

BAY POINTE VILLAS, A CONDOMINIUM

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THIS PROSPECTUS (OFFERING CIRCULAR) CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A CONDOMINIUM UNIT.

THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, ALL EXHIBITS HERETO, THE CONTRACT DOCUMENTS AND SALES MATERIALS.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE 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

THE DEVELOPER IS CREATING THE CONDOMINIUM ON FEE SIMPLE INTERESTS AND INTENDS TO CONVEY TITLE TO THE PURCHASER OF UNITS IN THE CONDOMINIUM IN FEE SIMPLE.

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

For more detailed information, reference should be made to the Articles of Incorporation of the Association which are Exhibit "4" to this Prospectus:

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED.

For further detail, refer to Article 1 of the Declaration of Condominium.

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

For further detail, refer to Paragraph "13" of the Declaration of Condominium.

The statements set forth above are only summary in nature. A prospective purchaser should refer to all references as well as the entire set of disclosure materials and the Purchaser's Contract or Purchase Agreement. All disclosure materials, contract documents and brochure materials are important legal documents and, if not understood, prospective purchasers should seek legal advice.

BAY POINTE VILLAS, A CONDOMINIUM

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BRIEF DESCRIPTION OF THE CONDOMINIUM

BRIEF DESCRIPTION

1. The name of the Condominium is BAY POINTE VILLAS, A CONDOMINIUM.
2. The Condominium is located at the corner of Hamlin Boulevard and Commodore Drive, Seminole, Florida
3. A copy of the plot plan and survey can be found at Exhibit "9" of this Prospectus and at Page 39 of the Declaration of Condominium.
4. The maximum number of units that will use facilities in common with the Condominium will be twenty-three (23) units.
 - a. Phase One shall contain two buildings with four units in each building. Each unit has either three (3) bedrooms, or two (2) bedrooms and two (2) bathrooms. Phase Two shall have two buildings with one building having fourteen (14) units and one building with one (1) unit. The maximum number of buildings that can be contained within the condominium is four (4) buildings and the minimum and maximum number of units in each building is one (1) and fourteen (14), respectively, and the minimum and maximum number of bathrooms and bedrooms that may be contained in each unit is two (2) bathrooms and a minimum of two (2) bedrooms and a maximum of three (3) bedrooms.
 - b. A plot plan of the condominium property showing the proposed location of the buildings and other improvements is attached as Exhibit "A" to the Declaration of Condominium. The estimated latest completion of construction, finishing and equipping of a condominium unit shall be December 31, 1998.
 - c. The maximum number of number of units that may use facilities in common with the condominium is twenty-three (23).
5. THE CONDOMINIUM UNITS WILL BE SOLD IN FEE SIMPLE, AND TITLE WILL BE CONVEYED BY STATUTORY WARRANTY DEED.

6. The Developer shall construct recreation facilities.

Recreation facilities shall consist of:

- a. The recreation facilities shall consist of a pool, which shall have as its capacity 15,000 gallons; a surface square footage of 300 square feet; a capacity for persons at any given time of twenty (20) people; the depth will range from a maximum of six (6) feet to a minimum of three (3) feet and the pool will not be heated.
- b. Personal property delivered to the Condominium Association for purposes of the pool will be chaise lounges, chairs and tables in a minimum expenditure of \$1,000.00.
- c. The estimated date for the completion of the recreational facilities is estimated to be December 31, 1998.
- d. Additionally, a restroom for men and women will be located as shown on the plot plan.

No additional facilities are intended to be delivered to the Condominium Association in the nature of recreational facilities.

7. The Developer does not have any plan which includes a program of leasing units rather than selling units or selling units subject to leases.

8. The Condominium Property shall be managed by the Condominium Association which shall be controlled by the Developer until the Developer is obligated to relinquish control as required by law.

CONTROL OF THE ASSOCIATION

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

Reference Paragraph 3 of the Bylaws of the Condominium Association .

RESTRICTIONS ON SALE AND LEASE, ETC.

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

Reference Paragraph 12 of the Declaration of Condominium.

RESTRICTIONS

The following pages and documents should be referred to when determining Unit Owners' limitations on control or use of the condominium properties.

1. The unit may be used only for residential purposes; it may not be used in a manner which will create a nuisance, an unlawful use or increase the cost of insurance; the unit owner is precluded from advertising the lease or sale with signs on the premises. Refer to Paragraph 12 and 13 of the Declaration of Condominium. Children shall be permitted. Reasonable rules and regulations may be made by the Board of Directors with respect to pets. Initially, one pet per unit. Refer to Paragraph 12 of the Declaration of Condominium.

2. Transfer of the unit either by sale, lease, devise, gift or operation of law requires the express written approval of the Condominium Association. Refer to Paragraphs 12 and 13 of the Declaration of Condominium.

3. Children shall be permitted. Pets are permitted with certain restrictions. Reference paragraph 12 of the Declaration of Condominium.

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

Details with respect to the location and the nature of the phasing shall be found at Paragraph 1 of the Declaration of Condominium.

Phase One shall contain two buildings with four units in each building. Each unit has either three (3) bedrooms, or two (2) bedrooms and two (2) bathrooms. Phase Two shall have two buildings with one building having fourteen (14) units and one building with one (1) unit

The impact, if any, which the completion of subsequent phases would have upon the initial phase, would be to increase the number of residents in the general area,

decrease the percentage ownership per unit of the common elements and percentage obligations of the common expenses and increase the size of the common elements.

The remaining phases must be completed within seven (7) years of the date of the recording of the Declaration of Condominium for Phase One. In no event, shall any phases be added or units constructed seven (7) years after the date of the recording of the first phase.

The Developer specifically reserves the right to make non-material changes to the legal description of each phase.

4. The residential units and buildings which are added to the condominium shall not be substantially different from the residential buildings and units originally in the condominium.

5. The maximum number of buildings containing units in the condominium shall be four (4), the maximum and minimum number of units in each building shall be one (1) and fourteen (14) respectively and the maximum and minimum square footage per unit shall be approximately 1350 square feet for the two bedroom model and 1550 square feet for the three bedroom model.

UTILITIES

Electric Power: Florida Power Corporation
Water: Pinellas County
Waste Disposal: Private contractor
Sewage: Pinellas County
Storm Drainage: Pinellas County

COMMON EXPENSES AND OWNERSHIP OF COMMON ELEMENTS

Common expenses are apportioned among the unit owners in the same manner as their ownership of the common elements and common surplus which shall be equal. See Exhibit "B" of the Declaration of Condominium which is Exhibit "2" of this Prospectus.

Unit owners are required to pay their share of the costs and expenses of maintenance, management, upkeep, replacement and repair of the recreation facilities.

See Paragraph 8 of the Declaration of Condominium.

There is a lien or lien right against each unit to secure the payment of assessments or other exactions coming due for the use, maintenance, upkeep or repair

of the recreational or commonly used facilities. The unit owner's failure to make these payments may result in foreclosure of the lien.

See Paragraph 8 of the Declaration of Condominium.

BUDGET (A budget is attached to this Prospectus as Exhibit "13")

The Developer, his successor or assign, shall be excused from the payment of his or its share of the common expenses subsequent to the recording of the Declaration. The period of time shall terminate no later than the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit occurs. The Developer, however, shall pay the portion of common expenses incurred during that period which exceed the amount assessed against other unit owners.

ESTIMATED CLOSING EXPENSES

BUYER'S EXPENSES IN ADDITION TO PURCHASE PRICE:

- A. Any costs incurred by the Buyer in obtaining mortgage financing.
- B. Cost of recording the warranty deed. The cost is \$6.00 for the first page and \$4.50 for each page thereafter.
- C. Maintenance shall be prorated as of closing date, except as otherwise stated in the Purchase Agreement, and payment made at closing date through the end of the calendar quarter.
- D. An initial contribution of twice the monthly maintenance fee shall be made to BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC. by the initial buyer of the condominium unit and deposited in the reserve accounts of the Association. The Developer is precluded from the use of these funds for operating expenses of the Association.
- E. Pro-rata share of real estate taxes.
- F. Title insurance for the Owner (Buyer) is available and the cost of such insurance shall be paid for by the Seller.

CONTROL OF CONDOMINIUM ASSOCIATION

The control of the Condominium Association will be in the hands of the Developer subsequent to the sale of the majority of the Condominium Units. Unit owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Administration of an Association;

(a) Three years after fifty (50%) percent of the units that will be operated ultimately by the Association have been conveyed to Purchasers;

(b) Three (3) months after ninety (90%) percent of the units that will be operated ultimately by the Association have been conveyed to Purchasers;

(c) When all the units that will be operated ultimately by the Association have been completed, some have them have been conveyed to Purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business;

(d) When some of the units have been conveyed to Purchasers and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business; or

(e) Seven (7) years after the recordation of the Declaration of Condominium; or, in the case of an Association which may ultimately operate more than on condominium, seven (7) years after the recordation of the Declaration of the first condominium it operates; or, in the case of any association operating a phase condominium created pursuant to Statute 718.403, seven (7) years after recordation of the Declaration creating the initial phase, whichever occurs first. The Developer is entitled to elect at least one member of the Board of Administration of an Association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent, in condominiums with fewer than 500 units, and two (2%) percent, in condominiums with more than 500 units, of the units in a condominium operated by the Association.

References should be made to Paragraph three (3) of the of the Bylaws of the Association, attached to the Declaration of Condominium as Exhibit "D".

PROPOSED PLAN OF DEVELOPMENT

Developer intends to develop the condominium two (2) phases.

Phase One shall contain two buildings with four units in each building. Each unit has either three (3) bedrooms, or two (2) bedrooms and two (2) bathrooms. Phase

Two shall have two buildings with one building having fourteen (14) units and one building with one (1) unit.

INITIAL CONTRIBUTION

The Developer shall charge at the closing of each initial sale of the unit a contribution to be made by the Purchaser to Bay Pointe Villas Condominium Association, Inc., to be placed in the reserve escrow account, an amount equal to two (2) times the monthly maintenance cost.

ESTIMATED LATEST DATE OF COMPLETION

The estimated latest date of completion of the units shall be December 31, 1998, but, in any event, no unit shall be completed later than two (2) years from the date of the execution date of the Purchase and Sale Agreement.

IDENTITY OF DEVELOPER

The Developer is Shadow Lakes Development Company. The Developer has previously been engaged in the construction, marketing or sale of condominium units.

The primary principal of the Developer is Thomas Kapper. Mr. Kapper has had previous experience in the marketing and sale of condominiums at the following projects:

Shadow Lakes, a Condominium in Largo, Florida consisting of 150 units.

Mr. Kapper holds a class A contractors license issued by the State of Florida.

Mr. Kapper has been involved in the marketing, sale and construction of condominium and other residential housing units since 1975 through present.

GOOD FAITH EFFORT TO COMPLY

The Developer, Shadow Lakes Development Company, has attempted in good faith to comply with the disclosure requirements of the Florida Condominium Act. This document does not purport to describe all of the features of the condominium, but rather attempts to comply with the requirements in stating the minimum features and assets of the condominium which will accrue to the benefit of the Unit Purchaser.

Neither the Developer nor any salesperson or other agent or employee of the Developer makes any representation regarding either economic benefits or tax treatment to be derived from the purchase of a Unit. Buyers are advised that tax treatment and economic benefits may vary with individual circumstances, and the Developer recommends that Buyers consult their own attorney, accountant, or other investment counsel regarding economic and tax matters.

