of Condominium other than as set forth in subsections 14.1 through 14.2 of this Article may be proposed by the Board of Directors of the Association acting upon a vote of the majority of Directors, or by the owners of the majority of the units within the condominium, whether meeting as members or by instrument in writing signed by them. Upon any amendment or amendments to this Declaration of Condominium being proposed by said Board of Directors or members, such a proposed amendment or amendments shall be transmitted to the President of the Association, or other officer of the Association in the absence of the President, who shall thereupon call a special meeting of the members of the Association for a date not sooner than twenty (20) days nor later than sixty (60) days from receipt by him of the proposed amendment or amendments, and it shall be the duty of the Secretary to give each member written or printed notice of such special meeting, stating the time and place thereof, and reciting the proposed amendment or amendments in reasonably detailed form, which notice shall be mailed not less than ten (10) days nor more than thirty (30) days before the date set for such special meeting. If mailed, such notice shall be deemed to be properly given when deposited in the United States mail addressed to the member at his address as it appears on the records of the Association, postage prepaid. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of such notice to such member. At such meeting, the amendment or amendments proposed must be approved by

an affirmative vote of not less than 75% of the members of the Association in order for such amendment or amendments to become effective. Thereupon, such amendment or amendments of this Declaration of Condominium shall be transcribed and certified by the President or Vice President and Secretary or Assistant Secretary of the Association as having been duly adopted, and the original or an executed copy of such amendment or amendments so certified and executed with the same formalities as a deed shall promptly be recorded in the Public Records of Volusia County, Florida. Thereafter, a copy of said amendment or amendments in the form in which the same were recorded shall be delivered to all of the owners of all units, but delivery of a copy thereof shall not be condition precedent to the effectiveness of such amendment or amendments. At any meeting held to consider such amendment or amendments, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or represented thereat by proxy.

PROVIDED HOWEVER, THAT:

A. Except as provided in section 14.2, neither the percentage of ownership of common elements and common surplus appurtenant to any unit, nor any unit's share of the common expenses shall be altered, amended or modified without the written consent of all owners and mortgagees of units in The Glens At Spruce Creek whose percentages would be altered.

B. No alteration, amendment, or modification shall be made in the rights and privileges of Developer, without the written consent of the Developer, or its successor.

C. No alteration, amendment or modification shall be made in the rights and privileges of mortgagees; including specifically, but not by way of limitation, those contained in Articles VIII and IX (Insurance and Reconstruction) or Article XI (Maintenance of Community Interests) or Article XII (Assessments) or this Article without the consent of all institutional mortgagees holding mortgages upon units in The Glens At Spruce Creek.

ARTICLE XV
REMEDIES IN EVENT OF DEFAULT

The owner or owners of each unit shall be governed by and shall comply with the provisions of this Declaration of Condominium, and the Articles of Incorporation and By-Laws of the Association, and its Rules and Regulations as they may be amended from time to time. A default by the owner or owners of any unit shall entitle the Association or the owner or owners of any other unit or units to the following relief:

15.1 Grounds for Relief. Failure to comply with any of the terms of this Declaration of Condominium or other restrictions and regulations contained in the Articles of Incorporation or By-Laws of the Association, or its Rules and Regulations, shall be grounds for relief which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien or any combination thereof, and which relief may be sought by the Association or, if appropriate, by an aggrieved owner of a unit.

15.2 Negligence. The owner or owners of each unit shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, or by that of any member of his family, or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the Association. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy or abandonment of a unit or its appurtenances.

Nothing herein contained, however, shall be construed so as to modify any waiver by insurance companies of rights of subrogation.

15.3 Attorney's Fees. In a proceeding arising because of an alleged default by the owner of any unit, the prevailing party shall be entitled to recover the costs of the proceedings, and such reasonable attorney's fees as may be determined by the Court.

15.4 No Waiver. The failure of the Developer, or of the Association, or of the owner of a unit to enforce any right, provision, covenant or condition which may be granted by this Declaration of Condominium or other above mentioned documents shall not constitute a waiver of the right of the Developer, the Association or the owner of a unit to enforce such right, provision, covenant or condition in the future.

