

ASHLEY CONDOMINIUM ASSOCIATION
5640 COLLINS AVENUE
MIAMI BEACH, FLORIDA 33140

December 16, 2014

To Ashley Owners:

Attached please find the documents for the 2015 Annual Meeting. We know there is a lot to read, but it is all important, so we ask you to take the time to become involved in your home. This year we will not have an election of directors because not enough people submitted interest in becoming part of the Board of Directors. However, we do have several important issues to communicate and vote on at the Annual Meeting so we hope that you can either attend or at least submit your proxy to cast your vote on these. Below, we have explained in detail a few of the topics that are important for you to understand and weigh in on. If you do not vote, you will not be counted.

1. **Fire Sprinkler Opt out:** Florida law requires buildings over a certain height to retrofit their buildings for fire sprinklers. This would be a very costly retrofit. While our building has not been certified to meet the height requirement for the sprinkling requirement, Florida law allows even those certified high rise buildings to allow, by a majority vote of the entire membership, to opt out of that retrofitting requirement. Current law exempts buildings where the lowest level of entry on the highest floor is less than 75 feet to retrofit. The Ashley is at 73 feet. While we view fire prevention as very important and we value the safety of our residents, the Board is submitting the vote to the membership to opt out of retrofitting our property for fire sprinklers. The current law requires buildings to either opt out by the end of 2016 or, in the absence of an opt out vote, begin the permit application process for the installation of fire sprinklers. We note that a previous version of the Condominium Act allowed us to opt out of the obligation to install fire sprinklers, but only to avoid the installation of fire sprinklers within the units. The amended version of the Statute

allows us to opt out of the installation of fire sprinklers within the units and the interior common elements.

2. Guest Occupancy Policy: Over the past year the Ashley has had an increasing number of units that are owned by remote residents that have purchased their unit as a vacation home for themselves and their family. The Ashley is a small residential building and at this point the ratio of permanent residents and vacationers is now 50:50. Most all of the time, we are able to discern who the guests belong to. In recent months this has become more difficult. The Ashley Board of Directors has voted to develop and enforce a process, with the help of our counsel, to ensure the comfort of all the residents here at the Ashley. We have always discouraged any guest on our property without the owner for security reasons, among other things. We realize, however, that many of the remote owners have purchased their unit for the use of their respective families at different vacation times. Understanding this, we set forth a clear procedure in the proposed amendments to help balance the need for security of all residents and enjoyment of the unit by the owners and their families.

Should you have guests staying in your unit without the benefit of the owner on file present you must:

- Provide a Board of Director with the name of all guests that will be visiting
- Provide the date of arrival and the date of departure
- Provide a copy of the Drivers License of all the adults that will be here
- Provide all this information one week prior to the guests arrival
- Provide the relationship the guest is to the family
- Call a Board member to alert us of an arrival
- Scan and send all the information to the Ashley.Condo@aol.com
- Upon arrival provide make, model and license tag # of vehicle parked on the property

This will help us help our night watchman and staff identify who is here at the Ashley

3. Rentals- Although we have the restriction requiring new owners to wait 24 months before renting their units, some other issues have been coming up which require us to try to clarify the intent and parameters of our restrictions. Should a unit go to closing while in an active state of a rental contract, the rental contract will be allowed to go to the expiration date and the 2 year moratorium on renting will begin after the rental lease ends.

Quantity of Rentals- The Board of Directors would like to keep the Ashley as a residential building and limit the amount of allowable rentals at any given time to a total of 5. We have outlined in the amendment how this process would work and the current owners who have their units rented are considered as part of the limit of 5. The reasoning for this is that as the percentage of our rental units increases the value of our property decreases. We feel as though the process is fair and equitable and it will be at the sole discretion of the Board of Directors should a hardship arise for an owner to increase the number of rental units accordingly once hardship is proven.

The Boards respectfully asks you to review all the proposed amendments and other issues set for in the enclosed Limited Proxy/Ballot and recommends that you vote in favor of all of them. We trust, that since this is a small community of owners that each owner will respect the need for these clarifications and not only abide by the rules but also appreciate the effort to enforce them.

