

ARTICLES OF INCORPORATION GOVERNOR'S OFFICE  
ADMINISTRATION

OF

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CORMORANT COVE CONDOMINIUM ASSOCIATION, INC.

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The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not-for-profit pursuant to the Nonprofit Corporation Code of the Virgin Islands Title 13 491-501 (the "Act"), and certify as follows:

Article 1. Name. The name of the Corporation shall be **Cormorant Cove Condominium Association, Inc.** For convenience, the Corporation shall be referred to in this instrument as the "Association."

Articles 2. Purposes

A. The purposes for which the Association is organized are:

(1) to be and constitute the Association to which reference is made in the Declaration of Condominium for Cormorant Cove Condominium Association, Inc., recorded in the public records of St. Croix, U.S. Virgin Islands, as amended from time to time (the "Declaration"), to perform all obligations and duties of the Association, as specified therein, in the Bylaws, and as provided by law; and to provide the development known as Cormorant Cove Condominium Association, Inc. Condominium.

B. The Association shall make no distributions of income to its members, directors or officers.

Articles 3. Definitions. All terms used herein which are not defined shall have the same meaning provided in the Declaration.

Articles 4. Powers. The powers of the Association shall include and be governed by the following provisions:

A. The Association shall have all of the common law and statutory powers of a corporation not-for-profit which are not in conflict with the terms of these Articles, the Declaration, and the Bylaws of this Association.

B. The Association shall have all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in these Articles, the Bylaws, or the Declaration, including, without limitation, the power:

(i) to fix and to collect assessments and other charges to be levied against the Units;

(ii) to manage, control, operate, maintain, repair, and improve property subject to the Declaration or any other property for which the Association by rule, regulation, Declaration, or

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contract has a right or duty to provide such services;

(iii) to enforce covenants, conditions, or restrictions affecting any property to the extent the Association may be authorized to do so under the Declaration or Bylaws;

(iv) to engage in activities which will actively foster, promote, and advance the common interests of all owners of Units;

(v) to buy or otherwise acquire, sell, or otherwise dispose of, mortgage, or otherwise encumber, exchange, lease, hold, use, operate, and otherwise deal in and with real, personal, mixed property of all kinds and any right or interest therein for any purpose of the Association;

(vi) to borrow money for any purpose, subject to any limitations contained in the Bylaws;

(vii) to enter into, make, perform, or enforce contracts of every kind and description, and to do all other acts necessary, appropriate, or advisable in carrying out any purpose of the Association, with or in association with any other association, corporation, or other entity or agency, public or private;

(viii) to act as agent, trustee, or other representative of other corporations, firms, or individuals, and as such to advance the business or ownership interests in such corporation, firms, or individuals;

(ix) to adopt, alter, and amend or repeal such Bylaws as may be necessary or desirable for the proper management of the Association; provided, however, such Bylaws may not be inconsistent with or contrary to any provisions of the Declaration; and

(x) to provide any and all supplemental municipal services as may be necessary or proper.

(xi) The foregoing enumeration of powers shall not limit or restrict in any manner the exercise of other and further rights and powers which may now or hereafter be allowed or permitted by law; and the powers specified in each of the paragraphs of this Article 4 are independent powers, not to be restricted by reference to or inference from the terms of any other paragraphs or provision of Article 4.

Article 5. Indebtedness. The highest amount of indebtedness to which the corporation shall at any time be subject is \$500,000

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provided, however, that said limit may be increased from time to time by the majority vote of the total membership.

**Article 6. Members.**

A. The Association shall be a membership corporation without certificates or shares of stock.

B. The owner of each Unit subject to the Declaration shall be a member of the Association and shall be entitled to vote in accordance with the formula set forth in the Declaration, except there shall be no vote for any Unit owned by the Association. The manner of exercising voting rights shall be as set forth in the Declaration and in the Bylaws of the Association.

C. Change of membership in the Association shall be established by recording in the public records of St. Croix, U.S. Virgin Islands, a deed or other instrument establishing record title to a Unit subject to the Declaration. Written notice shall be given to the Association of such change in title. Upon such recordation, the owner designated by such instrument shall become a member of the Association and the membership of the prior owner shall be terminated.

D. The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner, except as an appurtenance of his Unit.

**Article 7. Term.** The Association shall be of perpetual duration.

**Article 8. Directors.**

A. The affairs of the Association shall be conducted, managed, and controlled by a Board of Directors. The initial Board of Directors shall consist of three (3) directors.

B. The names and addresses of the initial Board of Directors, who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

**JERRY C. TOBIN - President**  
75 Essex Street  
Hackensack, New Jersey 07601

**LAWRENCE BATHON - Vice President**  
108 LaGrande Princess  
Christiansted, St. Croix 00820

**ARTICLES OF INCORPORATION OF  
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**JOHN B. LANDERS - Secretary/Treasurer**  
185 Linden Street  
Hackensack, New Jersey 07601

C. The method of election and term of office, removal, and filling of vacancies shall be as set forth in the Bylaws.

D. The Board may designate its operating authority to such companies, individuals, and committees as it, in its discretion, may determine.

**Article 9. Officers.** The affairs of the Association shall be administered by the officers designated by the Bylaws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the Association, and they shall serve at the pleasure of the Board of Directors, as provided in the Bylaws. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

**JERRY C. TOBIN - President**  
75 Essex Street  
Hackensack, New Jersey 07601

**LAWRENCE BATHON - Vice President**  
108 LaGrande Princess  
Christiansted, St. Croix 00820

**JOHN B. LANDERS - Secretary/Treasurer**  
185 Linden Street  
Hackensack, New Jersey 07601

**WINSTON A. HODGE - Assistant Secretary**  
Sunny Isle Professional Building  
Suites 5 & 6  
Sunny Isle, St. Croix 00820

**Article 10. Bylaws.** The Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended, or rescinded in the manner provided by the Bylaws.

**Article 11. Amendments.** These Articles of Incorporation may be amended from time to time by a vote of two-thirds (2/3) of the members comprising the corporation, given at a meeting, or by written consent of all members without a meeting, or by the initial Board of Directors prior to December 1, 1988. In said event, the amended articles shall be executed and acknowledged by the

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amended articles shall be executed and acknowledged by the President or Vice President of the Corporation and shall be filed and indexed in the same place and manner as the original articles.