15.5 Cumulative Remedies. All rights, remedies and privileges granted to the Association or the owner or owners of a unit pursuant to any terms, provisions, covenants or conditions of this Declaration of Condominium or other above mentioned documents, shall be deemed to be cumulative, and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies, or privileges as may be available to such party at law or in equity.

ARTICLE XVI RIGHTS OF DEVELOPER ASSIGNABLE

All rights in favor of the Developer reserved in this Declaration of Condominium and in the Articles of Incorporation and the By-Laws of the Association are fully assignable in whole or in part by the Developer, and may be exercised by the nominee of the Developer and/or exercised by any person designated by the Developer to succeed to such right or rights and by any person or entity becoming a successor to the Developer by operation of law.

ARTICLE XVII USE OR ACQUISITION OF INTEREST IN THE CONDOMINIUM TO RENDER USER OR ACQUIRER SUBJECT TO PROVISIONS OF DECLARATION OF CONDOMINIUM, RULES AND REGULATIONS

All present or future owners, tenants, or any other person who might use the facilities of the Condominium in any manner, are subject to the provisions of this Declaration of Condominium, and all documents appurtenant hereto and incorporated herewith, and the acquisition or rental of any unit, or the occupancy of any unit shall signify that the provisions of this Declaration of Condominium and such documents are accepted and ratified in all respects.

ARTICLE XVIII SEVERABILITY

In the event that any of the terms, provisions or covenants of this Declaration of Condominium are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants hereof or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

IN WITNESS WHEREOF, Gaige Walters and Thompson Properties, Inc. of Florida have caused these presents to be executed under seal this 29th day of November, A.D. 1983.

Witnesses

Patricia J. Smith

Eleanor G. Ford

Gaige Walters
Gaige Walters

THOMPSON PROPERTIES, INC. OF
FLORIDA

Patricia J. Smith

Eleanor G. Ford

By Gaige Walters
President

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 29th day of November, 1983, by Gaige Walters.

Patricia J. Smith
Notary Public, State of Florida
at Large
My Commission Expires:

STATE OF FLORIDA
COUNTY OF VOLUSIA

On this 29th day of November, 1983, personally appeared before me, Gaige Walters, President of Thompson Properties, Inc. of Florida, to me known to be the person who executed the foregoing Declaration on behalf of said corporation, and he duly acknowledged to me that he executed said Declaration on behalf of said corporation for the purposes therein expressed.

Patricia J. Smith
Notary Public, State of Florida
at Large
My Commission Expires:

Notary Public, State of Florida
My Commission Expires May 30, 1986
Bonded thru Troy Fair Insurance, Inc.

JOINDER OF MORTGAGEE

KNOW ALL MEN BY THESE PRESENTS:

That Coast Federal Savings and Loan Association, 1777 Main Street, P. O. Box 2199, Sarasota, Florida 33578 (hereafter "Mortgagee"), joins the Developers, Gaige Walters and Thompson Properties, Inc. of Florida, in the foregoing Declaration of Condominium of The Glens At Spruce Creek, a condominium, located in Volusia County, Florida, but such joinder is entered into by Mortgagee without recourse or warranty, whether of title or otherwise; without assuming any obligation whatsoever of the owner; and reserving to Mortgagee all of its rights and remedies as granted under the mortgages held by Mortgagee on the land and improvements lying and being in Volusia County, Florida, more particularly described in Exhibit A to the Declaration, and under the note secured by said mortgages and other loan documents executed in connection with said mortgages.

Dated this ____ day of _____, 1983.

COAST FEDERAL SAVINGS
AND LOAN ASSOCIATION

By _____

Mortgagee

STATE OF FLORIDA
COUNTY OF

On this ____ day of _____, 1983, personally appeared before me, _____ of Coast Federal Savings and Loan Association, to me known and known to me to be the person who executed the foregoing Joinder of Mortgagee on behalf of Coast Federal Savings and Loan Association and he acknowledged to me that he executed said Joinder on behalf of Coast Federal Savings and Loan Association for the purposes therein expressed.

Notary Public

My Commission Expires: