

BAHAMA ISLANDS

GRAND BAHAMA

Dated: 31st of December, 1968.

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DECLARATION OF CONDOMINIUM

BY

CORAL BEACH LIMITED

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Coral Beach Apartment Hotel,  
Freeport, Grand Bahama.

CORAL BEACH APARTMENT HOTEL

DECLARATION OF CONDOMINIUM

THIS DECLARATION is made the 31st day of December, A.D., 1968 whereby CORAL BEACH LIMITED, a company incorporated under the laws of the Bahama Island and having its registered office in the City of Freeport in the Island of Grand Bahama, one of the said Bahama Islands, (hereinafter called "the Declarant").

DOTH DECLARE: -

1. That the property more particularly described in clause 3 hereof (which together with the buildings to be erected thereon is hereinafter called "the said property") shall from the date of lodgment of this Declaration for record in the Registry of Records of the Bahama Islands be a condominium property in accordance with the law of Property and Conveyancing (Condominium) Act, 1965 (hereinafter called "the Act") under the style or name of Coral Beach Apartment Hotel to which the provisions of the Act shall apply and which shall be subject to the terms and conditions hereinafter set forth.
2. That the Declarant is the legal and equitable owner in fee simple in possession of the said property free from encumbrances and intends by virtue of this Declaration to subject the same to the provisions of the Act.
3. That the said property to be henceforth known as "Coral Beach Apartment Hotel" consists of All those pieces, parcels or lots of land being Lots Number Thirty-one (31) Coral Road and Thirty-two (32) Sea Fan Lane in Lucayan Beach West Subdivision situate on the Southern Coast of the Island of Grand Bahama.
4. That the Declarant proposes to construct on the said property a seven storey building comprising eighty-two (82) apartment units, a seven storey building comprising one hundred and one (101) apartment units, a seven storey building comprising seventy-six (76) apartment units, a three storey building comprising twelve (12) apartment units and a seven storey building comprising sixty-seven (67) apartment units (hereinafter called "the Buildings") and that the Buildings are to be constructed principally of reinforced concrete and concrete blocks with an exterior stucco finish and the roofs of the Buildings are to be primarily constructed of five ply tar and gravel built up on a concrete base.
5. That the proposed drawings, plans and elevations of the Buildings (hereinafter called "the said plans") showing the layout, location, designation and approximate dimensions of each apartment unit are annexed hereto (annexure "A").
6. That a Certificate by Harold J. Goldman, A.I.A., that the said plans are accurate copies of the drawings and plans of the Buildings which have been approved by the Ministry of Works of the Government of the Bahama Islands is annexed hereto (annexure "B").

7. That upon completion of each Building the Declarant will, pursuant to section 5(2) of The Act lodge for record in the Registry of Records a further Certificate by the said Harold J. Goldman that the said plans accurately depict such Building as erected and completed.

8. That the apartment units comprising the Buildings shall be numbered from 1101 to 4613 as indicated on the said plans and each such apartment unit shall have the number assigned to it on the said plans; that each apartment unit shall have the location shape, approximate floor area, dimensions and boundaries shown on the said plans; that each apartment unit shall have the balconies, terraces, patios, garages, and other structures or areas assigned to it on the said plans that (in order to remove any doubt) the boundary of any such apartment unit which is shown on the said plans as being a floor, wall, ceiling, door or window shall be

- (a) in the case of a door or window, the exterior surface thereof;
- (b) in the case of a wall, a line drawn vertically through such wall midway between its external and internal surface;
- (c) in the case of a floor or ceiling, a line drawn horizontally through such floor or ceiling midway between its external and internal surface notwithstanding that in the case of a ceiling its external surface may constitute the floor of another apartment unit or in the case of a floor that its external surface may constitute the ceiling of another apartment unit. PROVIDED that the Declarant may combine any two studio apartments to form a one-bedroom apartment, any one-bedroom apartment unit with an adjacent studio apartment unit to form a two-bedroom apartment unit and any one-bedroom apartment unit with two adjacent studio apartment units to form a three-bedroom apartment unit.

9. That an apartment unit (herein sometimes referred to as a "Unit") comprising part of the Buildings and the extent of which has been ascertained by reference to the said plans and Clause 8 hereof, shall from the effective date hereof constitute an estate in real property which, subject to the Act, can be dealt with in exactly the same way as land subject to the easements, restrictions and conditions herein contained.

The owner in fee simple for the time being of any apartment unit as herein referred to as a "Unit Owner" which expression shall include persons owning the Unit as joint tenants or tenants in common.