Article 12. Incorporators. The names and addresses of the incorporators to these Articles of Incorporation are as follows:

<u>Jerry C. Tobin</u>	<u>49 Est. Green Cay, C'sted</u>
<u>Lawrence Bathon</u>	<u>4127 LaGrande Princess</u>
<u>John Landers</u>	<u>French Co. Bldg #203, C'sted</u>
	<u>185 Linden Street</u>
	<u>Hackensack, New Jersey 07601</u>

Article 13. Registered Agent and Office. The initial registered office of the Corporation is Sunny Isle Professional Building, Suites 5 & 6, St. Croix, U.S. Virgin Islands, and the initial registered agent at such address is Winston A. Hodge.

IN WITNESS WHEREOF, the incorporators have hereunto affixed their signatures this 1<sup>st</sup> day of August, 1991.

**ACKNOWLEDGMENT**

STATE OF NEW JERSEY )  
COUNTY OF BERGEN ) SS:

I HEREBY CERTIFY that on the 1<sup>st</sup> day of August, 1991 personally came before me and acknowledged under oath, to my satisfaction, that they:

- (a) are named in and personally signed this document, and
- (b) signed, sealed and delivered this documents as their act and deed.

Elaine M. Postma  
Notary Public

**ELAINE M. POSTMA**  
A Notary Public of New Jersey  
My Commission Expires 3/27/94

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June 29, 1989 DECLARATION OF CONDOMINIUM

No. 4413/89

DECLARATION OF CONDOMINIUM (the "Declaration"), made this 29th day of June, 1989, by CORMORANT BEACH PARTNERS, L.P., a Limited Partnership, with offices at 108 La Grande Princesse, St. Croix, U.S. Virgin Islands and CORMORANT, LTD., A Virgin Islands corporation, with offices at 108 LaGrande Pricesse, St Croix, U.S. Virgin Islands (both collectively called "Declarant").

WITNESSETH

WHEREAS, Declarant is the owner of certain property more particularly described in Exhibit "A", attached hereto and by this reference incorporated herein (the "Property");

WHEREAS, Declarant desires to create a "horizontal property regime" (as that term is defined in Title 28, Section 902, of the Virgin Islands Code Annotated,, hereinafter, the "Act") to ensure the continued attractiveness of the Property, to prevent nuisances upon the Property, and to preserve, protect and enhance the value of the Property, and, to this end, desires to subject said Property, together with the buildings and improvements erected thereon, and all rights, ways, waters, privileges, appurtenances and advantages thereunto belonging, or in anywise appertaining to the covenants, easements, conditions and restrictions, liens and charges hereinafter set forth, each of which are for the benefit of the Property and any subsequent owners of all or any portion thereof;

Declarant hereby declares that all of the Property described in Exhibit "A" and any additional property as is hereafter subjected to this Declaration by Susequent Amendment (as that term is hereinafter defined) shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value, desirability and viability of and which shall run with the real property subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the described Properties or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

## ARTICLE I

### DEFINITIONS

As used in this Declaration, and the Bylaws annexed hereto, except to the extent otherwise expressly provided, or otherwise resulting from necessary implication, the following terms shall have the meanings herein ascribed thereto. The terms herein defined are:

Section 1. "Act" means the Condominium Act of the Virgin Islands, Title 28, Chapter 33, Section 901, et seq., of the Virgin Islands Code Annotated, as heretofore and hereafter amended.

Section 2. "Annual Assessment" shall mean and refer to assessments levied to fund expenses for the benefit of all members of the Association.

Section 3. "Association of Unit Owners" or "Association" shall mean and refer to all of the Unit Owners acting as a group in accordance with the Bylaws and this Declaration.

Section 4. "Board of Directors" shall mean and refer to the Board of Directors of the Association, which Board of Directors shall be elected pursuant to the terms and conditions stated in the Bylaws of the Association.

Section 5. "Building" means a building or group of buildings having a total of 84 Units, and comprising a part of the Property. A description of any and all buildings currently or to be located on the Property, including the number of stories and basements contained therein, the number of units to be located therein and a description of the principal materials of which said buildings are, or are to be constructed, are attached hereto as Exhibit "B" and incorporated by reference herein.

Section 6. "Bylaws" shall mean and refer to the Bylaws of the Association attached hereto as Exhibit "C" and incorporated by reference herein, as amended from time to time pursuant to their terms.

Section 7. "Class B Control Period" shall mean and refer to the period of time during which the Class "B" member is

entitled to appoint a majority of the members of the Board of Directors, as provided in Article III, Section 2, of the Bylaws.

Section 8. A. "Common Areas and Facilities" shall mean and include all the property except the units. Said common areas and facilities include particularly, but not by way of limitation, the following: (i) the land, and all yards, lawns, gardens, plantings, walkways and parking and driveway areas thereon or appurtenant thereto; (ii) all foundations, cisterns, pilings, columns, girders, beams, planks, slabs, roofs, partitions, supports and other structural elements or improvements of the buildings, including all exterior walls and/or improvements of the buildings, and partition walls, all bearing walls and columns located within a unit, all windows, doors and doorways furnishing access between a unit and the common elements, including the casing, seals, glass and screens of such windows and doors, and the concrete slab floor under the loft level, if any, of each unit; (iii) walkways, communication ways, stairs, stairways, elevators, and all entrances and exits to and from the building; (iv) all central and appurtenant installations for utilities and services including power, light, electricity, telephone, water, sewage, ventilation and plumbing, together with all pipes, lines, ducts, wires, cables, conduits, fixtures, facilities, equipment and installations used in connection with the foregoing including those located within a condominium unit for the service of two or more units or for the service of a unit other than the one in which located; (v) all tanks, pumps, generators, motors, fans, controls, devices, installations, machinery, equipment, apparatus, and facilities required or deemed advisable for use in operation of the condominium project or for the care and maintenance of the land or building; (vi) the gallery or galleries serving each unit; (vii) all swimming pools, cabanas, tennis courts and other common recreational facilities, if any; and (viii) all other parts of the property necessary or convenient to the maintenance, care, safety and operation of the condominium project or to the use of the property by the unit owners in common. No reference in the plat to common areas and facilities limits or defines common areas and facilities for purposes of this document. Each unit owner shall own the undivided percentage interest in the common elements as is shown on Exhibit "D" attached hereto.

B. The term "general common areas and facilities" means and includes all of the common areas and facilities except the limited common areas and facilities.

