

STATE OF ALABAMA
BALDWIN COUNTY

AMENDMENT TO THE DECLARATION OF CONDOMINIUM
OF
CARIBE RESORT, A CONDOMINIUM

State of Alabama, Baldwin County
I certify this instrument was filed
and taxes collected on:

2007 April -26 8:10AM

Instrument Number 1045767 Pages 6

Recording 18.00 Mortgage

Deed Min Tax

Index DP 5.00

Archive 5.00
Adrian T. Johns, Judge of Probate

WHEREAS, this is an Amendment to the Declaration of Condominium of Caribe Resort, a Condominium filed for record on April 16, 2002, in the Office of the Judge of Probate, Baldwin County, Alabama as INSTRUMENT NO. 654173, as amended by Amendment recorded as INSTRUMENT NO. 895497, as further amended by Amendment recorded as INSTRUMENT NO. 992812, as further amended by Amendment recorded as INSTRUMENT NO. 1038888("Declaration") and in accordance with Article 13.02 of the Declaration and Article II of the By-Laws a duly authorized meeting was held on March 24, 2007, at Caribe Resort, in Orange Beach, Alabama ("Meeting"); and,

WHEREAS, notice to all the Members of the Association of the subject matter of the proposed revisions to the Declaration were included in a proper notice of the Meeting; and,

WHEREAS, a Resolution was adopted and approved prior to the Meeting, by a majority of the Board of Directors, proposing the revisions set forth in this Amendment; and,

WHEREAS, in accordance with Article II, Section 7 of the By-laws, a quorum was present at the Meeting either in person or by proxy and the proposed revisions to the Declaration clarifying that only Members that owned Units which were allocated a Boat Slip or Boat Slips would be responsible for the cost and expense associated with the maintenance, repair, up-keep, insurance and/or replacement of the Private Marina, or any part thereof, located at Caribe Resort and such cost or expense would be assessed by the Association in the manner provided in the Declaration, as amended, was approved by the affirmative vote of the holders of not less than two-thirds of the total allocated votes of the Association, by holders thereof, either present at the meeting in person or represented by proxy.

W I T N E S S E T H:

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS THAT:

the Declaration, as amended, described above and recorded as INSTRUMENTS NO. 654173, 895497, 992812, and 1038888, respectively, Baldwin County, Alabama Probate Records, shall HEREBY BE AMENDED as follows:

(1.) ARTICLE II is amended to include the following paragraph at the end of Subsection (B) of Section 2.09 Private Marina:

Nothing to the contrary withstanding, the cost or expense associated with or in connection with any maintenance, repair, up-keep, insurance and/or replacement associated with said Boat Slip(s) or Private Marina, or any part thereof shall be

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the exclusive responsibility of the Owners of Units to which a Boat Slip or Boat Slips are an appurtenant. Such cost or expense shall be shared equally by all Owners of Unit to which a Boat Slip(s) has been allocated, regardless of the size of the Boat Slip.

(2.) ARTICLE VII is amended to include the following paragraph at the end of Section 7.01 The Association's Obligation to Repair.:

Nor shall this Section relieve the Owner of a Unit to which a Boat Slip or Boat Slips has been allocated of the cost or expense associated with or in connection with any maintenance, repair, up-keep, insurance and/or replacement associated with said Boat Slip(s) or Private Marina, or any part thereof. Such cost or expense shall be the exclusive responsibility of the Owners of Units to which a Boat Slip(s) has been allocated and such cost or expenses shall be assessed equally to said Owner's in the manner set forth in the Declaration, as amended.

(3.) ARTICLE X is amended to include the following paragraph at the end of Subsection(A) Hazard Insurance. of Section 10.02 Insurance to be Maintained by the Association.:

Provided however, the Association's responsibility to obtain hazard and/or casualty insurance coverage on any of the improvements located in the Private Marina of Caribe Resort, as described in the Marina Amendment to the Declaration, is subject to the cost or premium for said insurance coverage being available and if available, being reasonably and economically feasible. In the event insurance coverage is economically and reasonably available, the Board of Directors, after discussion, can determine that the amount of insurance coverage can be less than 100% of the replacement cost for the current improvements located within the Marina.

(4.) ARTICLE X is amended to include the following paragraph at the end of Section 10.04 Premiums.:

Provided however, the premiums upon insurance policies purchased by the Association that provides hazard, casualty, or liability insurance coverage in connection or association with any of the improvements located in the Private Marina of Caribe Resort, as described in the Marina Amendment to the Declaration, as amended, shall be the exclusive responsibility of the Owner's of Unit that have been allocated Boat Slips, and shall be assessed equally between said Owners.

