



# HERON'S WATCH

*A human sanctuary*

HERON'S WATCH, A CONDOMINIUM  
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# **PROSPECTUS (OFFERING CIRCULAR)**

**FOR**

## **HERON'S WATCH, A CONDOMINIUM**

- 1. THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.**
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, CONTRACT DOCUMENTS, AND SALES MATERIALS.**
- 3. ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.**

**IMPORTANT MATTERS TO BE CONSIDERED**  
**IN ACQUIRING A CONDOMINIUM UNIT**

**THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM.**

See Paragraph 2 of the text of the Prospectus and paragraph 25 of the Declaration of Condominium.

**BUILDINGS AND UNITS WHICH ARE ADDED TO THE CONDOMINIUM MAY BE SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS AND UNITS IN THE CONDOMINIUM.**

See Paragraph 2.07 of the text of the Prospectus and paragraph 25.7 of the Declaration of Condominium.

**THE CONDOMINIUM IS TO BE CREATED AND IS BEING SOLD AS FEE SIMPLE INTEREST.**

See Paragraph 3 of the text of the Prospectus.

**THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

See Paragraph 4 of the text of the Prospectus.

**RECREATION FACILITIES MAY BE EXPANDED OR ADDED**

See Paragraph 5 of the text of the Prospectus.

**THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE OWNERS ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.**

See Paragraph 6 to this Prospectus which is the Owners Association's Articles of Incorporation and paragraph 3.23 of Exhibit E(1) of this Prospectus which is the Owners Association's By-Laws.

**THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

See paragraph 7 of the text of the Prospectus

**RESTRICTIONS, IMPOSED ON THE USE OF UNITS**

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**MANAGEMENT OF THE OWNERS ASSOCIATION IS PROVIDED PURSUANT TO A MANAGEMENT CONTRACT BETWEEN THE OWNERS ASSOCIATION AND THE ASSOCIATION OFFICE, INC.**

See Paragraph 9 to this Prospectus which is the Association Management Agreement.

**CONTROLLING LAW**

See Paragraph 17 of the text of the Prospectus

**DIVISION DISCLAIMER**

See Paragraph 18 of the text of the Prospectus

**COMMERCIAL UNITS/COMMON ELEMENTS**

See Paragraph 19 of the text of the Prospectus

**HERON'S WATCH, A CONDOMINIUM  
PROSPECTUS**

The information contained in this Prospectus is provided pursuant to Florida Statutes, Section 718.504, in order to acquaint you, a prospective purchaser, with certain pertinent information concerning this Condominium and to aid you in your decision to purchase a unit.

**1. NAME AND LOCATION:**

The name of the Condominium is HERON'S WATCH, A CONDOMINIUM. The Condominium is located at 34 Heron's Watch Way, Santa Rosa Beach, Walton County, Florida 32459.

**2. DESCRIPTION OF THE CONDOMINIUM PROPERTY:**

**2.01 THIS IS A PHASE CONDOMINIUM. ADDITIONAL LAND AND UNITS MAY BE ADDED TO THIS CONDOMINIUM.**

The phasing is described in this paragraph. This Condominium is a phase condominium pursuant to Florida Statute Section 718.403. Three phases have been previously submitted to condominium ownership. The maximum number of phases which may be added to this condominium is seven (7). The Developer is adding simultaneously to this condominium phases IV, V, VI, and VII. The units in the phases are comprised solely of residential units. After all phases of this condominium are added, there will be a maximum of seventy-eight (78) residential units (such number may not be increased).

2.02 The condominium will consist of up to a maximum of seven (7) residential condominium buildings.

2.03 Each unit within the Condominium contains a minimum and a maximum of two bathrooms and a minimum and a maximum of two bedrooms.

2.04 There are four types of units in Phases IV, V, VI, and VII. They will be offered in a regular and reversed floor plan. The type and square footage of the heated and cooled area including balcony and storage room as proposed is set forth below. The Developer may alter the square footage as set forth below.