C. The term "limited common areas and facilities" means and includes only those common areas and facilities, such as (i) the windows, doors and doorways furnishing access between each unit and the common areas and facilities; (ii) the gallery or galleries serving each unit, and (iii) certain water lines and electrical wires that exist for the exclusive use of each unit which are identified herein as reserved for the exclusive use of one or more, but less than all, of the unit owners.

Section 9. "Common Expenses" means and includes:

A. All sums lawfully assessed against the unit owners by the Association of Unit Owners;

B. Expenses of administration, maintenance, repair or replacement of the common areas and facilities;

C. Expenses agreed upon as common expenses by the Association of Unit Owners;

D. Expenses declared common expenses by provisions of the Act, or by this Declaration or the Bylaws.

Section 10. "Declaration" means this instrument, as from time to time may be lawfully amended, by which the Property is submitted to the provisions of the Act.

Section 11. "Declarant" shall mean and refer to Cormorant Beach Partners, L.P., a limited partnership, and Cormorant Ltd., a Virgin Islands corporation, jointly, and any successor, successor-in-title, transferee or assignee of Declarant with respect to Declarant's rights hereunder.

Section 12. "Majority" or "majority of unit owners" means the unit owners with 51% or more of the votes in accordance with percentages assigned in this Declaration to the apartment for voting purposes.

Section 13. "Member" shall mean and refer to a person entitled to membership in the Association, as provided herein.

If more than one person, firm, corporation, trustee, or other legal entity or any combination thereof, holds the legal title to any one unit whether in a real property tenancy, partnership relationship, or otherwise, all of same shall be deemed a single unit owner and a single member of the Association by virtue of ownership of such unit.

Section 14. "Owner" shall mean and refer to one or more persons who hold the record title to any unit which is part of the Properties, but excluding in all cases any party holding an interest merely as a security for the performance of an obligation. If a unit is sold under a recorded contract of sale, and the contract specifically so provides, then the purchaser (rather than the fee owner) will be considered the owner. Each owner is an "apartment owner" as the latter is used in the Condominium Act.

Section 15. "Person" means individual, corporation, partnership, association, trustee or other legal entity which may hold legal title to real estate.

Section 16. "Plat" shall mean and refer to the plats of survey of the property, or portions thereof, which shall be recorded in the public records of St. Croix on the day this Declaration is recorded, and any and all additions and amendments thereto so recorded in the public records of St. Croix, or any plats of the Additional Property, or portions thereof, which may later be filed in the public records of St. Croix.

Section 17. "Property" shall mean and refer to that certain real property which is described in Exhibit "A", together with the building, all improvements, fixtures and structures erected thereon, whether leasehold or in fee simple, and all easements, rights, ways, privileges and appurtenances belonging thereto, and all articles of personal property intended for use in connection therewith, which have been or are intended to be submitted to the provisions of the Act.

Section 18. "Special Assessment" shall mean and refer to assessments levied in accordance with Article IV, Section 6, of this Declaration.

Section 19. "Subsequent Amendment" shall mean an amendment to this Declaration which subjects additional property to this

Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the land submitted by that Subsequent Amendment to the provisions of this Declaration.

Section 20. "Unit" means a part of the "Property" (as that term is herein defined) intended for any type of independent use including one or more rooms or enclosed spaces located on one or more floors (or part or parts thereof) in a "Building" (as that term is herein defined) and with a direct exit to a public street or highway or to a common area leading to such street or highway. The term "unit" also means and includes each portion of any subsequent stage that the Declarant may designate as a unit in the Declaration amendment adding such subsequent stage to the condominium.

Section 21. "Unit Owner" means the person (as that term is hereinafter defined) owning, or the persons owning jointly or in common, a unit and the common interest appertaining thereto; provided, that to such extent and for such purposes including the exercise of voting rights, as shall be provided by lease filed with the Board of Directors (as that term is hereinafter defined), a lessee of a unit shall be deemed to be the owner thereof. The number of each unit to be located in any building constructed on the Property, the location of such unit, its approximate area, the number of rooms contained therein and any "Common Areas and Facilities" (as that term is herein defined) to which it has immediate access are as shown on Exhibit "D" attached hereto and incorporated by reference herein.

## ARTICLE II

### PROPERTY RIGHTS

Section 1. Unit Owners' Easements of Enjoyment. Every unit owner shall have a right and easement of enjoyment in and to the Common Areas and Facilities, which shall be appurtenant to and shall pass with the title to every condominium unit, subject to the following provisions:

A. Declarant's reservation of a non-exclusive easement in and to the Common Areas and Facilities for so long as at least one (1) unit remains unsold by Declarant for the construction, installation, maintenance, repair and reinstallation of utilities including, but not limited to,

storm and sanitary sewers, electric, gas, cable television, telephone and water facilities, to serve the Property, the Additional Property, the Buildings and Units;

B. The right of the Association to charge reasonable user and other fees for the use of any facility or improvement situated upon the Common Areas and Facilities;

C. The right of the Association to suspend the voting rights of a unit owner and the right to use of the Common Areas and Facilities by a unit owner for (i) any period during which any assessment against his, her or its unit remains unpaid; (ii) a period not to exceed 60 days for any infraction of the Association's published rules and regulations, the Bylaws or this Declaration; provided, however, that such suspension of right of use of Common Areas and Facilities does not impose any serious health or other hazard to the unit owner in default of his, her or its obligations hereunder or to other unit owners on the Property;

D. The right of the Association to perform its rights and responsibilities hereunder or under the Bylaws;

E. The right of Declarant to have or provide access to its contractors, subcontractors, materialmen, suppliers and employees to the Property in order to complete construction of the condominium buildings and improvements.

Section 2. Delegation of Use. Any unit owner may delegate, in accordance with the Bylaws or the rules and regulations from time to time established by the Board of Directors, or both, his right to the use and enjoyment of the Common Areas and Facilities to his, her or its family, relatives, tenants, guests or invitees.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS FOR THE ASSOCIATION

Section 1. Membership. Every unit owner of a unit shall be a member of the Association. Except as provided in Title 28, Section 901(b), of the Act with respect to lessees of units pursuant to written leases filed with the Board of Directors, membership in the Association shall be appurtenant to and may not be separated from ownership of any unit. The foregoing is

not intended to include persons or entities who hold an interest merely as security for performance of an obligation, and the granting of a security interest in any unit shall not terminate or otherwise impair or impact upon a unit owner's membership.