10. That the original purchase of each apartment unit shall be made free of any mortgage or charge which may then exist on the said property and if any purchase is not so made it shall, by virtue of Section 6 (2) of the Act be void and of no effect.

11. That no right to dower shall accrue from the ownership in fee simple of any apartment unit or any share in the common property appertaining thereto.

12. That those portions of the said property which do not fall within the boundaries of an apartment unit shall be common property and are hereinafter referred to as such, and the following provisions shall apply thereto: -

- (a) The common property shall be vested in the various owners for the time being of all the apartment units as tenants in common in undivided shares in the proportions set out in the First Schedule hereto.
- (b) The common property shall (subject to Clause 16 hereof) be held for the joint use and enjoyment of all the owners of apartment units for the time being and their interests herein may only be dealt with or disposed of in accordance with section 22 of the Act.
- (c) No undivided share in the common property may be disposed of in any way except as appurtenant to the apartment unit to which it relates and any assurance mortgage charge or other disposition of an apartment unit shall operate also to assure mortgage charge or otherwise dispose of its appurtenant undivided share in the common property without express reference thereto.
- (d) The undivided shares into which the common property is divided shall not be varied without the unanimous consent of all the apartment unit holders affected which shall be given in a manner satisfactory to the directors of the Management Company (as to which see Clause 17 hereof).

13. That the undivided share of any Unit Owner in the common property is herein referred to as his "unit entitlement" and is calculated by taking the approximate proportion that the estimated value of the unit at the date hereof bears to the present estimated value of all the units taken together.

14. That in addition to the easements and rights for support, shelter and the provision of services made appurtenant to other Units and to the common property by the Act, each apartment unit shall from the effective date hereof be subject to the conditions and restrictions set out in the Second Schedule hereto. That all the easements, rights, objections, conditions and restrictions contained or referred to in this Declaration or in the Articles of Association or Bylaws of the Management Company or in any Deed relating to the Unit and to which the Unit is made subject shall run with and bind the Unit and be enforceable against the owner thereof for the time being by the Management Company and all other Unit Owners.

15. That Unit Owners for the time being shall be entitled to the benefit of the easements for support, shelter and for provision of services referred to in the Act.

16. The car parking areas indicated on the said plans shall form part of the common property Provided that the Declarant may at its discretion designate any of the covered car parking spaces coloured blue on the said plans for the exclusive use of any particular Unit Owner.

17. That to enable the Unit Owners for the time being to manage and operate the condominium as an efficient whole and for other purposes as specified in the Memorandum thereof a company has been incorporated under The Companies Act under the name Coral Beach Management Company Limited (herein referred to as the "Management Company") and a copy of its Memorandum and Articles of Association is annexed hereto (annexure "C").

18. That each Unit Owner shall by virtue of his ownership of an apartment unit be entitled as of right to be a member of the Management Company and to hold the number of Class "A" shares therein set out opposite the number of his apartment unit in the First Schedule hereto, which shares shall not be transferrable except together with the apartment unit to which they are appurtenant; and that each Unit Owner for whose exclusive use a covered parking space has been designated pursuant to Clause 16 hereof shall also be entitled to hold the number of Class "B" shares in the Management Company specified in the First Schedule hereto.

19. That the Management Company shall have the following powers together with those conferred upon it by the Act: -

- (a) To enforce the conditions and restrictions set out in the Second Schedule hereto in the event of any breach thereof by any Unit Owner.
- (b) To enforce compliance by all Unit Owners with the Bylaws for the operation of the said Property and Buildings referred to in the Third Schedule hereto (as amended from time to time by Special Resolution passed by its Members in General Meetings).
- (c) To establish funds for the operation and maintenance of the said Property and Buildings.
- (d) To make demand upon and recover from each Unit Owner his contribution in respect of common expenses ascertained in accordance with Clause 22 hereof and to enforce any charge in respect of unpaid contributions.
- (e) To recover from any Unit Owner any sum of money expended by the Management Company for repairs or work done by it or at its direction in complying with any Notice or Order issued by a competent public authority in respect of any part of the said Property and Buildings comprising the Unit of any Unit Owner.
- (f) To operate the said Buildings and Property as a hotel either in accordance with an Agreement dated the Tenth day of February, 1968, and made between The Management Company and a company known as Coral Beach Service Company Limited or (subject thereto) otherwise.