**PROPOSED AMENDMENTS
TO THE
DECLARATION OF CONDOMINIUM
OF
ASHLEY APARTMENTS CONDOMINIUM
AND BY-LAWS OF
ASHLEY CONDOMINIUM CORPORATION**

(Additions indicated by underlining; Deletions indicated by ~~striking through~~.)

1. Proposed amendment to Article XIII (I)(3) of the Declaration to modify the same as follows:

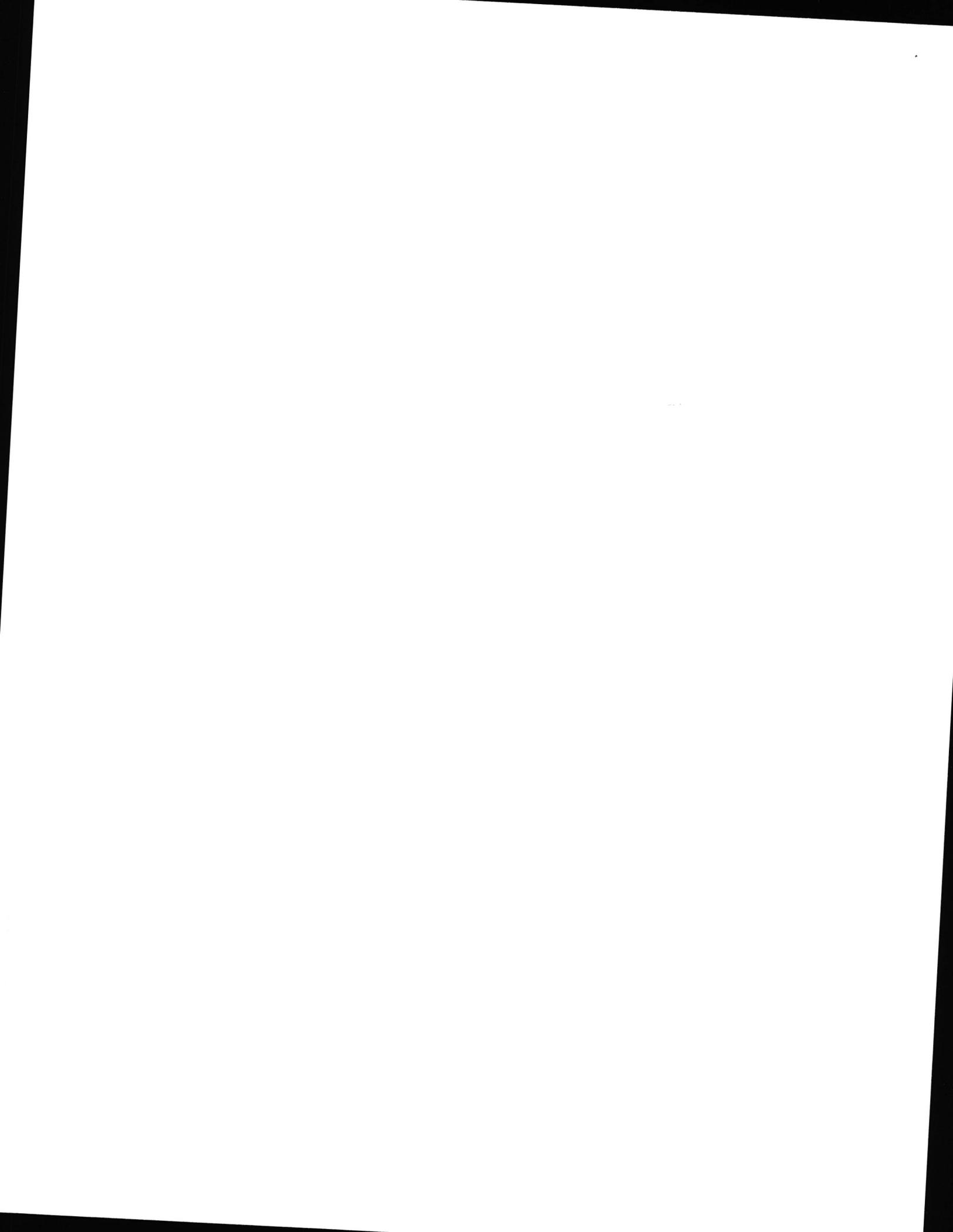
New owners ~~should be~~ are required to own and occupy their apartments for twenty-four (24) months before they may rent the apartment rental is permitted. This is not applicable to an heir. ~~There is also a State Tax on rental proceeds for which the Unit Owner is ultimately responsible.~~ If the apartment that a new owner purchases is rented in accordance with all applicable Association restrictions at the time of purchase, the existing rental shall be allowed to expire in accordance with the lease in place. The new owner may not renew that lease, however, and must wait 24 months from the date of the expiration of that lease before he or she may rent the apartment again.