Section 2. Classes of Voting Membership. The Association shall have two distinct classes of voting membership. Those two classes are as follows:

-- Class "A" Members. Class "A" Members shall be all unit owners with the exception of Declarant, and such Class "A" Members shall be entitled to the number of votes set opposite the unit number on Exhibit "D". When more than one person holds a fee simple interest in any unit, all such persons shall be members. The votes for such unit shall be exercised as those persons determine, but in no event shall the votes of each unit be cast by more than one person nor in any amount less than the number of votes to which each unit is entitled to cast. The unit's vote shall be suspended if more than one person seeks to exercise it. When title to a unit is held by a corporate entity, one person shall be designated to cast the vote for such entity by virtue of a duly executed corporate resolution, submitted by said corporation to, and kept on file with, the Board of Directors.

-- Class "B" Member. The Class "B" Member shall be Declarant, and Declarant shall be entitled to cast the votes to which each such unit owned by Declarant is entitled as provided in Exhibit "D". In addition, the Class "B" Member shall be entitled to appoint the Board of Directors, until the Class "B" membership ceases. The Class "B" membership shall cease, and shall be automatically converted to Class "A" membership, on the earliest of any of the following events to occur:

A. When 80% or more of the total votes of the Association are held by unit owners other than Declarant, or when an amount less than 80% is so held, if such lesser amount is set forth in a written declaration by Declarant and recorded in the real estate records of St. Croix; and

B. On the second anniversary date of the recording of the Declaration.

## ARTICLE IV

### COVENANT FOR MAINTENANCE: ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each unit owned by a Class "A" Member of the Association, hereby covenants and each unit owner of any unit by acceptance of a deed therefor and by becoming a Class "A" Member of the Association whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (a) annual assessments or charges for the Common Expenses, or otherwise, and (b) special assessments, such assessments to be established and collected as hereinafter provided, for the Association. Declarant, so long as Declarant is the Class "B" Member of the Association, shall, at its option, to be exercised on an annual basis, either (a) pay assessments with respect to any unit owned by Declarant as if Declarant was a Class "A" Member of the Association, or (b) pay any deficit of the Association for such calendar year; provided, however, in no event and under no circumstances shall Declarant have the responsibility or obligation to pay both assessments and deficits as aforesaid. The annual and special assessments, together with interest, costs and reasonable attorneys' fees for collection thereof, shall be a charge on each unit owned by a Class "A" Member of the Association and shall be a continuing lien upon each such unit against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees for collection thereof, shall also be the personal obligation of the unit owner of such unit at the time when the assessment became due and payable. The personal obligation for delinquent assessments shall not pass to the successor-in-title to any unit unless such obligation is expressly assumed in writing by such successor-in-title; provided, however, that the assessment shall remain a lien against the unit after any such conveyance, except as otherwise expressly provided herein.

Section 2. Share of Assessment. Each Class "A" Member of the Association shall pay its share of any assessment (annual or special) required hereunder. The assessment for any applicable unit shall be the percentage of undivided interest in the Common Areas and Facilities appertaining to such unit, which percentage shall be calculated in accordance with Title 28, Section 905 and 909, of the Act. The initial value of the Property and of each unit, together with the initial undivided

percentage interest in the Common Areas and Facilities appertaining to each unit, and the unit vote of each unit for all purposes (including voting in accordance with the terms hereof) are as shown on Exhibit "D" attached hereto and incorporated by reference herein. The percentage of undivided interest of each unit owner in the Common Areas and Facilities as shown on Exhibit "D" attached hereto shall not be modified or altered without the unanimous consent of the unit owners as evidenced by an amendment to this Declaration duly recorded in the official records of St. Croix.

Section 3. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, viability and welfare of the unit owners, for the improvement, repair, replacement and maintenance of the Common Areas and Facilities, the costs to the Association for maintaining any signs identifying or indicating the location of the subdivision, or for any other purposes as the Board of Directors deems necessary or desirable.

Section 4. Maintenance and Repair. The Association shall maintain and keep in good repair the exteriors of all units and the Common Areas and Facilities, which responsibility shall be deemed to include, but is not limited to: (a) the maintenance and repair of such utility lines, pipes, wires, conduits and systems which are a part of the Common Areas and Facilities or which service any common amenities located therein including, by way of illustration but not limitation (and without implication that any of the foregoing exist or that Declarant has the obligation to construct any of the foregoing), swimming pool, tennis court or clubhouse located thereon; (b) the maintenance, repair and replacement, subject to the insurance and casualty loss provisions contained herein, at the Association's sole cost and expense, of all trees, fences, shrubs, grass, streets, parking spaces, walks and other improvements situated upon the Common Areas and Facilities. The cost of such repair and maintenance shall be part of the annual assessment as levied herein. Declarant hereby reserves for itself, its designees, transferees and assigns, and for the Board of Directors of the Association, an easement upon any portion of the Property to maintain the Common Areas and Facilities as herein described. The Association shall, at all times during the term hereof, as such term may be extended from time to time, have the right (to be exercised by the manager of the Property or the Board of Directors), to have access, during

reasonable hours, to each unit as may be necessary for the maintenance, repair or replacement of any of the Common Areas and Facilities therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Areas and Facilities or to another unit.

Section 5. Annual Assessment Increases.

A. The Board of Directors shall establish the initial annual assessment for the Association. Such initial annual assessment shall be at a level and amount as the Board of Directors deems necessary and proper for the purposes of the Association.

B. From and after January 1 of the calendar year, immediately following the calendar year during which the Board of Directors established the first assessment, the maximum annual assessment will be determined each year as the Board of Directors, in its reasonable discretion and judgment, may decide. Such assessment shall be deemed automatically approved by the Association unless it is rejected at the annual meeting by a majority of the votes held by all members of the Association at the time such vote is taken. If the Association disapproves the proposed budget for any reason, then the budget for the preceding year shall continue in effect with the Board of Directors having the right to increase assessments for expenditures which it deems necessary.

Section 6. Special Assessments. In addition to the annual assessments authorized above, the Board of Directors may levy, at any time and from time to time, a special assessment; provided that any such special assessment levied by the Board of Directors shall have the approval of a majority of the votes of each class of members of the Association who are voting in person or by proxy at a meeting duly called for this purpose.

Section 7. Notice and Quorum for Any Action Authorized Under Section 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 5 of this Article IV shall be sent to all members not less than 30 days nor more than 45 days in advance of the meeting. A quorum for any meeting shall be as set forth in the Bylaws.