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FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

Bay Pointe Villas, a Condominium
Name of Condominium

As of: November 1, 1997

Baypoint Villas Condominium Association, Inc.
Name of Condominium Association

- Q: What are my voting rights in the condominium association?
A: A unit owner is entitled to cast one vote for each unit owned in the condominium.
- Q: What restrictions exist in the condominium documents on my right to use my unit?
A: The use is restricted to a single family residential use. There are no restrictions on children. There are certain restrictions on pets. Reference should be made to paragraph 12 of the Declaration of Condominium.
- Q: What restrictions exist in the condominium documents on the leasing of my unit?
A: Approval must be obtained from the condominium association. No lease may be for less than ninety (90) days. Reference should be made to paragraph 12.5 and 13 of the Declaration of Condominium.
- Q: How much are my assessments to the condominium association for my unit type and when are they due?
A: If only the first phase is developed, all units pay monthly, \$125.85, without reserves, and monthly \$140.73 with reserves. If the second phase is developed the monthly cost per unit will not change. As each condominium phase is added the unit obligation both monthly and annually for the common expenses will adjust.
- Q: Do I have to be a member in any other association? If so, what is the name of the association and what are my voting rights in this association? Also, how much are my assessments?
A: No.
- Q: Am I required to pay rent or land use fees for recreational or other commonly used facilities? If so, how much am I obligated to pay annually?
A: No.
- Q: Is the condominium association or other mandatory membership association involved in any court cases in which it may face liability in excess of \$100,000? If so, identify each such case.
A: No.

NOTE: THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES, EXHIBITS HERETO, THE SALES CONTRACT, AND THE CONDOMINIUM DOCUMENTS.

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INST # 98-241047
JULY 29, 1998 11:20AM

PINELLAS COUNTY FLA.
OFF REC BK 10183 PG 734

PREPARED BY AND RETURN TO:
ROGER A. LARSON, ESQUIRE
JOHNSON, BLAKELY, POPE, BOKOR,
RUPPEL & BURNS, P.A.
911 CHESTNUT STREET
CLEARWATER, FL 33756

RECORDING
REC 298.50
DS _____
INT _____
FEES _____
MTF R
P/C _____
REV _____
TOTAL 298.50

DECLARATION OF CONDOMINIUM

OF

BAY POINTE VILLAS, A CONDOMINIUM

MADE by the undersigned Developer, for itself, its successors, grantees and assigns.

The undersigned, Shadow Lakes Development Company, hereinafter referred to as the "Developer", being the owner of fee simple title of record to those certain lands located and situate in Pinellas County, Florida, being more particularly described in Exhibit "A" attached hereto, does hereby submit only the lands described as Phase One, to condominium ownership pursuant to the provisions of Chapter 718, of the Florida Statutes, hereinafter referred to as the "Condominium Act", as amended from time to time.

1. NAME

The name by which this condominium is to be identified is:

BAY POINTE VILLAS, A CONDOMINIUM

1.1 It is the intention of the Developer to develop his Condominium in two (2) phases. Phase One shall contain eight (8) Condominium Units as more particularly described and identified in Exhibit "A" and the designated "Phase One", attached hereto and by reference made a part hereof.

1.2 The impact, if any, which the completion of subsequent phases would have upon the initial phase would be to increase the number of residents in the general area, decrease the percentage ownership per Unit of the Common Elements and percentage obligations of the Common Expenses and increase the size of Common Elements.

Condominium Plats pertaining hereto are recorded in Condominium Plat B 120, Pages 46 thru 48 inclusive, in Public Recd of Pinell County, Florida

1.3 The remaining phases must be completed within seven (7) years of the date of the recording of this Declaration. In no event shall any phases be added or Units constructed seven (7) years after the date of recording of the first phase.

1.4 The additional land which may become a part of the Condominium is described in Exhibit "A" and is designated as "Total Area". The land on which each phase is to be built is also described in Exhibit "A" and is designated Phase One and Phase Two.

1.5 The number and general size of Units to be included in each phase are as follows:

(a) Phase One: Eight (8) Units as follows: four (4) units consisting of 3 bedrooms/2 baths and four (4) units consisting of 2 bedrooms/2 baths of an average size of approximately 1,216 square feet and 1,309 square feet respectively; as specifically described on Exhibit "A" attached hereto and by reference made a part hereof.

(b) Phase Two: Fifteen (15) Units as follows: Eleven (11) units consisting of 2 bedrooms/2 baths of an average size of approximately 1,350 square feet; and four units (4) consisting of 3 bedrooms/2 baths of an average size of approximately 1,550 square feet.

The Developer specifically reserves the right to make non-material changes to the legal description of each phase. The minimum and maximum Units in Phase One shall be eight (8) the minimum maximum Units in Phase Two shall be fifteen (15).

The plot plan may be modified by the Developer as to Unit or building type such as the mix of one (1) bedroom, two (2) bedroom, three (3) bedroom Units, and the number of bathrooms per Unit, and Units may be one (1) story or two (2) story units. Adjustments to the plot plan footprint to accommodate such changes in Unit or building types shall be permitted by the Developer without the consent of the Unit Owners.

1.6 Each Unit's percentage ownership in the Common Elements shall be equal to all other Units. As each phase is added, each Unit shall own a percentage ownership in the Common Elements, Common Surpluses and obligation for Common Expenses, represented by a fraction, the numerator of which shall be one (1) and the denominator of which shall be the total number of Units declared to Condominium ownership in the Condominium.

1.7 There shall be, a pool and pool deck.

1.8 Each Unit is entitled to one (1) vote in the Association. The ownership in the Association attributable to each Unit would be that Unit's percentage ownership, as set forth in paragraph 1.6. If any phase or phases are not developed and added as part of this Condominium, said percentage shall remain as provided in paragraph 1.6 for the phases built and submitted to the condominium form of ownership. If one or more phases are not built, the Units which are built are entitled to one hundred (100%) percent of ownership of all the Common Elements within the phases actually developed and added as part of the Condominium.

1.9 The Developer shall notify owners of existing Units of the commencement of, or decision not to add, one or more additional phases. Notice shall be by first class mail addressed to each owner at the address of the Unit or at their last known address.

1.10 The Developer is not required to convey any additional land or facilities to the Condominium after the completion of the first phase, nor is the Developer obligated to construct the subsequent phases.

1.11 Time share estates shall not be a part of this Condominium.

1.12 During the construction of this Condominium and any additional phase, the Developer shall have the right to use any portion of the Condominium Property including the Common Elements and recreation facilities for the construction, marketing and sale of Units.

1.13 Additional Phases may be added to this Condominium by the execution of an amendment to this Declaration by the Developer only, and such Amendment shall not require the execution or consent of any Unit Owners other than the Developer. Such phases may be added out of sequence.

2. DEFINITIONS

The terms used in this Declaration and in its exhibits, including the Articles of Incorporation and Bylaws of the Association, shall be defined in accordance with the provisions of the Condominium Act, and as follows unless the context otherwise requires:

2.1 All other definitions except as set forth herein shall be determined by the definitions set forth in Florida Statute 718.103 as written as of the date of recording of this Declaration.

2.2 Assessment means a share of the funds which are required for the payment of common expenses, which from time to time is assessed against the Unit Owner.

2.3 Association mean Bay Pointe Villas Condominium Association, Inc., a corporation not for profit, and its successors, and as further defined in Florida Statute §718.103(2).

2.4 Association Property means that property, real and personal, which is owned or leased by, or is dedicated by a recorded plat to the Association for the use and benefit of its members.

2.5 Board of Administration means the Board of Directors or other representative body which is responsible for administration of the Association.

2.6 Bylaws means the Bylaws of the Association as they exist from time to time.

2.7 Committee means a group of Board members, Unit Owners, or Board members and Unit Owners appointed by the Board or a member of the Board to make recommendations to the Board regarding the Association budget or take action on behalf of the Board.

2.8 Common Elements shall include:

(a) All of those items stated in the Condominium Act at Florida Statute §718.108.

(b) Tangible personal property deemed proper by the Association for the maintenance and operation of the Condominium, even though owned by the Association.

(c) All Condominium property not included in the Units.

2.9 Common Expenses include:

(a) Expenses of administration and management of the Association and of the Condominium Property.

(b) Expenses of maintenance, operation, repair or replacement of the Common Elements, Limited Common Elements, and of the portions of Units to be maintained by the Association.

(c) The costs of carrying out the powers and duties of the Association.

(d) Expenses declared Common Expenses by the provisions of this Declaration or by the Bylaws of the Association or the Condominium Act, or by Florida Statute.

(e) Any valid charge against the Condominium Property as a whole.

(f) Rentals, membership fees, operations, replacements, and other expenses of lands or possessory interests in lands purchased by the Association pursuant to Florida Statute 718.111 and Florida Statute 718.114, 1991.

2.10 Common Surplus means the excess of all receipts of the Association collected on behalf of a Condominium (including, but not limited to, assessments, rents, profits, and revenues on account of the common elements) over the common expenses.

2.11 Condominium Parcel is a Unit, together with the undivided share in the common elements which is appurtenant to the Unit.

2.12 Condominium Property means the lands, leaseholds, and personal property that are subjected to Condominium ownership, whether or not contiguous, and all improvements thereon and all easements and rights appurtenant thereto intended for use in connection with the condominium.

2.13 Developer means a person who creates a condominium or offers condominium parcels for sale or lease in the ordinary course of business, but does not include an owner or lessee of a Condominium Unit who has acquired his Unit for his own occupancy.

2.14 Institutional Mortgagee means a bank, life insurance company, savings and loan association, savings bank, real estate investment trust, a the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, or any institution under the conservatorship or receivership of the Resolution Trust Corporation or Federal Deposit Insurance Corporation or any such affiliate who shall have a first mortgage on the Condominium Unit.

2.15 Limited Common Elements means and includes those Common Elements which are reserved for the use of a certain Unit or Units to the exclusion of other Units, as specified herein.

2.16 Operation or operation of the Condominium means and includes the administration and management of the Condominium Property.

2.17 Special Assessment means any assessment levied against Unit Owners other than the assessment required by a budget adopted annually.

2.18 Unit means a part of the Condominium Property which is subject to exclusive ownership.

2.19 Unit Owner or Owner of a Unit means the owner of a Condominium Parcel.

2.20 Utility Services shall include but not be limited to electric power, gas, water, air conditioning, and garbage, sewerage disposal, cable television, together with all other public service and convenience facilities.

2.21 Voting Certificate means a document which designates one of the record title owners, or the corporate, partnership, or entity representative, who is authorized to vote on behalf of a Condominium Unit that is owned by more than one owner or by any entity.

2.22 Voting Interest means the voting rights distributed to the Association members pursuant to Florida Statute 718.104(4)(i).

3. EXHIBITS

Exhibits attached to this Declaration of Condominium shall include the following:

3.1 (Exhibit "A") The legal description of the land included in the Condominium and a Survey of the land showing all existing easements and a graphic description of the improvements in which Units are located and a plot plan thereof which together with the Declaration are in sufficient detail to identify the Common Elements and each Unit and their relative locations and approximate dimensions, and identification of each Unit by number so that no Unit bears the same designation as any other Unit.

3.2 (Exhibit "B") The percentage ownership schedule of the Common Elements and Common Surplus and Obligation for Common Expenses.

3.3 (Exhibit "C") The Articles of Incorporation of the Association.