2. Proposed amendment to Article XIII (I)(4) of the Declaration to modify the same as follows:

Unit Owners must pay a transfer fee in the amounts determined by the Board of Directors from time to time, in accordance with Florida law ~~\$50.00 dollars~~ to the Association for each potential renter investigated by the Board.

3. Proposed amendment to Article XIII (I) of the Declaration to add subsection (5) as follows:

5. It is the intent and desire of the Owners to maintain the nature, appearance and atmosphere of the condominium by maintaining a high level of Owner-occupied Units. Therefore, upon recording of this amendment to the Declaration in the Public Records of Miami-Dade County, Florida, the number of Units in the Condominium which can be rented shall be limited to 5 (the "Rental Limit"). At the time this provision is taking effect there are less than 5 units rented.



(a) Those Units which are rented at the time that this provision takes effect are automatically included as one of the 5 allowable rentals within the Rental Limit. In furtherance of the foregoing, an Owner, whose Unit is being rented at the time this amendment is passed, will have the right to continue to renew the current lease for one year terms with the current tenant, subject to the Association's prior written approval.

(b) Once the number of Units being rented meets the Rental Limit, then no new rentals or leases for Units shall be approved by the Board until the number of Units being rented falls below the Rental Limit.

(c) The Board may maintain a waiting list for Owners who seek to rent their Units if the Rental Limit is reached. Owners must submit their desire to rent their Unit in writing to the Association and they will be put on the waiting list. The waiting list will operate on a first come first served basis. If the event two or more owners submit their desire to rent their unit at the same time, then the Owner who has owned the Unit the longest will have priority. A one name per Unit policy will be enforced which will allow the Owners of multiple Units to submit multiple entries to the waiting list, to correlate with the number of Units owned. Once availability to rent opens due to a drop in the number of units rented at any given time to below the Rental Limit, the Association will notify the next Owner on the waiting list of their ability to rent their Unit via certified mail, return receipt requested. The certified notification letter will be sent to the Owner's last known address, as reflected in the Association's official records. The selected Owner will have sixty (60) days from the date the Association mails the certified notification letter to (a) secure a tenant or tenants, (b) submit all required materials and application fees (if applicable) that are required by the Association, (c) obtain approval from the Association for the applicable lease, and (d) begin the term of the lease. If the selected Owner fails to comply with the terms of the aforementioned deadline, and obtain lease approval from the Association, he or she will forfeit his or her right to lease his or her Unit, and the forfeited "opening" will later be allocated to another Owner by following the procedure described in this subsection.

(d) The Board shall have the absolute discretion to adjust or remove an Owner from the waiting list, for cause, which shall include but not be limited to:

(i) Failure to pay all assessments, fines or other charges when due;

(ii) Violation of any of the provisions of the Governing Documents by the Owner or any of the Owner's tenants, guests or other invitees.

(e) Owners shall not be permitted to "trade" positions on the waiting list; the Board retains absolute discretion in the management of the waiting list, subject to the provisions of this Section.

(f) The Board shall have the absolute discretion to permit a rental in excess of the Rental Limit, but only upon a showing by the Owner of genuine hardship. Such hardship must be proven in writing. A non-exclusive example of such a hardship shall be a relocation requirement by an employer, including the military, a loss of income to the Owner requiring the Owner to find less expensive housing coupled with an inability to sell the Unit, or other circumstances beyond the control of the Owner. Under no circumstances are the terms of this paragraph intended to create a right for any Owner to claim a hardship waiver of the Rental Limit.