(5.) ARTICLE X, Section 10.06 is deleted in its entirety and the following is substituted therein:

10.06 Loss to Common Elements Only or Limited Common Areas.

(A) Outside of Private Marina. In the event of the loss of or damage to only Common Elements, real or personal, outside of the Private Marina, by reason of fire, hurricane, or other casualties, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Association or the Insurance Trustee, as the case may be, to cover such loss or damage shall be applied to the repair replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such Common Elements, then such

excess insurance proceeds shall be paid by the Association or Insurance Trustee, as the case may be, to the Owners of all Units, the distribution to be separately made to the Owner of each Unit and Unit Owner's respective Mortgagee, as their interests may appear, in such proportion that the share of such excess insurance proceeds paid to the Owner of each Unit and Unit Owner's Mortgagee shall bear the same ratio to the total excess insurance proceeds as the undivided interest in the Common Elements appurtenant to each Unit bears to the total undivided interest in the Common Elements appurtenant to all Units. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Association or the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association shall pay, or shall deposit sufficient funds with the Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be so paid or deposited by the Association with the Insurance Trustee, may be paid by the Association out of its reserve or replacement fund and if the amount in such reserve or replacement fund is not sufficient, or if the Board of Directors determines not to use such fund for said purpose, then the Association shall levy and collect an assessment against the Owners of all Units in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

(B) Within the Private Marina. In the event of the loss of or damage to only Common Elements, both Common and Limited Common, real or personal, within the perimeters of the Private Marina, by reason of fire, hurricane, or other casualties, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Association or the Insurance Trustee, as the case may be, to cover such loss or damage shall be applied to the repair replacement or reconstruction of such loss or damage. If the insurance proceeds are in excess of the cost of the repair, replacement or reconstruction of such Common Elements, then such excess insurance proceeds shall be paid by the Association or Insurance Trustee, as the case may be, to the Owners of all Units to which a Boat Slip has been allocated, the distribution to be separately made to the Owner of each Unit and Unit Owner's respective Mortgagee, as their interests may appear, proportionately depending on the number of Boat Slips allocated to the Unit, with each Boat Slip sharing equally in the excess insurance proceeds. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Association or the Insurance Trustee are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be so sufficient, then the Association may pay, or may deposit sufficient funds with the Insurance Trustee to completely pay for the repair, replacement or reconstruction of any loss or damage, as the case may be. The monies to be so paid or deposited by the Association with the Insurance Trustee, may be paid by the Association out of its reserve or replacement fund for the Marina and if the amount in such reserve or replacement fund for the Marina not sufficient, or if the Board of Directors determines not to use such fund for said purpose, then the Association shall levy and collect an assessment against the Owners of all Units which have been allocated a Boat Slip or Boat Slips in an amount which shall provide the funds required to pay for said repair, replacement or reconstruction.

(6.) ARTICLE X, Section 10.07 is deleted in its entirety and the following is substituted therein:

10.07 Loss to Common Elements, Limited Common Elements and/or Private Elements Located Outside of Private Marina. Where applicable, the terms and conditions set forth in subsection 10.06 above are incorporated into this section by reference. This subsection 10.07 is not applicable to the Private Marina, since no Private Elements are located therein. In the event of loss of or damage to Common Elements, Limited Common Elements and/or any Private Element of any Unit by reason of fire or other casualty, which loss or damage is covered by fire and casualty insurance, the proceeds paid to the Association or Insurance Trustee, as the case may be, to cover such loss or damage, shall be first applied to the repair, replacement or reconstruction of the Common Elements, then to the repair, replacement or reconstruction of the Private Elements and the Limited Common Elements sustaining any loss or damage, then such excess insurance proceeds shall be paid and distributed by the Association or the Insurance Trustee to the Owners of all Units, and to their Mortgagees, as their respective interests may appear. Such distributions are to be made in the manner and in the proportions as are provided for the distribution of insurance proceeds under this Article. If there is no insurance coverage for such loss or damage, or if it appears that the insurance proceeds covering the fire and casualty loss or damage payable to the Association or the Insurance Trustee, as the case may be, are not sufficient to pay for the repair, replacement or reconstruction of the loss or damage, or that the insurance proceeds when collected will not be sufficient, then the Board of Directors shall, based on reliable and detailed estimates obtained by it from competent and qualified parties, determine and allocate the cost of repair, replacement or reconstruction between the Common Elements, the Limited Common Elements and the Private Elements of Units sustaining any loss or damage. If the proceeds of said fire and casualty insurance, if any, are sufficient to pay for the repair, replacement or reconstruction of any loss of or damage to the Common Elements, but are not sufficient to repair, replace or reconstruct any loss of or damage to the Limited Common Elements or the Private Elements of Units sustaining damage, then the Association shall levy and collect an assessment from the respective Owners of the Private Elements and/or the Owners to whom Limited Common Elements have been allocated which sustained any loss or damage, and the assessment so collected from said Owner shall be deposited with the Insurance Trustee, if any, so that the sum shall be on deposit for the repair, replacement or reconstruction of all Common Elements, Limited Common Elements, if any, and Private Elements of Units. In said latter event, the assessment to be levied and collected from the Owner of each Private Element sustaining loss or damage shall be apportioned between such Owners in such manner that the assessment levied against each Owner of a Private Element shall bear the same proportion to the total assessment levied against all of said Owners of Units sustaining loss or damage as the cost of repair, replacement or reconstruction of each Owner's Private Element bears to the cost applicable to all of said Private Elements sustaining loss or damage. If the fire and casualty insurance proceeds, if any, payable to the Association or the Insurance Trustee in the event of the loss of or damage to Common Elements, the Limited Common Elements and the Private Elements of Units are not an amount which will pay for the complete repair, replacement or reconstruction of the Common Elements, it being recognized that such insurance proceeds are to be first applied to the payment for repair, replacement or reconstruction of said Common Elements before being applied to the repair, replacement or reconstruction of any Limited Common Elements or Private Elements of a Unit sustaining loss or damage, then the cost to repair, replace, or reconstruct said Common Elements in excess of available fire and casualty insurance proceeds shall be levied and collected as an