3.4 (Exhibit "D") The Bylaws of the Association.

3.5 (Exhibit "E") Consent of Mortgagee.

4. EASEMENTS AND RESERVATIONS

Easements are expressly provided for and reserved in favor of the Unit Owners, their lessees, their guests and invitees, as follows:

4.1 Utilities. Easements are reserved through the Condominium Property as may be required for utility service (including but not limited to cable T.V.) in order to serve the specific Condominium Property and Condominium Parcel,

however, such easements shall be only in accordance with the plans and specifications for the building and improvements, or as the building or improvements are actually constructed, unless approved in writing by the Board of Administration and the affected Unit Owners.

4.2 Encroachments. In the event that any Unit shall encroach upon any of the Common Elements or upon any other Unit for any reason other than the intentional or negligent act of the Unit Owner, or in the event any Common Element shall encroach upon any Unit, then an easement shall exist to the extent of such an encroachment so long as the same shall exist.

4.3 Traffic. A non-exclusive easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, halls, lobbies, elevators, center cores, and other portions of the Common Elements as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Common Elements as may from time to time be paved and or otherwise intended for purposes of ingress, egress and access to the public ways and for such other purposes as are commensurate with need, and such easement or easements shall be for the use and benefit of the Unit Owners of the Condominium Property, and those claiming by, through or under the aforesaid Unit Owners; provided, however, nothing herein shall be construed to give or create in any person the right to park upon any portion of the Condominium Property except to the extent that space may be specifically designated and assigned for parking purposes.

4.4 Easements and Reservations for Ingress, Egress and Utilities and Recreation. There is reserved in the Developer, his heirs, successors and assigns, the right to create utility easements and to install utilities and to use same over and across the land declared to Condominium ownership hereunder for the benefit of the Developer, his heirs, successors and assigns. Such right to create and install and use utilities shall not encumber or encroach upon any Unit or impair the exclusive use and ownership of any Unit. Such use of the lands for utilities shall be established as five feet (5') either side of the actual installed improvement. In addition, the Board of Administration by a vote of a majority of all of the Directors shall have the power and authority to move, grant, terminate or convey easements to appropriate authorities, entities or persons, public or private, for such utilities.

4.5 Reservation in the Developer to Use Facilities for Sale, Marketing, and Advertising of Units. It is contemplated that the Developer will construct and market all Units. There is hereby reserved in the Developer, its successors and assigns, the right to use the Units for the marketing, sale, and advertising of all Units constructed. This reservation is made notwithstanding the use restrictions set forth in Paragraph 12, and such reservation is intended insofar as the

Developer, its successors and assigns, to be superior to such use restriction in Paragraph 12. Such reservation shall continue for so long as the Developer, its successors and assigns, shall own Units held for sale to the public.

5. UNIT BOUNDARIES

Each Unit shall include that part of the structure containing the Unit that lies within the boundaries of the Unit, which boundaries are as follows:

5.1 The upper and lower boundaries of the Unit shall be the following boundaries extended to an intersection with the perimetrical boundaries:

(a) Upper Boundaries - The horizontal planes of the unfinished ceilings of the Unit.

(b) Lower Boundaries - The horizontal planes of the unfinished floors of the Unit.

5.2 The perimetrical boundaries of the Unit shall be the vertical planes established by the unfinished interior of the walls, doors and windows bounding the Unit extending to the intersections with each other and with the upper and lower boundaries.

5.3 Any balcony or stairway appurtenant to a Unit and so designated on the Plat shall be considered a Limited Common Element for the exclusive use of the Unit to which it is appurtenant shall not be considered as part of the Unit. Any addition or attachment to such balcony or stairway shall be at the sole cost, expense, and maintenance of the Unit Owner of the Unit.

5.4 Each Unit shall be identified by the use of a letter, number, or any combination thereof, all of which are graphically described in Exhibit "A" attached hereto and made a part hereof.

6. APPURTENANCES TO UNITS

6.1 The owner of each Unit shall own an undivided share and interest in the Condominium Property, which shall include an undivided share in the Common Elements and Common Surplus, the exclusive right to use the portion of the Common Elements as provided herein, the easements herein provided, and the right of exclusive use of his Unit subject to the rights of the Association, which his Unit is a part, which share and interest shall be appurtenant to the Unit, said undivided interest in the Condominium Property and the Common Elements and Common Surplus being as designated and set forth in Exhibit "B" attached hereto and made a part hereof.

6.2 Limited Common Elements

(a) Automobile Parking Space. The Parking Spaces shall be a Limited Common Element. The Developer reserves the right to assign Parking Spaces. In the event a specific Parking Space is assigned in connection with the sale of a Unit by the Developer, the right to the exclusive use of the said designated Parking Space shall pass as an appurtenance to the Unit, and shall be evidenced by an "Assignment of Use" separate from the deed, and the Association shall not thereafter reassign or change the said Unit Owner's Parking Space without the Unit Owner's written consent, provided, further, said Unit Owner shall not transfer or assign use of the said Parking Space except in connection with the sale or transfer of the Condominium Unit.

6.3 Air Space. An easement for the use of the air space appurtenant to a Unit as it exists at any particular time and as the Unit may lawfully be altered from time to time.

7. MAINTENANCE, ALTERATION AND IMPROVEMENT

Responsibility for the maintenance of the Condominium Property, and restrictions upon its alteration and improvement shall be as follows:

7.1 Units

(a) By The Association. The Association shall maintain, repair and replace at the Association's expense:

- (1) All Common Elements and Limited Common Elements.
- (2) All portions of a Unit contributing to the support of the building, except interior surfaces, which portions shall include but not be limited to load-bearing columns, load-bearing walls and roofs.
- (3) All conduits, ducts, plumbing, wiring, and other facilities for the furnishing of utility services contained in the Unit.
- (4) All incidental damage caused to a Unit by reason of maintenance, repair and replacement accomplished pursuant to the provisions of 7.1(a) (1), (2), and (3) above.
- (5) Surface Water Management System The Association shall be responsible for the operation, maintenance and repair of any Surface Water Management System ("SWMS"), including lakes,

retention areas, culverts, ponds and/or related appurtenances which may be located within the Condominium Property, all in accordance with the regulations as are promulgated from time to time by the Southwest Florida Water Management District.

(b) By The Unit Owner. The responsibility of the Unit Owner for maintenance, repair and replacement shall be as follows:

(1) To maintain, repair and replace at the Unit Owner's expense all portions of the Unit, including but not limited to, the water heater, air handlers and the air conditioning and heating unit which services the Unit Owner's Unit. Included within the responsibility of the Unit Owner shall be all windows, screens and doors opening into or onto the Unit, sliding glass doors opening into or onto the Unit, carpeting, electrical fixtures and appliances in the Units, non-supporting walls and partitions, all contents of the Unit and built-in cabinets in the Units. All such maintenance, repair and replacement shall be done without disturbing the rights of other Unit Owners and shall be of a design, quality specification and decor consistent with the Condominium Property.

(2) A Unit Owner shall not modify, alter, or otherwise decorate or change the appearance, decor or demeanor of any portion of the Condominium Property, windows, doors, or screens, nor shall any Unit Owner attach any thing or fixture to the Condominium Property or exterior of the Unit without the prior approval, of the owners of record of seventy-five percent (75%) of the Units, and the prior approval seventy-five percent (75%) of the Board of Directors of the Association.

(3) To promptly report to the Association any defect or need for repairs for which the Association is responsible.

7.2 Parking Spaces and Storage Spaces. The Association shall maintain and repair at the Association's expense all parking spaces, covered and uncovered, and Storage Spaces including those which have been assigned as an appurtenance to a Unit.

7.3 Alteration and Improvement. After the completion of the improvements included in the Condominium Property which are contemplated in this Declaration, there shall be no material alteration or substantial additions to the Common Elements or to the real property, which is Association property without the prior approval of seventy-five (75%) percent of the total voting interests of the Association. The cost of such alteration or improvement shall be a common expense and so assessed. Any such alteration or improvement shall not

interfere with the rights of any Unit Owner respecting the use of his Unit without his consent.

8. ASSESSMENTS AND COMMON EXPENSES

8.1 Common Expenses. Each Unit Owner shall be liable for the share of the Common Expenses in the same percentage as is shown on Exhibit "B".

8.2 Assessments. The making and collection of Assessments against each Unit Owner for common expenses, and for reserves as may from time to time be established by the Association, shall be pursuant to the Bylaws of the Association, subject to the following provisions:

(a) Interest and Late Charge: Application of Payments. Assessments and installments on such assessments paid on or before five (5) days after the date when due, shall not bear a late charge, but all sums not paid on or before five (5) days after the date when due shall bear an Administrative late fee of \$25.00. All payments on accounts shall be first applied to any Administrative late fee(s), then to costs and attorney's fees, and then to the delinquent assessment payment first due.

(b) Lien For Assessments. The Association shall have a lien against each Condominium Parcel for any unpaid assessments, including interest costs and, reasonable attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien, whether or not legal proceedings are initiated. The said liens may be recorded among the Public Records of the County where located by filing a claim therein which states the description of the Condominium Parcel, the name of the record owner, the name and address of the Association, and the amount claimed to be due, and the due dates and said lien shall continue in effect until all sums secured by the lien, shall have been paid or one (1) year from the filing of said lien, whichever shall first occur, unless within the one (1) year period an action to enforce the lien is commenced in a court of competent jurisdiction. Such claims of lien shall be signed and verified by an officer of the Association, or by an agent of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien, to be prepared by and recorded at his expense. A Unit Owner, regardless of how his title has been acquired, including a purchaser at a judicial sale, is liable for all assessments which come due while he is the Unit Owner. The grantee is jointly and severally liable with the grantor for all unpaid assessments against the grantor for his share of the common expenses up to the time of transfer of title, without prejudice to any right the grantee may have to recover from the grantor the amounts paid by the grantee. A first mortgagee who acquires title to the Unit by foreclosure or by deed in lieu

of foreclosure is liable for the unpaid assessments in accordance with Florida Statutes §718.116 as Amended.

8.3 Collection. The Association shall have the power and authority to charge, assess and collect all fees, charges and assessments allowed by this Declaration, Florida law, the Articles or Bylaws from Unit Owners and shall be entitled to use such remedies for collection as are allowed by this Declaration, Articles, Bylaws and the laws of the State of Florida.

8.4 Lien for Easements. The obligation for the care, replacement, maintenance and repair of any easement which is a part of the Condominium Property or appurtenant to the Condominium Property shall be a common expense shared by the Unit Owners in the same proportion as a Common Expense for which there shall be a lien established in accordance with paragraph 8.2(a) herein.

9. ASSOCIATION

The operation of the Condominium shall be by the Association, which shall fulfill its functions pursuant to the following provisions:

9.1 Membership and Voting Rights in Association. Membership of each Unit Owner in the Association shall be acquired pursuant to the provisions of the Articles of Incorporation and Bylaws of the Association. The interest of each Unit Owner in the funds and assets held by the Association shall be in the same proportion as the liability of each such Owner for common expenses. Each Unit shall be entitled to one vote in the Association.

9.2 Articles of Incorporation. A copy of the Articles of Incorporation of the Association, which sets forth its powers and duties, is attached as Exhibit "C" and made a part hereof.