(g) The Board of Directors may establish additional rules or procedures relative to implementation of and adherence to the Rental Limit.

4. Proposed amendment to Article XV of the Declaration of Condominium and Article X (E) of the By Laws to modify as follows:

Declaration:

XV.

A. The Unit Owner, or owner of a Unit, shall occupy and use his Condominium Parcel, as a single family private dwelling for himself and the adult members of his family and social guests and for no other purposes. ~~No children under twelve (12) years old shall be permitted to live as permanent residents in a condominium parcel except said children may be permitted to visit as guests of unit owners not more frequently than three weeks in any three month period.~~ The Unit Owner Shall not permit or suffer anything to be done or kept in his Unit which will increase the rate of insurance on the Condominium property, or which will obstruct or interfere with the rights of other Unit Owners or annoy them by unreasonable noises or otherwise; nor shall the Unit Owner commit or permit any nuisance, immoral or illegal act in or about the Condominium Property. A Unit Owner shall not keep any pets in or about the Condominium Parcel and Property without the consent in writing of the Board of Directors of the Association, and their decision, exercised in their sole discretion, shall be binding upon the Unit Owner, and if permitted, cats and canines shall be allowed only if on a leash while on the Condominium Property. No clothes lines or similar devices shall be allowed on any portion of the Condominium Property by any person, firm or corporation without the written consent of the Board of Directors.

B. No business or commercial activity shall be conducted in or from any unit. The use of a unit as a public lodging establishment shall be

deemed a business or commercial use. This restriction shall not be construed to prohibit any Owner from maintaining a personal or professional library, from keeping his or her personal, business or professional records in his or her unit, or from handling his or her personal, business or professional telephone calls or written correspondences in and from his or her unit. Such uses are expressly declared customarily incidental to residential use.

C. Occupancy in Absence of Owner. If the Owner and his family anyone who permanently resides with him or her are absent, and are not occupying it, and the unit has not been leased, the Owner may permit his or her unit to be occupied by his or her guests only in accordance with the following:

1. In no event shall any Owner permit his or her unit to be occupied in his or her absence by guests who are not the Owner's spouse, children, parents, grandparents or siblings except as provided herein. Any individual guest occupancy in the Owner's absence other than the foregoing spouse, children, parents, grandparents or siblings, shall not exceed ten (10) consecutive days and total guest occupancy in the Owner's absence shall not exceed four (4) times in any one (1) calendar year.

2. All overnight guests who are not accompanied by Owners must be registered with the Association office and authorized by prior written instructions from the Owner to avoid having their presence challenged by other Owners, security, or management. The Owner shall submit the names of all house guests, together with a copy of the drivers license or other form of official photo identification, such as a passport or state issued identification, and a written description of the anticipated arrival and departure dates in writing to the Association in advance. Violation of this provision may lead to the issuance of fines and other legal forms of enforcement.

3. Exceptions. Upon prior written application by the Owner, the Board of Directors may make such limited exceptions to the foregoing restrictions as may be deemed appropriate in the discretion of the Board, for the sole purpose of avoiding undue hardship or inequity. Any such grant shall be unique and specifically shall not create a precedent or waiver of future enforcements of this Section.

By Law

X

~~(E) No children under the age of twelve (12) shall be permitted to live as permanent residents in a Unit. Children under the age of twelve (12) years of age may be permitted to visit as guests of unit owners not more~~

~~frequently than three weeks in any three month period.~~ Intentionally omitted

5. Proposed amendment to Article XIX(H) of the Declaration of Condominium as follows:

H. Whenever notices are required to be sent hereunder, the same shall be sent to the Unit Owners by ~~Certified~~ Mail at their place of residence in the Condominium building unless the Unit Owner has by written notice, duly receipted for, specified a different address. Notices may also be sent to Unit Owners at their electronic mailing address, as the Unit Owner may provide to the Association for such purpose. Notices to the Association shall be delivered by Certified Mail at the principal office of the Association at 5640 Collins Avenue, Miami Beach, Florida. ~~Notices to the Developers shall be mailed to them by Certified mail to 5640 Collins Avenue, Miami Beach, Florida.~~ All notices shall be deemed and considered sent when mailed. Any party may change his or its mailing address by written notice.