20. That in addition to the duties imposed on it by the Act, the Management Company shall (but without limiting its responsibility in any way) be responsible for:

- (a) Maintaining and repairing the common property including the structure of the Buildings and all conduits, ducts, pipes, cables, drains, plumbing, wiring, and other service facilities located in the Buildings or said property or serving the same and for this purpose its servants, agents or contractors shall have the right to enter any apartment unit provided (save in an emergency) such entry shall be made only at reasonable times and upon reasonable notice and any damage caused to an apartment unit by virtue of such maintenance and repair shall be remedied by the Management Company at its own expense.
- (b) Subject to Sections 24 and 25 of the Act, insuring the Buildings and the said property and the appurtenances thereto to the full replacement value from time to time thereof against fire, hurricane, sea wave, and Public Liability and against such other risks as are standard in respect of buildings similar in construction, size and use or as may be prescribed by a Special Resolution of the members of the Management Company without prejudice to the right of any Unit Owner to insure his own apartment unit or the contents thereof for such risks as he shall think fit.
- (c) Producing on demand to any Unit Owner the Policy of Insurance and the receipt for any premium payable in respect thereof.
- (d) Ensuring that the Common Property is kept in a clean and tidy condition and that any lawns comprising part thereof shall be regularly cut, flowerbeds weeded and trees and bushes tended.
- (e) Such other duties as may from time to time be prescribed by the members of the Management Company in General Meeting.
- (f) Maintaining detailed and accurate accounts and receipts in chronological order of the receipts and expenditures arising from its operation of the said property and Buildings, such accounts and records and any vouchers authorizing any payments shall be available for inspection by any Unit Owner at all reasonable times and accounts duly audited by a qualified auditor shall be rendered to all Unit Owners at least once in every year.

21. That all expenses incurred by the Management Company in connection with the discharge of the duties referred to in Clause 20 hereof and any administrative or operational costs incurred by the Management Company are hereinafter referred to as "common expenses" which shall include the cost of complying with any Notice or Order issued by a competent public authority and any rates, charges, taxes or assessments on the said property and Buildings as a whole and the Management Company shall be entitled to recover such common expenses

from the Unit Owners for the time being by contributions to be made by each Unit Owner at whatever intervals the Directors of the Management Company may think fit and the amount of which is to be calculated in accordance with Clause 22 hereof Provided however that: -

- (a) The Management Company if authorized by its members in General Meeting may from time to time agree that expenditure for any other purposes may be considered common expenses and any expenses declared to be common expenses by the provisions of the Act or by the Declaration or the Bylaws may be charged as common expenses and recovered from the Unit Owners.
- (b) The expression "common expenses" shall not include the cost of repairs and maintenance work carried out by the Management Company to: -
  - (i) any apartment unit or covered parking space at the request of the owner or exclusive licensee thereof in question;
  - (ii) any conduit, duct, pipe, cable, drain, wire or plumbing or sanitary apparatus situate within any apartment unit which was installed only for the benefit and use of the occupiers for the time being of that apartment unit and no other;
  - (iii) any portion of the common property or any conduit, duct, pipe, cable, drain, wire or plumbing or sanitary apparatus situate within any Building damaged due to the act, neglect or carelessness of any Unit Owner or his guests, employees, agents or lessees, and all such moneys so expended shall be recoverable from the Owner of the relevant apartment unit.

22. Each Unit Owner shall be obliged to pay to the Management Company a contribution in respect of common expenses which shall be in proportion to his unit entitlement (subject to the provisions of an Agreement dated the 9th day of February, 1968, and made between the Management Company and Coral Beach Service Company Limited for maintaining the said property for a period of twenty-five years from the date of completion of the first Building) together with any repair or maintenance expenses incurred by the Management Company in respect of any covered parking space designated for the exclusive use of the Unit Owner in question and such contributions shall be payable within seven days after service of a notice requesting payment thereof; any unpaid contributions together with interest if prescribed by the Bylaws shall subject to the provisions of the Act constitute a charge upon the appropriate apartment unit enforceable as a mortgage under seal and ranking prior to all other encumbrances except any charge under Section 12 (1) of the Real Property Tax Act.

23. That each Unit Owner shall: -

- (a) during the occupancy of his Unit observe the conditions and restrictions set out in the Second Schedule hereto and do nothing to obstruct or interfere with the

conditions, restrictions and easements in favour of other units set out in the Act or in this Declaration.

- (b) in his use and enjoyment of his Unit and the common property observe the Bylaws referred to in the Third Schedule hereto (and as amended from time to time by the Management Company).
- (c) punctually pay all contributions demanded of him by the Management Company in respect of common expenses in accordance with Clause 22 hereof.

24. The Management Company shall at all time maintain a register containing the names of the owners of all the apartment units, together with an address for service which, unless the Unit Owner shall reside permanently in one of the Buildings shall be one which is not within the Buildings and in the event of a sale or transfer of any Unit, the purchaser or transferee shall notify the Management Company in writing of his interest in such Unit together with such recording information as shall enable the instrument by which such purchaser or transferee has acquired his interest to be identified in the Registry of Records.