9.3 Bylaws. A copy of the Bylaws of the Association is attached as an Exhibit "D" and made a part hereof.

9.4 Restraint upon assignment of shares and assets. The Unit Owner's share in the funds and assets of the Association cannot and shall not be assigned, hypothecated or transferred in any manner except as an appurtenance to his Unit.

9.5 Association Name. The Association shall be named as provided in Paragraph 2.2 herein and shall be a corporation not for profit.

9.6 Purchase or Lease of Properties. The Association shall have the power and authority to purchase real estate, leaseholds or possessory interest therein, including memberships pursuant to Florida Statute §718.111 and §718.114.

9.7 Association's Access to Units. Each Unit Owner shall be required to keep on file with the Condominium Association, a key or keys that will allow access to the Unit in the event of emergency. Said keys shall be accessible only by designated individuals in an emergency situation. The Unit Owner hereby grants to the Association and its authorized agents access to the Unit Owner's Unit in time of emergency for the preservation of the Common Elements.

10. INSURANCE

The insurance other than title insurance that shall be carried upon the Condominium Property and the property of the Unit Owners shall be governed by the following provisions:

10.1 Authority to purchase; named insured. All insurance policies upon the Condominium Property shall be purchased by the Association. The named insured shall be the Association individually and as agent for the Unit Owners, without naming them, and as agent for their mortgagees. Provisions shall be made for the issuance of the mortgagee endorsements and memoranda of insurance to the mortgagees of Unit Owners. Such policies shall provide that payments by the insurer for losses shall be made to the Association or the insurance Trustee designated below, and all policies and their endorsements shall be deposited with the Association or the insurance trustee as set forth herein.

10.2 Personal Property of Unit Owner. Unit Owners should obtain coverage at their own expense upon their personal property and improvements within their Unit not covered by the Association and for their personal liability and living expense and such insurance shall not be the responsibility of the Association.

10.3 Coverage

(a) Casualty. All buildings and improvements upon the Condominium Property shall be insured in an amount equal to the insurable replacement value, excluding foundation and excavation costs, and all personal property included in the Common Elements shall be insured for its value, all as shall be determined annually by the Board of Directors of the Association. All such coverage, including the amount thereof and the insurance company issuing same, shall be subject to the approval of the Institutional Mortgagee holding the greatest dollar amount of first mortgages against Units in the Condominium. Coverage shall afford protection against:

- (1) Loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and
 - (2) Such other risks as from time to time shall be customarily covered with respect to buildings similar in construction, location and use as the buildings on the land, including but not limited to vandalism and malicious mischief.
 - (3) Hazard policies issued to protect condominium buildings shall provide that the word "building", wherever used in the policy, shall include, but shall not necessarily be limited to fixtures, installations or additions comprising that part of the building within the unfurnished interior surfaces of the perimeter walls, floors and ceilings of the individual Units initially installed or replacements thereof, of like kind and quality, in accordance with the original plans and specifications or as existed at the time the Unit was initially conveyed if the original plans and specifications are not available. However, the word "building" shall not include Unit floor coverings, wall coverings or ceiling coverings, and shall not include electrical fixtures, appliances, air conditioning and heating equipment, water heaters or built in cabinets required to be replaced or repaired by the Unit Owner. With respect to the coverage provided by this Paragraph, the Unit Owner shall be considered as an additional insured under the policy.
- (b) Public Liability in such amounts and with such coverage as shall be required by the Board of Directors of the Association, including but not limited to hired vehicles, owned, and non-owned vehicle coverages, and with cross liability endorsements to cover liabilities of the Unit Owners as a group to a Unit Owner.
 - (c) Workmen's Compensation insurance to meet the requirements of law.
 - (d) Flood Insurance, where required by federal or other regulatory authority.
 - (e) Liability Insurance for its officers and directors or persons who are in control or disburse funds of the Association.
 - (f) Such other insurance that Board of Directors of the Association shall determine from time to time to be desirable.

10.4 Premiums upon insurance policies purchased by the Association shall be paid by the Association as a Common Expense.

10.5 Insurance Trustee; Share of Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Unit Owners and their mortgagees as their interests may appear, and shall provide that all proceeds covering property losses shall be paid to the Association or a named Insurance Trustee (hereinafter referred to as the Insurance Trustee), as Trustee, or to such Trustee in Florida with Trust Powers as may be designated as Insurance Trustee from time to time by the Board of Directors of the Association when required by this Declaration. The selection of the Insurance Trustee is subject to the approval of the institutional mortgagee holding the greatest dollar amount of first mortgages against the Units in the Condominium. The Insurance Trustee shall not be liable for payment of premiums nor for the failure to collect any insurance proceeds. The duty of the Insurance Trustee shall be to receive such proceeds as are paid and hold the proceeds in trust for the purposes stated herein for the benefit of the Unit Owners and their mortgagees in the following shares, provided, however, such shares need not be set forth on the records of the Insurance Trustee.

(a) Proceeds on account of damage to Common Elements and Limited Common Elements: An undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements and Limited Common Elements appurtenant to the Unit as set forth on Exhibit "B" attached hereto.

(b) Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

(1) When the building is to be restored: For the Owners of damaged Units in proportion to the cost of repairing the damaged suffered by each Unit Owner, said cost to be determined by the Association.

(2) When the building is not to be restored: An undivided share for each Unit Owner, such share being the same as the undivided share in the Common Elements appurtenant to his Unit.

(c) Mortgagees. In the event a mortgagee endorsement has been issued to a Unit, the share of the Unit Owner shall be held in trust for the mortgagee and the Unit Owner as their interests may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether any damaged property shall be reconstructed or repaired, and no mortgagee shall have any right to apply or have applied to the reduction of a mortgage debt any insurance

proceeds except distributions of such proceeds made to the Unit Owner and mortgagee pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the mortgagee shall have the right to apply or have applied to the reduction of its mortgage debt any or all sums of insurance proceeds applicable to its mortgaged Unit in any of the following events:

- (1) Its mortgage is not in good standing and is in default.
 - (2) Insurance proceeds are insufficient to restore or repair the building to the condition existing prior to the loss and additional monies are not available for such purpose.
- (d) Insurance Trustee. An insurance trustee need not be appointed until there exists a major damage as defined at paragraph 11.1(b)(2) and 11.6(b)(2) or until there shall have been a request by a first mortgagee for such appointment.

10.6 Distribution of proceeds. Proceeds of insurance policies received by the Insurance Trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

- (a) All expenses of the Insurance Trustee shall be paid first or provisions made for such payment.
- (b) If the damage for which the proceeds are paid is to be repaired or reconstructed the proceeds shall be paid to defray the cost thereof as provided herein. Any proceeds remaining after defraying such cost shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, any mortgagee of a Unit.
- (c) If it is determined in the manner provided herein that the damage for which proceeds are paid shall not be reconstructed or repaired, the proceeds shall be distributed to the beneficial Owners, remittances to Unit Owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, the mortgagee of a Unit.
- (d) In making distribution to Unit Owners and their mortgagees, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary as to the names of the Unit Owners and their respective shares of the distribution.

10.7 Association as Agent. The Association is hereby irrevocably appointed Agent for each Unit Owner and for each Owner of any other interest in the Condominium Property to adjust all claims arising under the insurance policies purchased by the Association and to execute and deliver releases upon the payment of a claim.

11. RECONSTRUCTION OR REPAIR AFTER CASUALTY

11.1 Determination to reconstruct or repair. If any part of the Condominium Property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(a) Common Elements and Limited Common Elements. If the damaged improvement is a Common Element and/or Limited Common Element then the damaged property shall be reconstructed or repaired, unless it is determined that the Condominium shall be terminated.

(b) Damage.

(1) Lesser damage. If the damaged improvement is a building, and if the Units to which sixty (60%) percent of the Common Elements are appurtenant are found by the Board of Directors of the Association to be tenantable, the damaged property shall be reconstructed or repaired, unless within sixty (60) days after the casualty, it is determined by agreement that the Condominium shall be terminated.

(2) Major damage. If the damaged improvement is a building, and if Units to which sixty (60%) percent of the Common Elements are appurtenant are found by the Board of Directors to be not tenantable, then the damaged property will not be reconstructed or repaired, and the Condominium will be terminated without agreement, unless within one hundred sixty (160) days after the casualty, the Owners of eighty (80%) percent of the Common Elements agree in writing to such reconstruction or repair.

(c) Certificate. The Insurance Trustee may rely upon a Certificate of the Association made by its President and attested by its Secretary as to whether or not the damaged property is to be reconstructed or repaired.

11.2 Plans and Specifications. Any reconstruction or repairs must be substantially in accordance with the plans and specifications for the original building, or in lieu thereof, according to the plans and specifications approved by the Board of Directors of the Association, and if the damaged property is in a building and reconstruction is not substantially in accordance with the original

plans and specifications, then, approval by the Owners of not less than eighty (80%) percent of the Common Elements, including the Owners of all damaged Units, together with the approval of the institutional mortgagees holding first mortgages upon all damaged Units, shall be required which approval shall not be unreasonably withheld.

11.3 Responsibility. If the damage is only to those parts of one Unit for which the responsibility of maintenance and repair is that of the Unit Owner, then the Owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

11.4 Estimates of cost. Immediately after a determination is made to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

11.5 Assessments. If it is determined that reconstruction and repair should occur and if the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair of the Common Elements and Limited Common Elements by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs of reconstruction and repair of the Common Elements and Limited Common Elements are insufficient, assessments shall be made against all Unit Owners in the case of damage to Common Elements and Limited Common Elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments on account of damage to Common Elements and Limited Common Elements shall be in proportion to the Unit Owner's obligation for Common Expenses.

11.6 Construction funds. The funds for payment of costs of reconstruction and repair after casualty, which shall consist of proceeds of insurance held by the Association or the Insurance Trustee and funds collected by the Association from Assessments against Unit Owners, shall be disbursed in payment of such costs in the following manner:

- (a) Association. If the total of assessments made by the Association in order to provide funds for the payment of costs of reconstruction and repair that is the responsibility of the Association is more than \$500,000.00, then the sums paid upon such assessments shall be deposited by the Association with the Insurance Trustee. In all other cases the Association shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

(b) Insurance Trustee. The proceeds of insurance collected on account of casualty, and the sums deposited with the Insurance Trustee by the Association from collections of assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the costs of reconstruction and repair in the following manner and order:

(1) Association - Lesser damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is less than \$500,000.00, then the construction fund shall be disbursed in payment of such costs upon the order of the Board of Directors of the Association, provided however, that upon request by a mortgagee that is a beneficiary of an insurance policy the proceeds of which are included in the construction fund, such fund shall be disbursed in the manner provided for the reconstruction and repair of major damage.

(2) Association - Major damage. If the amount of the estimated costs of reconstruction and repair that is the responsibility of the Association is more than \$500,000.00, then the construction fund shall be disbursed in payment of such costs in the manner required by the Board of Directors of the Association.

(3) Unit Owner. The portion of insurance proceeds representing damage for which the responsibility of reconstruction and repair lies with a Unit Owner shall be paid to the Owner, or if there is a mortgagee endorsement as to the Unit, then to the Owner thereof and the mortgagee jointly, who may use such proceeds as they may agree.

(4) Surplus. It shall be presumed that the first monies disbursed in payment of costs of reconstruction and repair shall be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction and repair for which the fund is established, such balance shall be distributed to the beneficial Owners of the fund; except, however, that only those portions of a distribution to the beneficial Owners in excess of assessments paid by a Unit Owner to the construction fund shall be made payable to any mortgagee.