and proposed amendment to Article VI of the By Laws to add Section 4 as follows:

Section 4. Alternatively, notice of any meeting may be given to the members in any other manner provided by the Condominium Act, including but not limited to, hand delivery and notice by electronic transmission, except that notice of member meetings to recall Board members may not be given electronically. If there are multiple owners of a unit, a single electronic address may be used, unless any owner objects to such in writing, in which case electronic notice shall not be used for the unit.

ACTIVE: A01044/204819:6515587_1

**SECOND
NOTICE OF ANNUAL MEETING
ASHLEY CONDOMINIUM CORPORATION**

TO ALL MEMBERS:

On **JANUARY 13, 2015, at 7:00 P.M., in THE CARD ROOM (5640 COLLINS AVENUE, MIAMI BEACH, FL)**, the Annual Meeting of the Association will be held for the purpose of **voting on items listed in agenda below, specifically including voting pursuant to Section 718.112, Florida Statutes, to forego the requirements of Chapter 633, Florida Statutes, or any other code, statute, ordinance, administrative rule or regulation, or any interpretation of the foregoing, for the retrofitting of any portion of the Condominium Property with a fire sprinkler system, and such other business as may lawfully be conducted.** The agenda for the Annual Meeting is:

1. Appointment of Inspectors of Elections.
2. Certifying Quorum - Call to order.
3. Proof of Notice of Meeting.
4. Reading and disposal of unapproved minutes.
5. Reports of Officers.
6. Reports of Committees.
7. Unfinished Business.
8. New Business -a) Vote to forgo sprinkler retrofitting
b) Vote on proposed amendments to the Declaration and By Laws (see attached language)
c) Vote to waive full funding of the reserves
d) Vote on a motion to grant the authority to the Board of Directors to roll over this fiscal year's excess revenues.
9. Adjournment.

FIFTY-ONE PERCENT (51%) of all Association Members (a "quorum") must be present, in person or by proxy, at the meeting, in order for the business to be conducted. It is therefore **VERY IMPORTANT** that you either **attend** or **provide a limited proxy** in order to conduct business.

Pursuant to Florida law, an election of the directors of this Association is not required, since the number of candidates was less than or equal to the number of vacancies to be filled. Accordingly, the names of the New Board Members will be announced at the Annual Meeting.

VOTING BY PROXY

If you are unable to attend the Annual Meeting and wish to vote by proxy, please note the following information about **PROXIES**:

1. A **limited proxy** is for the purpose of appointing **another person** to vote for you as you specifically direct (except for non-substantive items) in the event that you might not be able to attend the meeting. It must be signed by all owners of the unit. Please note that you cannot vote for Directors by proxy. If you intend to vote for Directors and do not attend the Annual Meeting, **you must vote by use of the enclosed Election Ballot.**

2. The proxy should (or must, if required by documents) be submitted to the Association **prior to the scheduled time of the meeting.** It can be hand-delivered, either by you or your proxy, or mailed to the Association at: ***c/o Honor Caine, Secretary, 5640 Collins Avenue, #4C, Miami Beach, FL 33140.*** It is encouraged that the proxy be submitted as long before the meeting as possible, in order to avoid delay in registration.

3. If you appoint a proxy and later decide you will be able to attend the meeting in person, you may **withdraw** your proxy when you register at the meeting.

4. A proxy may be **revoked** in writing or **superseded** by a later proxy to another person. It may also be **assigned** (substituted) by the person designated on the proxy to a third person if the person you designate as proxy decides that he or she will be unable to attend the meeting.