Unit Type	Proposed Square Feet	Minimum	Maximum	Bedrooms/Baths
Interior	879	879	879	2 Bdrm/2 Bath
Exterior	879	879	879	2 Bdrm/2 Bath

2.05 The proposed order of submitting the residential phases to condominium ownership, the minimum and maximum numbers and sizes of the units (subject to modification as set forth in this offering circular) to be included in each phase and the estimate latest date of completion is as follows:

(A) Phases I, II, and III are substantially complete. Phases IV, V, VI and VII contain a maximum of 42 units. A proposed unit is two bedrooms and two baths. The general size of each unit can be determined by referencing the foregoing information and the exact square footage for any given unit can be determined by reference to the plot plan and survey attached as Exhibit "B" to this offering circular. Phases IV through VII are estimated to be completed no later than seven (7) years from the date of recording of the condominium declaration.

2.06 Developer will construct phases IV, V, VI and VII simultaneously.

2.07 Residential buildings and units which are added to the Condominium may be substantially different from the residential buildings and units originally in the Condominium. Such buildings and units may differ as follows:

- (A) Size of buildings and units;
- (B) Location of buildings;
- (C) Elevation of buildings;
- (D) Design of buildings and units;
- (E) Configuration of units within buildings;
- (F) Building materials;
- (G) Height of buildings;
- (H) Number of buildings;
- (I) Location of easements;
- (J) Change in parking and landscaped areas;
- (K) Price;
- (L) Number of bathrooms and bedrooms per unit.

**BUILDINGS AND UNITS WHICH ARE ADDED TO THE  
CONDOMINIUM IN PHASES IV, V, VI AND VII, MAY BE  
SUBSTANTIALLY DIFFERENT FROM THE OTHER BUILDINGS  
AND UNITS IN THE CONDOMINIUM.**

2.08 The description of the extent to which added residential buildings and units may substantially differ is described above.

2.09 The Developer warrants that the recreation area of the condominium has been constructed and completed.

2.10 The recreation facilities shall include certain open space areas, one pool, a pool house with equipment room and two handicap accessible restrooms, and a pool deck. A description of these facilities is as follows:

Room	Approximate Square Footage	Approximate Capacity
Pool house includes:		
Women's bathroom	43	1
Men's bathroom	43	1
Equipment room	133	4
Swimming pool	800	20
Pool deck	700	20

The depth of the pool ranges from 3 feet to 6 feet in depth. The pool will not be heated. The pool will not have a diving board.

2.11 The maximum residential units that will use the condominium facilities is seventy-eight (78).

3. **THE CONDOMINIUM IS CREATED AND BEING SOLD AS FEE SIMPLE INTERESTS:**

The Condominium is created and being sold as fee simple interests. Accordingly, you will exclusively own your unit and an undivided interest in the common elements. The Developer has and does reserve the right to lease any units which the Developer is unable to sell within a reasonable time, although the Developer's current plan does not include a program of leasing any units. If your unit will be subject to a lease, a copy of the lease will be attached as an exhibit to your purchase contract, and in that event you will assume the landlord's obligations under the lease and the security deposit, if any, will be transferred to you.

4. **THE UNITS MAY BE TRANSFERRED SUBJECT TO A LEASE.**

5. **RECREATION FACILITIES MAY BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OR THE ASSOCIATION:**

This reservation is by virtue of this paragraph and shall continue until the Developer has sold and closed on all units constructed upon the property described on Exhibit "B" to the Declaration, but not to exceed seven (7) years after the recording of the Declaration.

6. **THE DEVELOPER (OR OTHER PERSON) HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD:**

The Board of Directors of the Condominium Association consists of three (3) directors. Pursuant to the Declaration and the Articles of Incorporation and the By-Laws of the

Condominium Association, the Developer currently has the right to appoint two-thirds (2/3) of the Directors. Upon the occurrences as set forth in the By-Laws and as provided by the Florida Condominium Act, the unit owners will be entitled to elect a majority of the Board of Directors.

7. **THE SALE, LEASE, OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED.**

Pursuant to Paragraph 13 of the Declaration of Condominium the lease and sale of Condominium units requires prior approval of the Condominium Association.

8. **RESTRICTIONS, IMPOSED ON THE USE OF UNITS:**

Exhibit "D" to the Condominium Declaration contains the text of the Rules and Regulations imposed on units in this condominium. A summary of the restrictions are as follows: Rental of units is permitted with no minimum. Non-exotic pets are permitted for owners, not for guests and tenants. There is no minimum age of children who may live in the Condominium.