(5) Certificate. Notwithstanding the provisions of this instrument, the Insurance Trustee shall not be required to determine whether sums paid by the Unit Owners upon assessments shall be deposited by the Association with the Insurance Trustee, nor to determine whether the disbursements

from the construction fund are to be upon the order of the Association or approval of an architect or otherwise, nor whether a disbursement is to be made from the construction fund nor to determine the payee nor the amount to be paid. Instead, the Insurance Trustee may rely upon a Certificate of the Association made by its President and Secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, that when a mortgagee is required in this instrument to be named payee, the Insurance Trustee shall also name the mortgagee as a payee of any distribution of insurance proceeds to a Unit Owner; and further, provided, that when the Association, or a mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association shall be first obtained by the Association prior to the disbursements in payment of costs of reconstruction and repair.

12. USE RESTRICTIONS

The use of the Condominium Property shall be in accordance with the following provisions as long as the Condominium exists upon the land:

12.1 Units. This is a Residential Condominium, and therefore, each of the Units shall be occupied only as a residential private dwelling. No Unit may be divided or subdivided into a smaller Unit.

12.2 Common Elements and Limited Common Elements. The Common Elements and Limited Common Elements shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Units.

12.3 Nuisances. No nuisance shall be allowed upon the Condominium Property or within a Unit, nor any use or practice that is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the Condominium Property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist. No Unit Owner shall permit any use of his/her Unit or make any use of the Common Elements that will increase the cost of insurance upon the Condominium Property.

12.4 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Condominium Property or a Unit, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction shall be observed. The responsibility of meeting the requirements of governmental

bodies for maintenance, modification or repair of the Condominium Property or a Unit shall be the same as the responsibility for the maintenance and repair of the property concerned.

12.5 Leasing of Units. After approval by the Board of Directors required herein, entire Units may be rented provided the occupancy is only by the Lessee, or Lessee's family and guests. No rooms may be rented and no transient tenants (tenants of less than 90 days) shall be accommodated in any Unit. The lease of any Unit shall not release or discharge the Owner from compliance with any of Owner's obligations and duties as a Unit Owner. No lease shall be for a period of less than ninety (90) days. All of the provisions of this Declaration, and Bylaws, and the Rules and Regulations of the Association pertaining to use and occupancy shall be applicable and enforceable against any person occupying a Unit to the same extent as against a Unit Owner, and a covenant shall exist upon the part of each such tenant or occupant to abide by the Rules and Regulations of the Association, the terms and provisions of the Declaration of Condominium and Bylaws, and designating the Association as the Unit Owner's agent for the purpose of and with the authority to terminate any such lease agreement in the event of violations by the tenant of such covenant, which covenant shall be an essential element of any such lease or tenancy agreement, whether oral or written, and whether specifically expressed in such agreement or not.

12.6 Signs. No "For Sale" or "For Rent" signs or other displays or advertising shall be maintained on any part of the Common Elements, Limited Common Elements, or Units, except that the right is specifically reserved in the Developer to place and maintain "For Sale" or "For Rent" signs in connection with any unsold or unoccupied Unit it may from time to time own, and the same right is reserved to any institutional first mortgagee which may become the owner of a Unit, and to the Association as to any Unit which it may own.

12.7 Prohibited Vehicles. No commercial trucks or vans or other commercial vehicles shall be parked in any parking space except with the written consent of the Board of Directors of the Association, except such temporary parking spaces provided for such purpose as may be necessary to effectuate deliveries to the Condominium, the Association, Unit Owners, or residents. It is acknowledged that there are pickup trucks and vans that are not used for commercial purposes, but are family vehicles. It is not intended that such noncommercial, family vehicles be prohibited. A commercial vehicle is one with lettering or display on it or is used in a trade or business. Campers, recreation vehicles and boat trailers may be parked temporarily, not to exceed 3 days. Thereafter, Association approval from the Board of Directors must be obtained. Motorcycles, if they be a nuisance, can be prohibited by the Board of Directors.

12.8 Regulations. Reasonable Rules and Regulations concerning the use and operation of Condominium Property may be made and amended from time to time by the Board of Directors in the manner provided by its Articles of Incorporation and Bylaws. Copies of such Rules and Regulations and amendments shall be furnished by the Association to all Unit Owners and residents of the Condominium.

12.9 Proviso. Until the Developer has completed all of the contemplated improvements and closed the sale of all of the Units of the Condominium, neither the Unit Owners nor the Association, nor the use of the Condominium Property shall interfere with the completion of the contemplated improvements and the sale of the Units. Developer may make such use of the unsold Units, Common Elements and common areas, as may facilitate such completion and sale, including, but not limited to, maintenance of a sales office, showing of the property, and the display of signs.

12.10 Children and Pets. Children shall be allowed. The Board of Directors may establish reasonable rules from time to time respecting pets.

13. MAINTENANCE OF COMMUNITY INTERESTS

In order to maintain a community of congenial residents who are financially responsible and thus protect the value of the Units, the transfer of Units by an Owner other than the Developer shall be subject to the following provisions as long as the Condominium exists upon the land:

13.1 Transfers subject to approval. No Unit Owner, except the Developer, may either acquire or dispose of any Unit by sale, lease, gift, devise, inheritance, or other transfer of title or possession without the written consent of the Association except as hereinafter provided. In the event of transfer of title by operation of law the continued ownership is subject to the written approval of the Association except as hereinafter provided.

13.2 Approval by Association. The written approval of the Association that is required for the transfer of title of a Unit shall be obtained in the following manner:

(a) Notice to Association.

(1) Sale. A Unit Owner intending to make a bona fide sale of his Unit or any interest therein shall give to the Association notice of such intention, together with the name and address of the intended purchaser and such other information concerning the intended purchaser as the Association may reasonably require. Such notice at the Unit Owner's option may include a demand by

the Unit Owner that the Association furnish a purchaser of the Unit if the proposed purchaser is not approved; and if such demand is made, the notice shall be accompanied by an executed copy of the proposed contract to sell.

(2) Lease. A Unit Owner intending to make a bona fide lease of Owner's Unit or any interest therein shall give to the Association notice of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably require and an executed copy of the proposed lease.

(3) Gift, devise, inheritance, or other transfers. A Unit Owner who has obtained his title by gift, devise or inheritance, or by any other manner not previously specified, shall give to the Association notice of the acquiring of his/her title, together with such information concerning the Unit Owner as the Association may reasonably require, and a certified copy of the instrument evidencing the Owner's title.

(4) Failure to give notice. If the above required notice to the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Unit, the Association at its election and without notice may approve or disapprove the transaction, ownership, or possession. If the Association disapproves of the transaction, ownership, or possession, the Association shall proceed as if it had received the required notice on the date of such disapproval.

(b) Certificate of Approval.

(1) Sale. If the proposed transaction is a sale then within fifteen (15) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be by a certificate in recordable form executed by the Association. If no action is taken within fifteen (15) days by the Association, the sale is deemed approved.

(2) Lease. If the proposed transaction is a lease, then within fifteen (15) days after receipt of such notice and information, the Association must either approve or disapprove the proposed transaction. If approved, the approval shall be by a certificate in a non-recordable form executed by the Association. The Association shall have the right to use as grounds for disapproval of any lease

the fact that the Unit Owner is currently delinquent in the payment of an assessment at the time the approval is sought. If no action is taken within fifteen (15) days by the Association, the sale is deemed approved.

(3) Gift, devise or inheritance; other transfers. If the Unit Owner giving notice has acquired his/her title by gift, devise or inheritance or in any other manner, then within thirty (30) days after receipt of such notice and information the Association must either approve or disapprove the continuance of the Unit Owner's ownership of his/her Unit. If approved, the approval shall be by a certificate in recordable form executed by the Association. If no action is taken within thirty (30) days by the Association, the sale is deemed approved.

(c) Approval of corporate owner or purchaser. Inasmuch as the Condominium may be used only for residential purposes and a corporation cannot occupy a Unit for such use, if the Unit Owner, purchaser or lessee of a Unit is a corporation, the approval of ownership or lease by the corporation may be conditioned by requiring that all persons occupying the Unit be approved by the Association.

(d) Screening Fees. The Association shall require the deposit of a reasonable screening fee simultaneously with the giving of notice of intention to sell or lease, or of transfer by gift, devise or inheritance, for the purpose of defraying the Association's expenses and providing for the time involved in determining whether to approve or disapprove the transaction or continued ownership by a transferee, said screening fee shall be a reasonable fee to be set from time to time by the Association, which shall not exceed the maximum fee allowed by law.

13.3 Disapproval by Association. If the Association shall disapprove a transfer of ownership of a Unit, the matter shall be disposed in the following manner.

(a) Sale. If the proposed transaction is a sale and if the notice of sale given by the Unit Owner shall so demand, then within thirty (30) days after receipt of such notice and information the Association shall deliver or mail by registered mail to the Unit Owner an agreement to purchase the Unit by a purchaser approved by the Association, or an agreement to purchase signed on behalf of the Association by its President and attested by its Secretary, in which event the Unit Owner shall sell the Unit to the named purchaser at the price and upon the terms stated in the disapproved contract to sell, or upon mutually agreed terms.

- (1) The sale shall be closed within thirty (30) days after delivery or mailing of the agreement to purchase, or upon the date designated in the disapproved contract, whichever date shall be later.
 - (2) If the Association shall fail to purchase or provide a purchaser upon demand of the Unit Owner in the manner provided, or if the purchaser furnished by the Association shall default in the agreement to purchase, the proposed transaction shall be deemed to have been approved, and the Association shall furnish a certificate of approval in recordable form.
- (b) Lease. If the proposed transaction is a lease, the Unit Owner shall be advised of the disapproval in writing, and the lease shall not be made.
- (c) Gift, devise or inheritance; other transfers. If the Unit Owner giving notice has acquired his/her title by gift, devise or inheritance, or in any other manner, then within thirty (30) days after receipt from the Unit Owner of the notice and information required to be furnished, the Association shall deliver or mail by registered mail to the Unit Owner an agreement to purchase the Unit concerned by a purchaser approved by the Association who will purchase and to whom the Unit Owner must sell the Unit upon the following terms:
- (1) The sale price shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement. In the absence of agreement as to price, the price shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser.
 - (2) The purchase price shall be paid in cash.
 - (3) The sale shall be closed within thirty (30) days following determination of the sale price.
 - (4) If the Association shall fail to provide a purchaser as required by this instrument, or if a purchaser furnished by the Association shall default in his/her agreement to purchase then,

notwithstanding the disapproval, such ownership shall be deemed to have been approved, and the Association shall furnish a certificate of approval in recordable form, to the Unit Owners.

13.4 Exceptions. The foregoing provisions of this section entitled "Maintenance of Community Interests" shall not apply to a transfer to or purchase by a bank, life insurance company, savings and loan association, real estate investment trust, or other institution or any institutional lender that acquires its title as the result of owning a mortgage upon the Unit concerned, and this shall be so whether the title is acquired by deed from the mortgagor, mortgagor's successors or assigns, or through foreclosure proceedings; nor shall such provision apply to a transfer, sale or lease by a bank, life insurance company, savings and loan association, real estate investment trust, or other institution or institutional lender that so acquires its title. Neither shall such provisions require the approval of a purchaser who acquires the title to a Unit at a duly advertised public sale with open bidding provided by law, such as but not limited to, execution sale, foreclosure sale, judicial sale or tax sale. Neither shall such provisions apply to the Developer, or any person who is an officer, stockholder or director of the Developer, or to any corporation having some or all of its directors, officers or stockholders in common with the Developer, and any such person or corporation or any limited partner or general partner shall have the right to freely sell, lease, transfer or otherwise deal with the title and possession of a Unit without complying with the provisions of this section, and without the approval of the Association.