assessment from the Owners of all Units in the same manner as would be levied and collected had the loss or damage sustained been solely to the Common Elements and the fire and casualty insurance proceeds been not sufficient to cover the cost of repair, replacement or reconstruction. The cost of repair, replacement or reconstruction of the Limited Common Elements and the Private Elements of each Unit sustaining loss or damage shall then be levied and collected by assessment of the Owners of the Private Elements sustaining the loss or damage in the same manner as is above provided for the apportionment of such assessment between Owners of Limited Common elements and Private Elements sustaining Loss or damage.

In all other respects the Declaration of Condominium of Caribe Resort, a condominium, as amended, are hereby reaffirmed and ratified.

The undersigned officers of the corporation hereby certify the above amendment was properly approved and adopted, as stated above.

IN WITNESS WHEREOF, CARIBE RESORT CONDOMINIUM ASSOCIATION, INC., an Alabama Non-Profit corporation, has caused this Amendment to the Declaration to be executed on its behalf, under seal, by its duly authorized officers, this the 24th day of March, 2007.

ATTEST:
INC.

CARIBE RESORT CONDOMINIUM ASSOCIATION,
an Alabama Non-Profit corporation.

BY: [Signature] (SEAL)
ITS: Secretary

BY: [Signature] - (SEAL)
ITS: President

THIS IS THE ACKNOWLEDGMENT PAGE TO AN AMENDMENT TO THE DECLARATION OF CONDOMINIUM OF CARIBE RESORT.

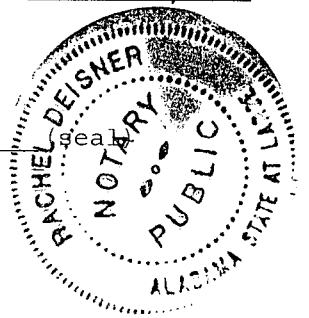
STATE OF Alabama
Baldwin COUNTY

CORPORATE ACKNOWLEDGEMENT

I, the undersigned authority, in and for said county, in said State, hereby certify that Larry Wireman, whose name as President of CARIBE RESORT CONDOMINIUM ASSOCIATION, INC., an Alabama Non-Profit corporation, is signed to the foregoing instrument and who is known to me, acknowledge before me on this day that being informed of the contents of the instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal, this the 24th day of March, 2007.

Rachel Deisner
NOTARY PUBLIC



My commission expires: 4/30/07

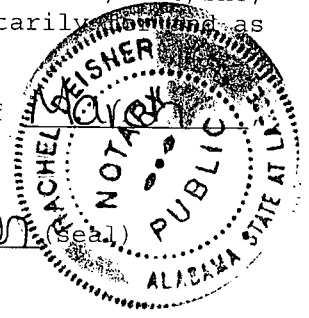
STATE OF Alabama
Baldwin COUNTY

CORPORATE ACKNOWLEDGEMENT

I, the undersigned authority, in and for said county, in said State, hereby certify that Judy Ramey, whose name as Secretary of CARIBE RESORT CONDOMINIUM ASSOCIATION, INC., an Alabama Non-Profit corporation, is signed to the foregoing instrument and who is known to me, acknowledge before me on this day that being informed of the contents of the instrument, he/she, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the day the same bears date.

Given under my hand and official seal, this the 24th day of March, 2007.

Rachel Deisner
NOTARY PUBLIC



My commission expires: 4/30/07

This instrument prepared by: Thomas W. Klyce, P. C., Attorney at Law
Post Office Box 2301, Gulf Shores, Alabama 36547