

17. CONDEMNATION:

17.1 Deposit of Awards with Association. The taking of all or any part of the Condominium Property by condemnation or eminent domain shall be deemed to be a casualty to the portion taken and the awards for that taking shall be deemed to be proceeds from insurance on account of the casualty. Even though the awards for the taking of Common Elements may be payable to Unit Owners, the Unit Owners shall deposit the awards with the Association; and if any fail to do so, a special charge shall be made against a defaulting Unit Owner in the amount of his award, or the amount of that award shall be set off against any sums payable to that Owner.

17.2 Determination Whether to Continue Condominium. Whether the Condominium will be continued after condemnation will be determined in the same manner provided for determining whether damaged property will be reconstructed and repaired after a casualty.

17.3 Disbursement of Funds. If the Condominium is terminated after condemnation, the proceeds of all awards and Special Assessments will be deemed to be Condominium Property and shall be owned and distributed in the manner provided for insurance proceeds when the Condominium is terminated after a casualty. If the Condominium is not terminated after condemnation, but the size of the Condominium will be reduced, any property damaged by the taking will be made usable in the manner provided below. Proceeds of awards and Special Assessments shall be used for these purposes and shall be disbursed in the manner provided for disbursements of funds after a casualty.

17.4 Association as Agent. The Association is hereby irrevocably appointed as each Unit Owner's attorney-in-fact for purposes of negotiating or litigating with the condemning authority for the purposes of realizing just compensation.

17.5 Units Reduced but Habitable. If the condemnation reduces the size of a Unit and the remaining portion of the Unit can be made habitable, the awards for the taking of a portion of that Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

(A) Restoration of Unit. The Unit shall be made habitable. If the cost of restoration exceeds the amount of the award, the additional funds required shall be paid by the Owner of the Unit.

(B) Distribution of Surplus. The balance of the award, if any, shall be distributed to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagees.

(C) Adjustment of Shares in Common Elements. If the floor area of a Unit is reduced by the taking, the percentage representing the share in the Common Elements appurtenant to the Unit shall be

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recalculated by taking the new square footage of the Unit divided by the total square footage of all Units.

17.6 Unit Made Not Habitable. If the condemnation is of an entire Unit or reduces the size of a Unit so that it cannot be made habitable, the award for the taking of the Unit shall be used for the following purposes in the order stated, and the following changes shall be effected in the Condominium:

(A) Payment of Award. The fair market value of the Unit immediately prior to the taking shall be paid to the Owner of the Unit and to each mortgagee of the Unit, the remittance being made payable jointly to the Owner and mortgagee(s).

(B) Addition to Common Elements. If possible and practical, the remaining portion of the Unit shall become a part of the Common Elements and shall be placed in condition for use by all Unit Owners in a manner approved by the Board of Directors.

(C) Adjustment of Shares in Common Elements. The shares in the Common Elements appurtenant to the Units that continue as part of the Condominium shall be adjusted to distribute the ownership of the Common Elements among the reduced number of Units. This shall be done by restating the shares of the continuing Units in the Common Elements as percentages of the total of the numbers representing the shares of these as they existed prior to the adjustment.

(D) Assessments. If the amount of the award for the taking is not sufficient to pay the fair market value of the condemned Unit to the Unit Owner and to condition the remaining portion of the Unit for use as a part of the Common Elements, the additional funds required for those purposes shall be raised by Special Assessment against Units that will continue as Units after the changes in the Condominium affected by the taking. The Assessments shall be made in proportion to the shares of those Units in the Common Elements after the changes affected by the taking.

(E) Appraisal. If the fair market value of a Unit prior to the taking cannot be determined by agreement between the Unit Owner and the Association within thirty (30) days after notice by either party, the value shall be determined by appraisal in accordance with the following. The Unit Owner, the first mortgagee, if any, and the Association shall each appoint one certified real property appraiser, who shall appraise the Unit and determine the fair market value by computing the arithmetic average of their appraisals of the Unit. A judgment of specific performance upon the fair market value calculated in this way may be entered in any court of competent jurisdiction. Each party shall bear the cost of his own appraiser.

17.7 Taking of Common Elements. Awards for the taking of Common Elements shall be used to make the remaining portion of the Common Elements usable in a manner approved by the Board of Directors. The balance of such awards, if any, shall be distributed to the Unit Owners in the shares in which they own the Common Elements after adjustment of these shares on account of the condemnation, if any, or may be spent or retained in the Association's accounts in the Board's discretion. If a Unit is mortgaged, the remittance shall be paid jointly to the Owner and mortgagee(s) of the Unit.

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17.8 Amendment of Declaration. Any changes in Units and in the Common Elements, in the ownership of the Common Elements, and in the sharing of common expenses that are necessitated by condemnation shall be accomplished by amending this Declaration. Such amendment must be approved only by a majority of all Directors, and the consent of Unit Owners or mortgagees is not required for any such amendment.

18. TERMINATION: The Condominium may be terminated in the following manner in addition to the manner provided in the Condominium Act:

18.1 Destruction. If it is determined in the manner provided in Section 16.3 that the building shall not be re-constructed because of "very substantial" damage, the condominium plan of ownership will be terminated without agreement.

18.2 Agreement. The Condominium may be terminated at any time by a plan of termination approved by at least sixty-seven percent (67%) of the Voting Interests who present (in person or by proxy) and voting at any annual or special meeting at which a quorum has been established, if:

(A) The total estimated cost of reconstruction or repairs necessary to construct the necessary improvements or restore the improvements to their former condition or bring them into compliance with applicable laws or regulations exceeds the combined fair market value of the Units in the Condominium after completion of the construction or repairs; or

(B) It becomes impossible to operate or reconstruct the Condominium to its prior physical configuration because of land use laws or regulations.

18.3 Other Agreement. Except as provided above in Section 18.2, the Condominium may be terminated pursuant to a plan of termination approved by at least eighty (80%) of the Voting Interests if not more than ten percent (10%) of the Voting Interests have rejected the plan of termination by negative vote or by providing written objections thereto. The approval of a plan of termination by the holder of a recorded mortgage lien is not required unless the plan of termination will result in less than the full satisfaction of the mortgage lien affecting the Condominium Parcel. If such mortgagee approval is required and not given, a holder of a recorded mortgage lien who objects to the plan of termination may contest the plan as provided in the Condominium Act. At the time of sale, the lien shall be transferred to the proportionate share of the proceeds assigned to the Condominium Parcel in the plan of termination or as subsequently modified by the court.

18.4 Plan of Termination. The plan of termination must be a written document executed in the same manner as a deed by Owners having the requisite percentage of Voting Interests to approve the plan and by the termination trustee. A copy of the proposed plan of termination shall be given to all Owners, in the same manner as for notice of an annual meeting, at least fourteen (14 days) prior to the meeting at which the plan of termination is to be voted upon or prior to or simultaneously with the

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