Section 8. Notice and Quorum for Any Action Authorized Under Section 6. Written notice of any meeting called for the

purpose of levying a special assessment shall be sent to all members not less than ten and not more than 30 days in advance of such meeting. A quorum for such meeting shall be as set forth in the Bylaws.

Section 9. Uniform Rate of Assessment; Monthly Payments. Both annual and special assessments must be fixed at a uniform rate for all units owned by Class "A" Members of the Association and if so designated and collected, in advance or arrears, on an annual or such more frequent basis as may be determined by the Board of Directors

Section 10. Assessment Year. The annual assessment of the Association shall be based on Common Expenses and other expenses incurred by the Association between January 1 and December 31 of any given year, and the Board of Directors shall calculate the annual assessment due from each Class "A" Member based upon these expenses for this period; provided, however, the Board of Directors may, in its discretion, change this assessment period and the period over which expenses are calculated to determine the amount of assessments due, to any other period so long as such period includes one full year. (In the event the Board of Directors changes the assessment period to a period greater than one calendar year, wherever herein or in the Bylaws a one-year period is used in connection with assessments, said reference to year shall be deemed automatically to be a reference to such longer period as of the effective date of said change.)

In the event a unit owner purchases his, her or its unit on a day other than January 1 of any year, the annual assessment charged to such unit owner for the year during which said unit owner purchased his, her or its unit shall be prorated, so that such unit owner shall pay the product obtained when the amount of the full annual assessment for said unit is multiplied by a fraction, the numerator of which shall be the number of days in the calendar year in which the unit owner owns his, her or its unit for said year of purchase and the denominator of which shall be 365.

Section 11. Date of Commencement of Annual Assessments: Due Dates. The assessments provided for herein shall commence on the first day of the month following the creation of an assessment by the Board of Directors. If the annual assessments commence on a day other than January 1, then such

first annual assessment shall be adjusted according to the number of days remaining in the calendar year, by the method specified in Section 10 above. The Board of Directors shall subsequently fix the amount of the annual assessment, based on its best estimate of prospective expenses, against each unit owned by a Class "A" Member of the Association at least 30 days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Class "A" Member of the Association subject thereto at an address provided by every Class "A" Member of the Association to the Board of Directors, as kept by the Board of Directors pursuant to the Bylaws. The due dates for such assessment shall be established by the Board of Directors pursuant to Article IV, Section 9, herein.

Section 12. Certificates of Payment. The Association shall, upon the request of any unit owner, and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the assessments on a specified unit have been paid, and, if not paid, the amount then due and owing and the date of last payment of any regular or special assessment for such unit. A properly executed certificate of the Association as to the status of assessments on a unit shall be binding upon the Association as of the date of its issuance, and the parties to whom such certificates is given shall be entitled to rely thereon.

Section 13. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment, whether annual or special, not paid within 30 days after the due date shall bear interest from the due date thereof at a rate of the lesser of: (a) 18% per annum; or (b) the maximum rate allowed by the laws of the Virgin Islands. The Association shall be entitled to either bring an action at law against the unit owner personally obligated to pay the same, to proceed to acquire a judgment against said unit owner and to foreclose the lien of such judgment against the unit; or to bring any other action at law or in equity to enforce its rights against such unit owners or to foreclose the lien for assessment provided to the Association hereunder. No applicable unit owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Areas and Facilities or abandonment or non-use of his, her or its unit.

Section 14. Subordination of the Lien to Mortgages. The lien of the assessments (annual or special) provided for herein shall be subordinate to the lien of any first priority deed to secure debt to which the unit in question is subject. The sale or transfer of any unit shall not affect, nor in any way lessen or limit, the assessment lien or any amounts of such assessment lien due and owing; provided, however, the sale or transfer of any unit pursuant to the power of sale contained in such mortgage, by a deed conveyed in lieu of foreclosure, or by virtue of any other proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer, but shall not affect the lien of assessment subsequent to such conveyance, however, shall relieve such unit or unit owner from liability for any assessments thereafter becoming due or from the lien thereof.

#### ARTICLE V

#### CASUALTY AND CONDEMNATION; INSURANCE LOSS

Section 1. Condemnation of Common Areas and Facilities. Should a portion of, but not all of, the Common Areas and Facilities be taken by condemnation or eminent domain or be conveyed by the Association to any governmental authority in lieu thereof, the proceeds therefrom shall be used to restore the remaining improvements on the Common Areas and Facilities. However, should such action to restore and repair any such Common Areas and Facilities be deemed impractical by the Association, then said proceeds shall be paid over to and used in a manner to insure and protect the value and viability of the remaining portion of the Common Areas and Facilities not so taken, with the balance of said proceeds being paid to the Association for its retention and use.

Section 2. Insurance on Common Areas and Facilities. The Board of Directors shall have the authority to and shall obtain insurance for the Common Areas and Facilities and all insurable improvements constructed on said Common Areas and Facilities, which insurance shall insure against loss or damage by fire or other hazards including extended coverage, vandalism and malicious mischief insurance, in an amount deemed by the Board of Directors sufficient to cover the full replacement cost of any repair or reconstruction of said Common Areas and Facilities in the event of damage or destruction from any such hazard.

All proceeds from such policy for any casualty loss, to the extent required, shall be used by the Association, upon the approval of a majority of the votes of each class of members of the Association, who are voting in person or by proxy at a meeting called for this purpose to repair and restore any improvements on any Common Areas and Facilities damaged by such a casualty. Should any of the insurance proceeds remain after the Association makes such repairs to such improvements, then such remaining proceeds shall be retained by the Association in the common fund of the Association, and each unit owner's share of assessments for the year following the retention of such excess funds shall be reduced on a pro rata basis, based upon each such unit owner's share of the responsibility for such assessments.

If, within 60 days of the date of the damage or destruction to all or part of the Property, it is not determined as hereinabove provided by the Association to repair, reconstruct or rebuild, then and in that event:

A. The Property shall be deemed to be owned in common by the unit owners;

B. The undivided interest in the Property owned in common which shall appertain to each unit owner shall be the percentage of undivided interest previously owned by such owner in the Common Areas and Facilities;

C. Any liens affecting any of the units shall be deemed to be transferred in accordance with the existing priorities to the percentage of the undivided interest of the unit owners in the Property as provided herein; and

D. The Property shall be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among all the unit owners in a percentage equal to the percentage of undivided interest owned by each unit owner in the Property, after first paying out of the respective shares of the unit owners, to the extent sufficient for the purposes, all liens on the undivided interest in the Property owned by each unit owner.