9. **UTILITIES**

Utilities and other services will be provided as follows:

- 9.01 Electricity will be supplied by Choctawhatchee Electric Membership Cooperative (CHELCO).
- 9.02 Telephone will be supplied by Sprint.
- 9.03 Cable television will be supplied by Cablevision.
- 9.04 Water will be provided by Regional Utilities of Walton County, Inc.
- 9.05 Waste disposal will be provided by Environmental Waste Systems, Inc.
- 9.06 Mail will be delivered to a cluster box.

10. **APPORTIONMENT OF COMMON EXPENSES:**

Each unit owner of a unit in the Condominium will be apportioned an equal share in the common expenses and ownership of the common elements according to the following formula: the percentage of ownership of each unit will be a fraction the numerator of which is 1 and the denominator of which is the total number of units which have been submitted to the condominium form of ownership by the Declaration and amendments thereto, which total shall not exceed 78.

11. **ESTIMATED OPERATING BUDGET AND ASSESSMENTS:**

An estimated Operating Budget for the Condominium is attached to this Prospectus as Exhibit 1. Each unit owner will be assessed a monthly assessment as set forth in the budget. The Developer will guarantee the budget as provided in paragraph 25.9 of the Condominium Declaration.

12. **ESTIMATED CLOSING EXPENSES:**

A schedule of estimated closing expenses to be paid by each Buyer of a unit is contained in the Purchase Contract attached to this Prospectus as Exhibit 5. A title insurance policy will be provided to each unit owner after the closing of the sale of the unit.

13. **IDENTIFICATION OF DEVELOPER:**

The identity of the Successor Developer of this Condominium is Seagrove Beach Development, L.L.C., a Florida limited liability company. The company was formed for the purpose of developing Phases IV, V, VI and VII of this condominium and as such it has no prior history. The managing members of this project are: William W. Abbott, Jr. and C. James Sullivan.

- (A) William W. Abbott, Jr. has been involved in the development field and management of condominiums in Okaloosa and Walton Counties since 1999. He has been a development participant in five residential condominiums and several commercial properties.
- (B) C. James Sullivan is a licensed Florida building contractor and has built several residential properties but has no experience in the development of condominium properties.

14. **INSURANCE.**

The Condominium Association is required to purchase casualty insurance for the Condominium which will include the building in which your unit is or will be located and liability insurance for injury to persons or property. However, these policies will not include coverage for any floor, wall or ceiling covering within your unit, or personal property and improvements you may make in your unit, and may not include personal liability which you may have for personal injury or property damage caused by you or in your unit. Like any other homeowner, casualty insurance for your personal property and improvements and individual person liability insurance will be your responsibility.

15. **EASEMENTS.**

The Condominium property will be subject to customary and usual ingress and egress and utility easements, which may or will include water, sewer, drainage, electricity, telephone, cable television, fire department access and other utility easements. In addition, the property is subject to utility and drainage easements in favor of third parties for the benefit of adjoining and nearby properties.

16. **ASSOCIATION MANAGEMENT:**

**MANAGEMENT OF THE OWNERS ASSOCIATION WILL INITIALLY BE PROVIDED PURSUANT TO A MANAGEMENT CONTRACT BETWEEN THE OWNERS ASSOCIATION AND THE ASSOCIATION OFFICE, INC.**

There is a Management Contract between The Association Office, Inc. and the Owners Association. The term of the contract is from June 1, 2003, to May 31, 2004, and will continue thereafter until December 31 of that same year, subject to termination on sixty (60) days written notice from either the Owners Association or The Association Office, Inc. to the other. The nature of the services are the maintenance and operation of the units and common elements of Heron's Watch, and Heron's Watch Homeowners Association property. The total for the management fee is \$700.00 per month each for Phases I through VII and an annual management fee of \$8,400.00, Exhibit 9 to the Prospectus.

17. Certain aspects of the Condominium documents may be inconsistent with controlling law.

18. The division has not reviewed the sufficiency of the financial statements included with this filing and takes no position regarding the adequacy or accuracy of the financial statements.

19. There are no commercial units in the condominium. There are limited common elements and the developer does not intend to use this space to run a rental program. The limited common elements will generate no cost or expense to the association or the owners. The association nor any other party will not use the common elements to run a rental program. If any units are to be rented, the rental costs will be the sole responsibility of the individual unit owners.