13.5 Unauthorized transactions. Any sale, lease, or transfer not authorized pursuant to the terms of this Declaration shall be voidable unless subsequently approved by the Association or otherwise cured by the terms of this Declaration.

13.6 Notice of lien or suit.

(a) A Unit Owner shall give notice, in writing, to the Association of every lien upon his/her Unit other than for authorized mortgages, taxes and special assessments within five (5) days after the attaching of the lien.

(b) Notice of Suit. A Unit Owner shall give notice, in writing, to the Association of every suit or other proceeding which may affect the title to Owner's Unit, such notice to be given within five (5) days after the Unit Owner shall receive knowledge or notice thereof.

(c) Failure to comply. Failure to comply with this subsection concerning liens will not affect the validity of any judicial sale.

13.7 Whenever in this section an approval is required of the Association in connection with the sale, transferring, leasing or pledging of any Unit, and such approval shall not have been obtained pursuant to the provisions hereof, failure upon the part of the Association to object in writing to such sale, transfer, pledging or leasing within ninety (90) days after the date of such event, or within thirty (30) days of the date upon which the purchaser, transferee or lessee shall take possession of the premises, whichever date shall be later, shall constitute a waiver by the Association of the right to object and the sale, transfer, lease or pledge of such Unit shall be then considered valid and enforceable as having complied with this Paragraph Thirteen (13).

14. PURCHASE OF UNITS BY ASSOCIATION

The Association shall have the power to purchase Units subject to the following provisions:

14.1 Decision. The decision of the Association to purchase a Unit shall be made by its directors, without the necessity of approval by its members except as is hereinafter expressly provided.

14.2 Limitation. If at any time the Association shall be the Owner or agreed purchaser of five (5) or more Units, it may not purchase any additional Units without the prior written approval of seventy-five percent (75%) of the Unit Owners eligible to vote. The limitations hereof shall not apply to Units to be purchased at public sale resulting from a foreclosure of the Association's lien for delinquent assessments where the bid of the Association does not exceed the aggregate of the amounts due by virtue of any and all senior or superior liens against the Unit plus the money due the Association, nor shall the limitation of this Paragraph apply to Units to be acquired by the Association in lieu of foreclosure of such liens if the consideration therefore does not exceed the cancellation of such lien.

15. COMPLIANCE AND DEFAULT

Each Unit Owner shall be governed by and shall comply with the terms of the Declaration of Condominium, Articles of Incorporation and Bylaws and the Rules and Regulations adopted pursuant to those documents, as they may be amended from time to time. Failure of a Unit Owner to comply with such documents and regulations shall entitle the Association or other Unit Owners to the following relief in addition to the remedies provided by the Condominium Act:

15.1 Negligence. A Unit Owner shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents, or lessees, but only to the extent that such expense is not met by the proceeds of

insurance carried by the Association. A Unit Owner shall pay the Association the amount of any increase in its insurance premiums occasioned by use, misuse, occupancy or abandonment of a Unit or its appurtenances, or of the Common Elements, by the Unit Owner.

15.2 Costs and attorneys' fees. In any proceeding arising because of an alleged failure of a Unit Owner or the Association to comply with the terms of the Declaration, Articles of Incorporation of the Association, the Bylaws, or the Rules and Regulations adopted pursuant to them, and the documents and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding, and recover such reasonable attorneys' fees as may be awarded by any Court, at trial or appellate levels and administrative hearings.

15.3 No waiver of rights. The failure of the Association or any Unit Owner to enforce any covenant, restriction or other provision of the Condominium Act, this Declaration, the Articles of Incorporation of the Association, the Bylaws or the Rules and Regulations shall not constitute a waiver of the right to do so thereafter.

16. AMENDMENTS

Except as provided herein, this Declaration of Condominium and the Articles and Bylaws of the Association, may be amended in the following manner:

16.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

16.2 A Resolution for the adoption of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

16.3 A resolution for the adoption of a proposed amendment may be proposed by the Board of Directors of the Association or by the Unit Owners of the Association. Unit Owners may propose such an amendment by instrument in writing directed to the President or Secretary of the Board signed by not less than twenty percent (20%) of the Unit Owners. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided, the President, or, in the event of his refusal or failure to act, the Board of Directors, shall call a meeting of the Unit Owners to be held not sooner than fifteen (15) days nor later than sixty (60) days thereafter for the purpose of considering said amendment. Directors and Unit Owners not present in person or by proxy at the meeting considering the amendment may express their

approval or disapproval in writing, provided such approval or disapproval is delivered to the Secretary at or prior to the meeting. Except as provided herein, such approvals must be either by:

- (1) Not less than sixty-six and two-thirds percent (66-2/3%) of the entire membership of the Board of Directors and not less than sixty-six and two-thirds percent (66-2/3%) of the Voting Interest of the Association; or
- (2) Not less than sixty-six and two-thirds percent (66-2/3%) of the votes of the entire Unit Owners of the Association; or
- (3) In the alternative, an amendment may be made by an agreement signed and acknowledged by all Unit Owners in the manner required for the execution of a deed.

16.4 Proviso. Neither shall an amendment make any change in the section entitled "Insurance" nor in the section entitled "Reconstruction or Repair After Casualty" unless the record Owners of all mortgages upon any Condominium Property shall join in the execution of such amendment. Nor shall any amendment make any change which would in any way affect any of the rights, privileges, powers and/or options herein provided in favor of or reserved to the Developer, or any person who is an officer, stockholder or director of the Developer, or any corporation having some or all of its directors, officers or stockholders in common with the Developer, unless the Developer or any limited partner or general partner shall join in the execution of such amendment. Nor shall any amendment to this Declaration be made which would affect the Surface Water Management System, including the water management portions of the Common Elements, without the express written prior approval of the Southwest Florida Water Management District.

16.5 Execution and recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted, and the certificate shall be executed by the President of the Association and attested by the Secretary with the formalities of a deed, and shall be effective upon recordation thereof in the Public Records of the County and State in which the land is situate.

17. TERMINATION

The condominium may be terminated in the following manners, in addition to the manner provided by the Condominium Act:

17.1 Destruction. If it is determined as provided herein that the building shall not be reconstructed because of major damage, the Condominium plan of ownership shall be terminated without agreement.

17.2 Agreement. The Condominium may be terminated at any time by the approval in writing of all record Owners of Units and all record Owners of liens on Units. Notice of a meeting at which the proposed termination is to be considered shall be given not less than thirty (30) days prior to the date of such meeting. Provided that the approval of Owners of not less than seventy-five percent (75%) of the Common Elements, and the approval of all record Owners of liens upon the Units, are obtained at the meeting or within thirty (30) days thereafter, then the approving Owners shall have an option to buy all of the Units of the Owners not approving of termination, said option to continue for a period of sixty (60) days from the date of such meeting. Approval by a Unit Owner of a Unit, or of a lien encumbering a Unit, shall be irrevocable until expiration of the afore-recited option to purchase the Unit of Owners not so approving, and if the option to purchase such Unit is exercised, then such approval shall be irrevocable. The option to purchase the Units not approving of termination shall be exercised upon the following terms:

(a) Exercise of option. The option shall be exercised by delivery or mailing by registered mail to each of the record Owners of the Units to be purchased an agreement to purchase signed by the record Owners of Units who will participate in the purchase. Such agreement shall indicate which Units will be purchased by each participating Owner and shall require the purchase of all Units owned by Owners not approving the termination, but the agreement shall effect a separate contract between each seller and his purchaser.

(b) Price. The sale price for each Unit shall be the fair market value determined by agreement between the seller and the purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of agreement as to price, it shall be determined by arbitration in accordance with the then existing rules of the American Arbitration Association by appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the Unit; and a judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any Court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser. In any such action for specific performance the prevailing party shall also be entitled to his reasonable attorneys' fees and costs incurred in connection therewith.

(c) Payment. The purchase price shall be paid in cash, provided, in the event there shall be a pre-existing first mortgage on the Unit, then the

purchaser shall have the option of assuming the remaining principal obligation thereof, and that portion of the purchase price which is in excess of such mortgage shall be payable in cash at closing.

(d) Closing. The sale shall be closed within thirty (30) days following determination of the sale price.

17.3 Certificate. Termination of the Condominium in either of the foregoing manners shall be evidenced by a certificate of the Association executed by its President and Secretary certifying to the facts effecting the termination, said certificate to become effective upon being recorded in the Public Records of the County and State in which the land is situate.

17.4 Shares of Owners after Termination. After termination of the Condominium, the Unit Owners shall own the Condominium Property and all assets of the Association as tenants in common in undivided shares that shall be the same as the undivided shares in the Common Elements appurtenant to the Owners' Units prior to the termination.

17.5 Amendment. This section concerning termination cannot be amended without consent of all Unit Owners and of all record Owners of mortgages upon the Units.

18. DEVELOPER'S RESPONSIBILITY FOR ASSESSMENTS

The Developer, pursuant to Florida Statute 718.116(9)(a) 1997, is excused from the payment of the share of the common expenses and assessments related to those units for a period of time which shall be not longer than the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit occurs. The Developer, however, will pay the portion of the common expenses incurred during this period which exceed the amount assessed other Unit Owners.

19. SEVERABILITY

The invalidity in whole or in part of any covenant or restriction, or any section, sub-section, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the Articles of Incorporation, Bylaws and Rules and Regulations of the Association shall not affect the validity of the remaining portions.

20. SUCCESSOR TO DEVELOPER'S INTERESTS

For purposes of this Declaration of Condominium, the term "Developer" shall include the person or entity declaring the property to condominium ownership and any person or entity, including the construction mortgagee, who shall succeed to the

Developer's interest in title and ownership, whether by purchase, foreclosure or deed in lieu of foreclosure and such successor shall have all of the rights and privileges of the Developer.

21. RULE AGAINST PERPETUITIES

The rule against perpetuities shall not defeat a right given any person or entity by the Declaration of Condominium for the purpose of allowing Unit Owners to retain reasonable control over the use, occupancy and transfer of Units.

22. JOINDER AND CONSENTS

A person who joins in or consents to the execution of this Declaration of Condominium subjects his/her interest in the condominium property to the provisions of the Declaration.

23. ENFORCEABILITY

All provisions of this Declaration of Condominium are enforceable equitable servitudes, run with the land and are effective until the Condominium is terminated.

24. PARTITION

The undivided share and the Common Elements which is appurtenant to a Unit shall not be separated from it and shall pass with the title to the Unit, whether or not separately described; the share and the Common Elements appurtenant to a Unit cannot be conveyed or encumbered except together with the Units; shares and the Common Elements appurtenant to Units are undivided, and no action for Partition of the Common Elements shall lie.