The Association or its duly authorized agent shall also obtain a public liability insurance policy covering the Common Areas and Facilities in such amounts and in such form as is reasonably determined by the Board of Directors, which policy shall afford insurance coverage to the Association, the Board of Directors of the Association, any officers of the Association, all agents and employees of the Association, and all unit owners and other persons entitled to use the Common Areas and Facilities and any improvements thereon. Any such public liability insurance policy shall have limits of not less than \$500,000 per single person as respects bodily injury and property damage and \$1,000,000 per occurrence. Any insurance to be obtained by the Association shall be with a carrier and agency which the Association reasonably believes to be of sound business stature able to perform its duties under such insurance policy. Premiums for all insurance on the Common Areas and Facilities shall be Common Expenses of the Association and shall be included in the Annual Assessment as defined in Article IV.

## ARTICLE VI

### MAINTENANCE

Section 1. Owner's Duties. All unit owners shall be required to maintain their units, and any other improvements located thereon, in good order, condition and repair in compliance with all applicable governmental rules and regulations and all rules and regulations prescribed from time to time by the Board of Directors of the Association. It shall also be the duty and responsibility of the unit owner to perform his responsibilities in such manner and in such a way so as not to unreasonably disturb other persons on the Property.

## ARTICLE VII

### ANNEXATION OF ADDITIONAL PROPERTY AND CONSTRUCTION OF ADDITIONAL BUILDINGS

Section 1. Annexation With Approval of Class "A" Membership. Subject to the consent of the owner thereof, the Association may annex real property other than that described on Exhibit "A" to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require the affirmative vote of voting members or alternates

representing a majority of the Class "A" votes of the Association (other than those held by Declarant) present at a meeting duly called for such purpose and of the Declarant so long as Declarant owns property subject to this Declaration.

Annexation shall be accomplished by filing of record in the public records of St. Croix, U.S. Virgin Islands, a Subsequent Amendment describing the property being annexed. Any such Subsequent Amendment shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed and any such annexation shall be effective upon filing unless otherwise provided therein. The relevant provisions of the Bylaws dealing with regular or special meetings, as the case may be, shall apply to determine the time required for, and the proper form of notice of, any meeting called for the purpose of considering annexation of property pursuant to this Section and to ascertain the presence of a quorum at such meeting.

Section 2. Construction of Additional Improvements Without Approval of Class "A" Membership. The Declarant shall have the unilateral right, privilege and option, from time to time, to cause to be erected on the property described in Exhibit "E" annexed hereto up to three one-family residences which comply with all local zoning and building ordinances. Said properties and residences shall be subject to the provisions of this Declaration and any and all amendments thereto.

## ARTICLE VIII

### USE RESTRICTIONS

Section 1. Residential Use. No unit shall be used for any purpose other than as and for a single-family residence or dwelling.

Section 2: No Trucks. No trucks or commercial vehicles (except during the period of approved construction of a unit or other improvements), campers, mobile homes, motor homes or trailers of any other description shall be permitted to be parked or to be stored at any place; provided, however, that Declarant or its agents, employees, materialmen, suppliers, contractors or subcontractors and builders, approved by Declarant, shall be entitled to park any trucks which are used in conjunction with the construction or development of any

portion of the Property. This prohibition of parking shall not apply to temporary parking trucks and commercial vehicles, such as for pick up, delivery and other commercial services. Automobiles shall be parked only on the respective unit owner's driveway or in such unit owner's respective garage.

Section 3. Fences. No fences other than those installed by Declarant, if any, and no walls or hedges shall be permitted anywhere within the Property.

Section 4. Clothes Drying. No outdoor clothes-drying activity shall be conducted on any of the units or the Common Areas and Facilities, except in an enclosed area of the rear yard of the unit where same is hidden from the view of adjoining units and from any street. Additionally, clothes may only be dried on removable lines and poles which shall be removed and stored except during the actual drying time.

Section 5. Garbage and Trash Containers. All garbage and trash containers must be placed underground or in enclosed areas of the rear or side yard of a unit so as to render said containers hidden from view from adjoining units and from any street. No such containers shall be kept in such a way as to cause noxious or bothersome odors to interfere with the use and enjoyment of adjoining units. Any such facilities as described in this Section shall be kept in a clean and sightly manner.

Section 6. Exterior Antennas. No exterior radio, television or any other electrical antennas or aerials or any satellite dishes or other such devices shall be erected or maintained anywhere upon any unit or the Common Areas and Facilities. Notwithstanding the foregoing, the Declarant may, in its sole discretion, install as part of the Common Areas and Facilities, exterior antennas, aerials or satellite dishes.

Section 7. Mailboxes. Any mailboxes selected, furnished and placed on a unit shall be of first-class quality and design. Said mailboxes shall be maintained, repaired and replaced, from time to time as needed, at the cost and expense of the unit owner of the applicable unit. Any mailbox installed as a replacement shall be of the same type, quality and character as initially furnished.

Section 8. Assembly of Mechanical Devices. The pursuit of hobbies or other activities including specifically, without

limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkept conditions shall not be pursued or undertaken in either the front yard or side yard of any unit or the Common Areas and Facilities, or any other place where such condition is visible from any street.

Section 9. Housing of Animals. (a) No stable, poultry house or yard, rabbit hutch or other similar yard or structure shall be constructed or allowed to remain on any unit or the Common Areas and Facilities; and (b) no animal shall be kept in any house or on any unit or allowed to remain on or about the Common Areas and Facilities.

Section 10. Noxious or Offensive Activities. Noxious or offensive activities shall not be carried on upon any unit or the Common Areas and Facilities, nor shall any loud or boisterous activities be conducted which would interfere with the quiet and peaceful enjoyment of any neighbor's unit or the Common Areas and Facilities.

Section 11. Lighting; Exterior Lights. No lighting and exterior lights other than those initially installed by Declarant, if any, shall be installed or permitted anywhere within the Common Areas and Facilities or upon the exterior of any unit.

Section 12. Signs. No signs of any nature whatsoever shall be erected or displayed upon any unit or the Common Areas and Facilities. Notwithstanding the foregoing, Declarant shall have the right to place such signs upon any portion of the Property as Declarant deems necessary and proper, in its sole discretion, in connection with the sale and resale by Declarant of units. Declarant may also, in its sole discretion, furnish and/or install signs on the Common Areas and Facilities or otherwise for the purpose of identifying the subdivision name of the Property. The cost of the repair and replacement of such signs shall be a part of the monthly assessment as described in Article V herein.