5. A **proxy form** is enclosed with this notice for your use, if needed.

BOARD OF DIRECTORS MEETING

Immediately **after** the Annual Meeting, the Board of Directors will meet to elect officers of the Association. Also, **immediately after** the Annual Meeting, the Board of Directors will meet to consider and adopt a budget for the upcoming fiscal year. A copy of the proposed budget is attached. The agenda for the Board Meeting is as follows:

- a. Certifying quorum - Call to Order
- b. Proof of Notice of Meeting
- c. New Business -
 - 1) Elect Officers
 - 2) Consider and Adopt Budget
- d. Adjournment

Again, please be sure to mail in your proxy, and your ballot or attend the Annual Meeting.

Dated: _____

BY ORDER OF THE BOARD OF DIRECTORS

HONOR CAINE, SECRETARY

LIMITED PROXY/BALLOT

The undersigned hereby appoints: _____ as my proxy, with full powers of substitution, for and in the names, place and stead of the undersigned, to appear, represent and cast votes upon any matters on behalf of the undersigned at the Annual Meeting of the Membership of **ASHLEY CONDOMINIUM CORPORATION**, to be held on **JANUARY 13, 2015**, at **7:00 P.M.**, in **THE CARD ROOM**, and any adjournment thereof. (To the extent this Limited Proxy/Ballot is utilized as a proxy, and to the extent you fail to designate a proxyholder or your designated proxyholder does not attend the meeting, it will be presumed that the Secretary of the Association shall serve as your proxyholder) In the event I attend the meeting, this will act as my ballot.

General Powers/Statutory Limited Powers: Except as limited, this shall constitute a general proxy. As to the specific questions below, I instruct my proxy to cast my vote only as instructed:

1. Vote on proposed amendment to Article XIII (I)(3) of the Declaration of Condominium to clarify that if a new purchaser purchases a unit that is leased at the time of the purchase, the twenty four month waiting period before he or she may rent the unit will begin at the natural expiration of the lease in place at the time of purchase.

YES Approve Amendment NO Do Not Approve Amendment

2. Vote on proposed amendment to Article XIII (I)(4) of the Declaration of Condominium to modify the amount of transfer/screening fee charged by the Association in accordance with Florida law.

YES Approve Amendment NO Do Not Approve Amendment

3. Vote on proposed amendment to Article XIII (I)(5) of the Declaration of Condominium to add a provision limiting the total number of rentals at any given time in the Condominium and providing for a process on managing the limitation.

YES Approve Amendment NO Do Not Approve Amendment

4. Vote on proposed amendment to Article XV of the Declaration of Condominium to remove limitation on children and clarify a guest occupancy policy in the condominium.

YES Approve Amendment NO Do Not Approve Amendment

5. Vote on proposed amendment to Article XIX of the Declaration of Condominium and VI of the By Laws to allow for email notification of meetings and other items authorized by Florida law.

YES Approve Amendment NO Do Not Approve Amendment

6. Should the statutory reserves be waived for the 2015 fiscal/calendar year?

YES NO

WAIVING OF RESERVES, IN WHOLE OR IN PART, OR ALLOWING ALTERNATIVE USES OF EXISTING RESERVES MAY RESULT IN UNIT OWNER LIABILITY FOR PAYMENT OF UNANTICIPATED SPECIAL ASSESSMENTS REGARDING THOSE ITEMS.

7. To avoid adverse tax consequences for the Association, should the surplus funds from the 2014 fiscal/calendar year budget be applied to the budget for the 2015 fiscal/calendar year?

YES NO

Dated: _____, 20____. Unit: _____

SIGNATURE(S) OF OWNER(S)

DO NOT COMPLETE THIS SECTION. This section is only to be filled in by the proxyholder if they wish to appoint a substitute proxyholder.

SUBSTITUTION OF PROXY

The undersigned, appointed as proxy above, does hereby designate _____ to substitute for me in the proxy set forth above.

Dated: _____, 20____.

PROXYHOLDER

THIS PROXY IS REVOCABLE BY THE UNIT OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT. IN NO EVENT IS THE PROXY VALID FOR MORE THAN NINETY (90) DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.

THIS LIMITED PROXY/BALLOT SHOULD BE RETURNED TO THE ASSOCIATION IF YOU DO NOT ATTEND THE MEETING AND WILL SERVE AS YOUR BALLOT IF YOU DO ATTEND THE MEETING