25. REQUIREMENTS OF FNMA AND FHLMC

Notwithstanding anything herein to the contrary set forth in this Declaration of Condominium and its attached Exhibits, the following shall prevail and be binding on all Unit Owners, the Developer, and anyone having an interest in the Condominium Property where a lender holds a mortgage upon a Unit in this Condominium and is subject to the Federal Home Loan Mortgage Corp., Federal National Mortgage Association and/or Veterans Administration regulations:

25.1 Any "right of first refusal" contained in the Condominium constituent documents shall not impair the right of a first mortgagee to:

- (a) Foreclose or take title to a Condominium Unit pursuant to the remedies provided in the mortgage, or

- (b) Accept a deed (or assignment) in lieu of foreclosure in the event of default by a mortgagor, or
- (c) Seller leases a Unit acquired by the mortgagee.

25.2 Any first mortgagee who obtains title to a Condominium Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's unpaid dues or charges which accrue prior to the acquisition of title to such Unit by the mortgagee, except as required by Florida Statute.

25.3 Except as provided by statute in case of condemnation or substantial loss to the Units and/or common elements of the Condominium Project, unless at least two-thirds (2/3) of the first mortgagees (based on one vote for each first mortgage owned), or owners (other than the sponsor, Developer, or builder) of the individual Condominium Units have given their prior written approval, Condominium Homeowners Association shall not be entitled to:

- (a) By act or omission, seek to abandon or terminate the Condominium Project;
- (b) Change the pro-rata interest or obligations of any individual Condominium Unit for the purpose of: (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro-rata share of ownership of each Condominium Unit and the common elements;
- (c) Partition or subdivide any Condominium Unit;
- (d) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the common elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements for the Condominium Project shall not be deemed a transfer within the meaning of this clause.);
- (e) Use hazard insurance proceeds for losses to any Condominium Property (whether to Units or to common elements) for other than the repair, replacement or construction of such Condominium Property.

25.4 All taxes, assessments and charges which may become liens prior to the first mortgage under local law shall relate only to the individual Condominium Units and not to the Condominium Project as a whole.

25.5 No provision of the Condominium constituent documents gives a Condominium Unit Owner, or any other party, priority over any rights of the first

mortgagee of the Condominium and Unit pursuant to its mortgage in the case of a distribution to such Unit Owner or owner of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or common elements.

25.6 If the Condominium Project is on a leasehold estate, the Condominium Unit lease is a lease or a sublease of the fee, and the provisions of such lease comply with FHLMC requirements.

25.7 All amenities (such as parking, recreation, and service areas) are a part of the Condominium Project and are covered by the mortgage at least to the same extent as are the common elements. All such common elements and amenities are fully installed, completed and in operation for use by the Condominium Unit Owners. If such amenities are not common or special elements under the Condominium Project, but are part of a PUD, of which the Condominium Project is a part, such an arrangement is acceptable provided that the warranties applicable to PUD units are all satisfied, or waivers obtained.

25.8 Unless waived pursuant to Section 718.112(2)(f) Florida Statutes, condominium dues or charges shall include an adequate reserve fund for maintenance, repairs and replacement of those common elements that must be replaced on a periodic basis, and shall be payable in regular installments rather than by special assessments.

25.9 The Association may cancel, without penalty or cause, any contract or lease made by it before Unit Owners, other than the Developer, assume control of the Association, upon written notice to the other party.

25.10 Upon written request, the Association shall furnish the following notices to the holder, insurer or guarantor of any mortgage of any unit in the condominium:

- (a) Notice of any condemnation or casualty loss that effects a material portion of the condominium property or the applicable unit.
- (b) Notice of any delinquency and the payment of the assessments more than sixty (60) days past due as to the applicable unit.
- (c) Notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Notice of any proposed action which would require the consent of a percentage of mortgage holders.

25.11 Notwithstanding anything herein set forth in this Declaration of Condominium for purposes of this Declaration, the term "institutional mortgagee"

shall be construed to include the Federal Home Loan Mortgage Corp. and Federal National Mortgage Association.

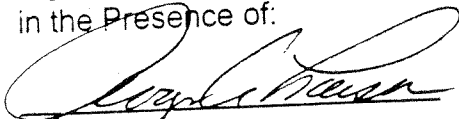
25.12 The Association shall purchase and maintain policies of insurance and fidelity bond coverage in accordance with requirements under Section 803.07P of the FNMA Conventional Home Mortgage Selling Contract supplement and the requirements of Chapter 718.112(2)(j) Florida Statutes, as Amended.

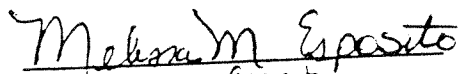
26. MERGER AND CONSOLIDATION

As provided by Florida Statute 718.110(7), this Condominium shall be entitled to merge or consolidate with any other condominium which may now or hereafter be created for the Units or Residential Dwellings located on the lands set forth on Exhibit "A" attached hereto. Said merger or consolidation shall allow the operation of the project though it was a single condominium for all matters, including budgets, assessments, accounting, record-keeping and similar matters. In the event of such merger or consolidation, Common Expenses for residential condominiums in such a project being operated by a single Association may be assessed against all Unit Owners in such project pursuant to the proportions or percentages established therefore in the Declarations as initially recorded or in the Bylaws as initially adopted, subject, however, to the limitations of Florida Statute 718.116 and 718.302. Such merger or consolidation shall be complete upon compliance with 718.110(7).

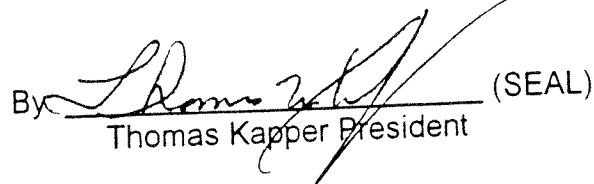
IN WITNESS WHEREOF, the Developer has executed this Declaration this
1st day of July, 1998

Signed, Sealed and Delivered
in the Presence of:


Roger P. Larson


Melissa M. Esposito

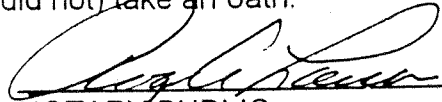
Shadow Lakes Development Company

By  (SEAL)
Thomas Kapper President

STATE OF FLORIDA)

COUNTY OF PINELLAS)

The foregoing instrument was acknowledged before me this 2nd day of July, 1998 by Thomas Kapper, President of Shadow Lakes Development Company who is personally known to me or who has produced a drivers license as identification and who (did) (did not) take an oath.



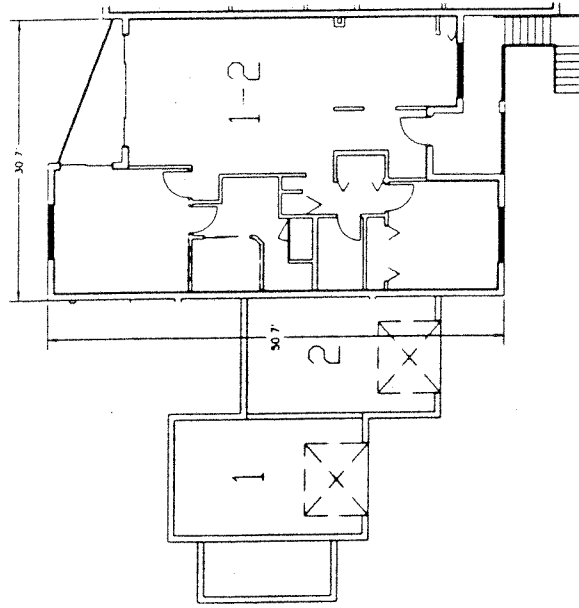
NOTARY PUBLIC

06/30/98 11:49 AM
38490.97109 / #0133579.01

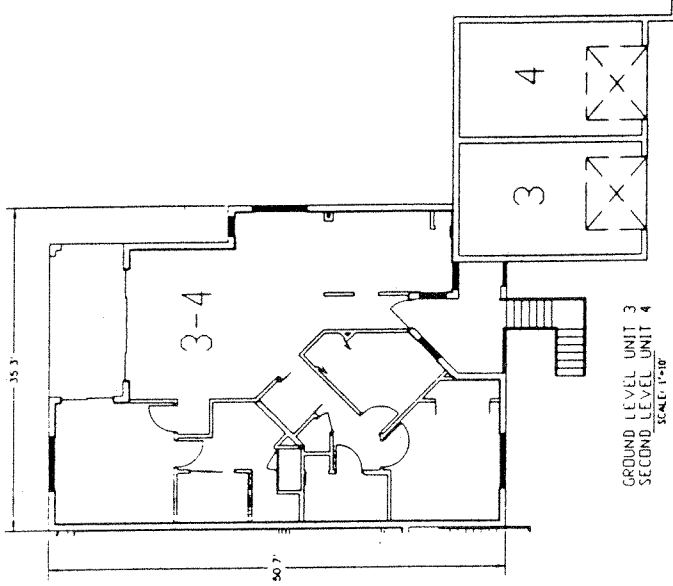


Roger A. Larson
MY COMMISSION # CC524842 EXPIRES
January 28, 2000
BOWDED THRU TROY FAIN INSURANCE, INC.

BAY POINTE VILLAS
PHASE I, A CONDOMINIUM
 SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST
 PINELLAS COUNTY, FLORIDA



GROUND LEVEL UNIT 1
 SECOND LEVEL UNIT 2
 SCALE: 1"=10'



GROUND LEVEL UNIT 3
 SECOND LEVEL UNIT 4
 SCALE: 1"=10'

NOTE:

1. UNLIMITED COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO: STAIRWAYS AND STAIRS, HALLWAYS, ELEVATORS, AND COMMON AREAS.
2. COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO: EXTERIOR WALLS, THE LAND, ALL ROADWAYS, AND LIGHTING FIXTURES TO ILLUMINATE THE COMMON ELEMENTS.
3. THE PERIMETER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE CEILING OF THE UNIT.
4. THE LOWER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
5. THE PERIMETRICAL BOUNDARIES SHALL BE THE UNFINISHED INNER SURFACE OF THE PERIMETER WALLS OF THE UNIT EXTENDED TO THEIR PLANNED INTERSECTIONS WITH EACH OTHER UNIT OR WITH THE PERIMETRICAL BOUNDARIES, TOGETHER WITH ALL EXTERIOR DOORS AND WINDOWS.