Section 13. Temporary Structures. No structure of any temporary character including, but not limited to, mobile homes or recreational vehicles shall be permitted on any unit or the Common Areas and Facilities, at any time either temporarily or

permanently, at the instance of any unit owner; provided, however, that temporary construction and sales offices as shall be used by the Declarant during construction of improvements on the Property shall be permitted on any portion of the Property.

Section 14. Playground Equipment. No playground equipment including such items as basketball goals, tree houses and volleyball nets, which are visible from any street or the Common Areas and Facilities, shall be constructed on any unit.

Section 15. Parking. Vehicles shall be parked only in the driveways serving the units or appropriate spaces or designated areas in which parking may or may not be assigned and then subject to such reasonable rules and regulations as the Board of Directors may adopt.

Section 16. Occupants Beyond. All provisions of the Declaration, Bylaws and of any rules and regulations, or use restrictions promulgated pursuant thereto which govern the conduct of owners and which provide for sanctions against owners, shall also apply to all occupants of any unit.

Section 17. Guests and Tenants. No unit may be occupied at any time by more than two (2) people per bedroom plus two (2) for the living room. All occupants of the unit, unless occupancy is pursuant to arrangements with an approved hotel operation, shall occupy the same as a single family unit. All guests and/or tenants of the unit shall be registered with the Association and unless occupancy is pursuant to an approved hotel operation, there shall be no more than one occupancy turnover per seven (7) day period.

Section 18. Music and Noise. Unit occupants shall exercise extreme care to avoid making (or permitting to be made) loud or objectionable noises, and in using, playing or permitting the use of any radio, phonograph, television, musical instrument, amplifiers, or any other instrument or device in such manner as may disturb or tend to disturb other unit occupants.

Section 19. Nuisance. No unit shall be used, in whole or in part, for the storage of any property or thing that will cause such unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any unit that will

emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any unit, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to any person using any property adjacent to the unit. There shall not be maintained any plants or animals or device or thing of dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of Properties.

Section 20. Unsightly or Unkempt Conditions. It shall be the responsibility of each owner to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on his or her unit. The pursuit of hobbies or other activities including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices which might tend to cause disorderly, unsightly or unkempt conditions shall not be pursued or undertaken on any part of the Properties.

Section 21. Subdivision of Unit. No unit shall be subdivided or its boundary lines changed except with the prior written approval of the Board of Directors of the Association. Declarant, however, hereby expressly reserves the right to replat any unit or units owned by Declarant. Any such division, boundary line change or replatting shall not be in violation of the applicable subdivision and zoning regulations.

Section 22. Common Area Use. No unit owners shall use, or cause to be used, the Common Areas and Facilities in such fashion or manner as might tend to cause disorderly or unsightly conditions upon or within the Common Areas and Facilities or which shall preclude the use and enjoyment of such Common Areas and Facilities by any one or all of the other unit owners and/or Declarant.

Section 22. Remedies for Violation. In the event that a unit owner shall violate or refuse to obey any of the restrictions and conditions as contained in this Article VIII, the Board of Directors, its designated committee, or any of its authorized agents or employees may, in its sole discretion, after 14 days written notice to the unit owner in violation, enter upon the unit of the unit owner then in violation, or upon the Common Areas and Facilities, if appropriate, and

perform such removal, restoration or repair as such Board of Directors, committee, authorized agent or employee, in the exercise of its sole discretion, may deem necessary or advisable. Such unit owner in violation shall be personally liable for all costs incurred by the Board of Directors in the performance of such restoration or repair and the liability for such costs shall be enforceable by the Board of Directors by any appropriate proceeding at law or in equity. Such liability shall also be a permanent charge and lien upon the unit of such unit owner, due and payable at the time and day any such costs are incurred. If an emergency condition in violation of Article VIII of this Declaration shall exist on any unit such that the Board of Directors deems it unwise or unsafe to provide 14 days written notice prior to curing such condition, the Board of Directors may cause entry upon the interior of the unit for the purposes stated in this Section immediately after making reasonable efforts to notify the unit owner of such unit.

## ARTICLE IX

### EASEMENTS

Section 1. Utility Easements. Each unit and the Common Areas and Facilities shall be subject to existing easements for public utilities purposes (including, but not limited to, fire and police protection, garbage and trash removal, water and sewage system, electric, telephone and gas service), and the utilities and applicable governmental agencies having jurisdiction thereover and their employees and agents shall have the right of access to any unit or the Common Areas and Facilities in furtherance of such easements.

Section 2. Additional Easements; Easement for Enforcement of Rights. Declarant reserves the right, for itself and its designees, transferees and assignees (so long as Declarant or said designee, transferee or assignee owns a unit for the purposes of development and/or sale) and for the Board of Directors of the Association, an easement upon any portion of the Property for the purpose of enforcing its rights herein, and to grant such additional easements including, but not limited to, irrigation, drainage, drainage retention, wells and pump, electric, gas, water, telephone or other utility easements or any cable television easement, or to relocate any existing utility or other easements in any portion of the Property as Declarant, its designee, transferee or assignee or

the said Board of Directors shall deem necessary or desirable for the proper operation and maintenance of the Property, or any portion thereof, or for the general health and welfare of the unit owners; provided, however, that such additional utilities or other services or the relocation of existing utilities or other easements will not prevent or unreasonably interfere with the use of affected units for permitted purposes.

#### ARTICLE X

##### DEVELOPMENT, MARKETING AND RENTAL MANAGEMENT

A. The Declarant shall have the right to use any unit to which it holds fee simple or leasehold title, from time to time, as sales and rental offices and model units and for such other uses as the Declarant may deem appropriate for the development, marketing and rental management of the condominium and all other portions of the development area. The Declarant shall have the right to make such structural and non-structural additions, alterations, improvements and decorations to such unit, to the limited common areas and facilities that the Declarant, as the owner or tenant of such unit, has the exclusive right to use and to the party wall located between any adjoining units to which the Declarant holds fee simple or leasehold title, as the Declarant, in its sole discretion, may deem appropriate to facilitate the uses hereinabove set forth.

B. The Declarant and its employees, agents and guests shall have the right to park and store in the condominium parking spaces such commercial and non-commercial vehicles as the Declarant, in its sole discretion, may deem appropriate for the development, marketing and rental management of the condominium and all other portions of the development area provided, however, that the Declarant shall not unreasonably interfere with the rights of the other unit owners having the right to use such spaces.