25. That any person to whom an apartment unit may be conveyed by way of legal mortgage or any person to whom the same may be charged by way of equitable mortgage or charge (hereinafter called "the mortgagee") shall, subject to the recording of such mortgage in the said Registry and the service of written notice thereof upon the Management Company and, where there is more than one such legal mortgage or equitable charge or mortgage, subject to its being first in priority, have the right to exercise the power of voting conferred upon the Unit Owner by virtue of his shares in the Management Company and such powers of voting shall not be exercised by the Unit Owner unless such mortgagee has by notice in writing to the Management Company waived the right conferred upon him by this subclause. Such mortgagee may at any time by further notice in writing to the Management Company revoke such waiver of his right in this subclause.

26. That service on Unit Owners shall be by prepaid registered post to the address for service shown in the Register maintained under the provisions of Clause 24 hereof and when such address is outside the Bahama Islands the notice shall be sent by prepaid registered airmail; service on the Management Company shall be made in accordance with Section 28 of the Act.

27. That this Declaration can be amended from time to time by a Special Resolution of the Management Company subject to the same being lodged in the Registry of Records within 14 days from the date thereof, that the Management Company shall, immediately after the passing of such a Resolution notify all Unit Owners thereof.

28. That the Management Company shall at its Registered Office keep copies of this Declaration (including the Bylaws) and all amendments thereto and such copies shall be available for inspection at reasonable hours by any Unit Owner (including any mortgagee) or other interested party or by any person duly authorized in writing by any of them.



29. That from the effective date of this Declaration each apartment unit whether erected or to be erected together with its unit entitlement and Class "A" shares in the Management Company appurtenant thereto shall, until sale, be vested in the Declarant subject to the provisions of the Act and of this Declaration.

30. That the said property and Buildings may only be removed from the provisions of the Act pursuant to Section 30 thereof.

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NOTE: "The First Schedule Hereinbefore Referred To", which was a part of the original Declaration of Condominium, has been revised and replaced by the "Amendment to Declaration of Condominium", dated February 10th, 1978, recorded in Volume 3063, pages 344 to 393.

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THE SECOND SCHEDULE HEREINBEFORE REFERRED TO

(1) No apartment unit may be divided or subdivided into a smaller unit or units.

(2) No trade, manufacture, business or commercial undertaking (save that of a hotel, and providing accommodation and amenities for hotel or other guests, and that of rental and residential apartments) nor any professional undertaking shall be carried on in any apartment unit.

(3) No incinerator shall be permitted in or about any apartment unit or its appurtenances nor shall garbage or other waste be kept in anything other than sanitary containers.

(4) No signs, billboards or other advertising devices of any kind shall be erected or displayed in or about any unit apartment or its appurtenances.

(5) No immoral, improper, offensive or unlawful use shall be made of any apartment unit or its appurtenances.

(6) No unit owner shall permit or suffer to be done or keep in his unit or its appurtenances anything which will increase the rate of insurance on the said property and Buildings or which will obstruct or interfere with the rights of other occupants of the Buildings or cause annoyance to them by noise or smell.

(7) No structural modifications or alterations shall be made to apartment units.

(8) In order to preserve the appearance of the Buildings and the said property, no unit owner shall make any modifications or alterations thereto (including the exterior of the Buildings and the exterior of the doors and windows of his own unit) either by way of painting, decoration, the installation of wiring, or antenna, or air conditioning machines, or otherwise.

(9) No unit owner shall allow his apartment unit to fall into a state of disrepair.

THE THIRD SCHEDULE HEREINBEFORE REFERRED TO

BYLAWS

(1) The Bylaws set out in the Schedule to the Act shall not apply to Coral Beach Apartment Hotel and the Bylaws shall consist of the Articles of Association of the Management Company to the extent that they relate to the operation of the said property and any Bylaws which the Management Company shall from time to time make.

(2) The powers of the Management Company and the relationship of its members inter se shall be governed by the Memorandum and Articles of Association of the Management Company filed in accordance with the Companies Act.

(3) All meetings of Unit Owners whether in their capacity as Unit Owners or as members of the Management Company shall be governed by the provisions of the Articles of Association of the Management Company.

IN WITNESS WHEREOF, the Declarant has caused its Common Seal to be hereunto affixed the day and year first hereinbefore written.

Albert Agran  
President

The Common Seal of CORAL BEACH LIMITED was hereunto affixed in the presence of:

Marshall F. Goldman  
Secretary

Recorded:

Volume 1363  
Pages 22-170