C. The Declarant shall have the right to erect upon, maintain and remove from the unit to which it holds fee simple or leasehold title, the limited Common Areas and Facilities such advertising and directional signs and other materials as Declarant, in its sole discretion, may deem appropriate for the development, marketing and rental management of the condominium and all other portions of the development area.

## ARTICLE XI

### GENERAL PROVISIONS

Section 1. Registered Agent. The name of Declarant's registered agent for service of process in the judicial district which the building is located is Winston Hodge, Esquire, whose residence or business address is 35 King Street, Christiansted, St. Croix, U.S. Virgin Islands.

Section 2. Enforcement. The Association, through the Board of Directors, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provision of this Declaration. Failure by the Association to enforce any covenant, condition, reservation, lien, charge or restriction herein contained shall in no event be deemed a consent or approval of such action, or a waiver of the right to do so thereafter to the full extent permitted hereunder.

Section 3. Severability. Invalidation of any one of the clauses, covenants or restrictions as contained herein by judgment, decree, court order or any statute or other ordinance duly passed by an entity with jurisdiction over the Property shall not affect any other clauses, covenants or restrictions contained herein, all of which shall remain in full force and effect, without modification. In the event of any invalidation of any such clause, covenant or restriction, then that clause, covenant or restriction shall be deemed to have been rewritten in such a way as to fully carry out the intent of that clause, covenant or restriction (where discernible), but be within full compliance with the judgment, decree, court order, statute or other ordinance.

Section 4. Amendment and Duration. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of 20 years from the date this Declaration is recorded in the public records, after which time it shall automatically be extended for successive periods of ten years each, unless 90% of the votes allocated to unit owners of units are cast in favor of a termination of this Declaration, at a duly called meeting for such a purpose. This Declaration may be amended during the first 20-year period by an instrument signed by unit owners holding at least 90% of the votes of

members of the Association present, either in person or by proxy, at a duly called meeting of the Association, and thereafter by an instrument signed by unit owners holding at least 90% of the votes of the Association; provided, however, that so long as the Class "B" Membership exists, any such amendment shall require the written assent of Declarant. Any amendment to this Declaration shall not be effective until it is recorded in the records of St. Croix.

Section 5. Captions. The captions inserted at the beginning of each Section hereof are for convenience of reference only and shall not be deemed to affect the meaning or interpretation of the terms and provisions of this instrument.

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

WITNESS:

Shelby Hall  
Winston P. Stoddy

CORMORANT BEACH PARTNERS, L.P.

By Jerry C. Tobin  
Jerry C. Tobin, General Partner

WITNESS:

Shelby Hall  
Karin Rago

By John B. Landers  
John B. Landers, General Partner

WITNESS:

Shelby Hall  
Winston P. Stoddy

CORMORANT, LTD., General Partner

By Jerry C. Tobin  
Jerry C. Tobin, President

WITNESS:

Shelby Hall  
Winston P. Stoddy

CORMORANT, LTD.

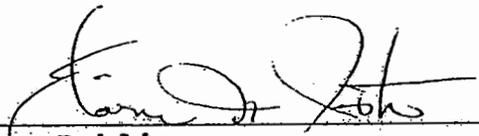
By Jerry C. Tobin  
Jerry C. Tobin, President

ACKNOWLEDGMENTS

STATE OF NEW JERSEY )  
 ) SS:  
COUNTY OF BERGEN )

On this 27th day of June, 1988, before me, the undersigned officer, personally came and appeared Jerry C. Tobin and John B. Landers, General Partners of Cormorant Beach Partners, L.P., who acknowledged that they executed the foregoing instrument on behalf of Cormorant Beach Partners, L.P..

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

  
\_\_\_\_\_  
Notary Public

**ELAINE M. POSTMA**  
A Notary Public of New Jersey  
My Commission Expires 3/27/94

STATE OF NEW JERSEY )  
 ) SS:  
COUNTY OF BERGEN )

On this 28th day of June, 1988, before me, the undersigned officer, personally came and appeared Jerry C. Tobin, who acknowledged himself to be the President of Cormorant, Ltd., and that he, as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

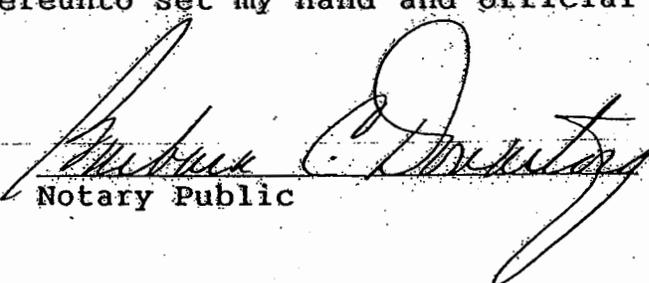
  
\_\_\_\_\_  
Notary Public

EXHIBIT A

Plot Nos.

46, consisting of 3.086 U.S. Acres  
46A, consisting of 0.169 U.S. Acre  
46B, consisting of 0.168 U.S. Acre  
46C, consisting of 0.165 U.S. Acre  
46D, consisting of 0.170 U.S. Acre  
46E, consisting of 0.169 U.S. Acre  
46F, consisting of 0.538 U.S. Acre  
46G, consisting of 0.159 U.S. Acre  
47B, consisting of 1.019 U.S. Acres  
112, consisting of 0.457 U.S. Acre  
112D, consisting of 0.295 U.S. Acre  
112E, consisting of 0.280 U.S. Acre  
more or less, of Estate La Grande, Princesse,  
Company Quarter, St. Croix, U.S. V.I.,  
as more fully shown on P.W.D. Drawing  
No. 1601 dated July 22, 1964, revised  
October 14, 1964;

Plots 37, 38 and 39 of the First Subdivision  
of Parcel A of Estate Little Princesse,  
Company Quarter, St. Croix, U.S. Virgin Islands,  
consisting of 0.374, 0.555 and 0.461 U.S. acre,  
respectively, more or less, as more fully described  
in Public Works Drawing 148 dated July 15, 1948, as  
revised March 3, 1950;

Together with all easements for ingress and  
egress in common with others over portions of  
plots 47C, 108A and 108B of Estate La Grande  
Princesse, Company Quarter, St. Croix, U.S. V.I.

EXHIBIT "B"

DESCRIPTION OF ALL BUILDINGS  
TO BE LOCATED ON THE PROPERTY