EXISTING ELEVATION CHART

2ND FLOOR=18.43
1ST FLOOR=10.10

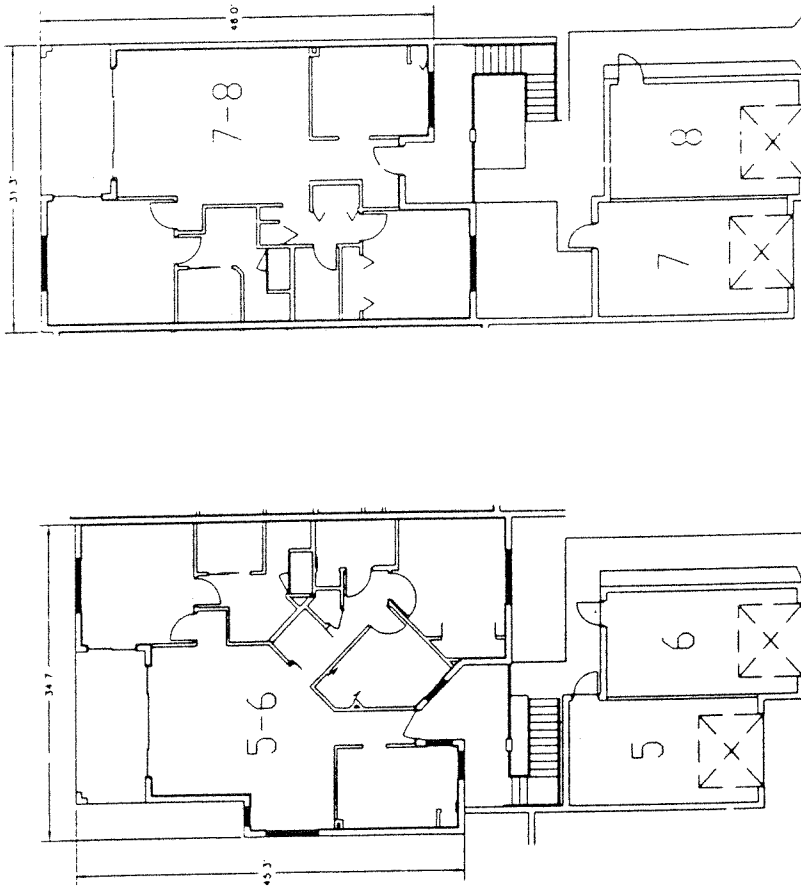
NOTE:

ELEVATIONS INDICATED HEREIN REFER TO THE NATIONAL GEODETIC VERTICAL DATUM OF 1929

E. Fred Devel and Associates, Inc.
 CONSULTING ENGINEERS • LAND SURVEYORS • LAND PLANNERS
 ST. PETERSBURG - ZEPHYRHILLS
 1620 FIRST AVENUE NORTH
 ST. PETERSBURG, FLORIDA 33713
 CERTIFICATE OF AUTHORIZATION L.B. # 107

BAY POINTE VILLAS
PHASE I.A CONDOMINIUM
 SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST
 PINELLAS COUNTY, FLORIDA

PINELLAS COUNTY FLA
 OFF. REC. BK 10183 PG 772



GROUND LEVEL UNIT 5
 SECOND LEVEL UNIT 6
 SCALE: 1/4"=1'-0"

GROUND LEVEL UNIT 7
 SECOND LEVEL UNIT 8
 SCALE: 1/4"=1'-0"

NOTE:
 1. LIMITED COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO ASSIGNED PARKING SPACES AND BALCONIES.
 2. THE COMMON ELEMENTS SHALL BE LIMITED TO THE EXTERIOR WALLS, THE LAND, ALL ROADS, WAYS AND LIGHTING FEATURES TO ILLUMINATE THE COMMON ELEMENTS.
 3. THE UNIT BOUNDARIES ARE AS FOLLOWS:
 A. THE UPPER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
 B. THE LOWER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
 C. THE PERIMETRICAL BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE WALLS.
 D. THE BOUNDARIES SHALL BE EXTENDED TO THEIR PLANNED INTERSECTIONS WITH EACH OTHER AND WITH THE UPPER AND LOWER BOUNDARIES, TOGETHER WITH ALL EXTERIOR DOORS AND WINDOWS.

EXISTING ELEVATION CHART:

2ND FLOOR=19.40
1ST FLOOR=10.07

NOTE
 ELEVATIONS INDICATED HEREIN REFER TO THE NATIONAL GEODETIC VERTICAL DATUM OF 1929

E. Fred Devel and Associates, Inc.

CONSULTING ENGINEERS - LAND SURVEYORS - LAND PLANNERS
 ST. PETERSBURG - ZEPHYRHILLS
 1620 FIRST AVENUE NORTH
 ST. PETERSBURG, FLORIDA 33713
 CERTIFICATE OF AUTHORIZATION L.B. # 107

EXHIBIT "B"

PERCENTAGE OWNERSHIP OF COMMON ELEMENTS
AND COMMON SURPLUS AND
OBLIGATION FOR COMMON EXPENSES

Each unit shall own a share of the Common Elements and Common Surplus and be obligated for the obligations for Common Expenses based on a percentage created by the ratio where the numerator is 1 and the denominator is the number of units declared to condominium ownership.

0143094.01/mme

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Incorporation of BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC., a Florida corporation, filed on July 2, 1998, as shown by the records of this office.

I further certify the document was electronically received under FAX audit number H98000012297. This certificate is issued in accordance with section 15.16, Florida Statutes, and authenticated by the code noted below

The document number of this corporation is N98000003890.

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
Sixth day of July, 1998

Authentication Code: 098A00036046-070698-N98000003890-1/1

EXHIBIT "C"



Sandra B. Northam
Secretary of State

PINELLAS COUNTY FLA.
OFF. REC. BK 10183 PG 775FLORIDA DEPARTMENT OF STATE
Sandra B. Mortham
Secretary of State

July 6, 1998

BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC.
10825 SEMINOLE BLVD.
LARGO, FL 33778

The Articles of Incorporation for BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC. were filed on July 2, 1998, and assigned document number N98000003890. Please refer to this number whenever corresponding with this office.

Enclosed is the certification requested. To be official, the certification for a certified copy must be attached to the original document that was electronically submitted and filed under FAX audit number H98000012297.

A corporation annual report will be due this office between January 1 and May 1 of the year following the calendar year of the file date year. A Federal Employer Identification (FEI) number will be required before this report can be filed. Please apply NOW with the Internal Revenue Service by calling 1-800-829-3676 and requesting form SS-4.

Please be aware if the corporate address changes, it is the responsibility of the corporation to notify this office.

Should you have questions regarding corporations, please contact this office at the address given below.

Wanda Sampson
Document Specialist
New Filings Section
Division of Corporations

Letter Number: 098A00036046

ARTICLES OF INCORPORATIONOFBAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC.

The undersigned do hereby associate themselves for the purpose of forming a corporation not for profit as allowed by Section 718 and Section 617 of the Florida Statutes. Pursuant to the provisions and laws of the State of Florida, we certify as follows:

1. NAME

The name of the corporation shall be BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Association", with its principal and registered office located at 10825 Seminole Boulevard, Largo, FL 33778. The Board of Directors may, from time to time, move the principal office to any other address in Florida.

2. PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to Chapter 718, Florida Statutes 1997, hereinafter called the "Condominium Act", for the operation of BAY POINTE VILLAS, A CONDOMINIUM, (the "Condominium") to be created pursuant to the provisions of its Declaration of Condominium and the Condominium Act.

3. POWERS

The powers of the Association shall include and be governed by the following provisions:

3.1 The Association shall have all of the common law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles of Incorporation or the Condominium Act.

3.2 The Association shall have all of the powers and duties set forth in the Condominium Act, these Articles of Incorporation and the Declaration of Condominium and its attendant documents, and all of the powers and duties reasonably necessary for operation of the Condominium. In the event of a conflict between the powers of the Association as is set forth in these Articles of Incorporation, the Bylaws, or the Declaration of Condominium and the Condominium Act, the Condominium Act shall prevail.

Prepared by:

Robert A. Larson, Esquire
100 Chestnut Street
Clearwater, FL 33757
(813) 461-1818

Bar No. 0108435

3.3 All funds and the titles to all properties acquired by the Association, and their proceeds, shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation, and the Bylaws of the Association, and the costs, expenses, maintenance, care and upkeep of such properties for the benefit of the members shall be considered common expenses of the Condominium.

3.4 The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the Bylaws.

3.5 The Association shall have the power and authority to levy, charge, assess and collect fees, charges and assessments from the Unit Owners as allowed by the Declaration of Condominium.

3.6 The Association shall have the power and authority to own, acquire, operate and maintain the common surface water management system, hereinafter referred to by name or together with other areas collectively as the "Common Elements" as further described in the Plat of the properties. The "Surface Water Management System" shall mean those water management areas defined by Rule 40D-4.021(5), Florida Administrative Code. Examples of components of the Surface Water Management System include, but are not limited to, the following: streets, roads, rights-of-way, inlets, ditches, culverts, structures, retention and detention areas, ponds, lakes, floodplain compensation areas, wetland mitigation areas and conservation/preservation areas.

3.7 Notwithstanding anything herein to the contrary, the corporation shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in Section 501(c)(7) of the Internal Revenue Code and its regulations as the same now exist or as they may be hereinafter amended from time to time.

3.8 The corporation shall have no power to declare dividends, and no part of its net earnings shall inure to the benefit of any member or director of the corporation or to any other private individual. The corporation shall have no power or authority to engage in activities which consist of carrying on propaganda or otherwise attempting to influence legislation or to participate in, or intervene in, any political campaign on behalf of any candidate for public office.

3.9 The corporation shall have no capital stock.

3.10 This Section shall not be construed to give the Association any powers not authorized by the Condominium Act.

4. MEMBERSHIP

4.1 The members of the Association shall consist of all of the record Owners of Units in the Condominium which have adopted these Articles, hereinafter referred to as "Units", and after termination of the Condominium shall consist of those who are members at the time of such termination, and their successors and assigns.

4.2 Membership shall be acquired by recording in the Public Records of the County within which the Condominium is situate, a deed or other instrument establishing record title to a Unit in the Condominium, the Owner designated by such instrument thus becoming a member of the Association, and the membership of the prior Owner being thereby terminated, provided, however, any party who owns more than one Unit shall remain a member of the Association so long as such owner shall retain title to or a fee ownership interest in any Unit.

4.3 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 to the Unit.

4.4 On all matters upon which the member shall be entitled to vote, there shall be one vote for each Unit, which vote may be exercised or cast in such manner as may be provided in the Bylaws of the Association. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

4.5 The Developer shall be a member of the Association and shall be allowed one vote for each Unit owned by the Developer.

5. EXISTENCE

The Corporation shall have perpetual existence.

In the event the Corporation is dissolved, the property consisting of the Surface Water Management System shall be conveyed to an appropriate agency of local government and, in the event such governmental agency is unwilling to accept such property, then the Surface Water Management System shall be dedicated to a similar non-profit corporation.

6. SUBSCRIBERS

The names and addresses of the subscribers to these Articles of Incorporation are:

Thomas Kapper
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

7. OFFICERS

The affairs of the Association shall be administered by a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time designate. Any person may hold two offices, excepting that the same person shall not hold the office of President and Secretary. Officers of the Association shall be those set forth herein or elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

Thomas Kapper - President
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Ruth Slatford - Vice President
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Nancy Kapper - Secretary
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Cheryl Gentry - Treasurer
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

8. DIRECTORS

8.1 The affairs of the Association shall be managed by a Board of Directors who need not be members of the Association. The membership of the Board shall consist of not less than three (3) Directors until the control of the Association is transferred to the Unit Owners other than the Developer pursuant to Florida Statute 718.301. Thereafter, the Board shall consist of not less than five (5) Directors. Provided, however, that the Board shall always consist of an odd number of Directors.

8.2 Directors of the Association shall be elected at the annual meeting of the members in the manner provided by the Bylaws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the Bylaws.

8.3 The first election of Directors shall not be held until the Developer, as defined in the Declaration of Condominium, is required by law to elect directors in

accordance with Florida Statute 718.301. That is to say, the Developer shall remain in control of the Board of Directors until required to relinquish pursuant to Section 718.301(1)(a) through (e). The Directors named in these Articles shall serve until the first election of Directors, and any vacancies in office occurring before the first election shall be filled by the remaining Directors and/or the Developer.

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

Thomas Kapper
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Ruth Slatford
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Nancy Kapper
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

9. INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceedings or the settlement of any proceeding to which he or she may be a party, or in which he or she may become involved by reason of being or having been a Director or Officer of the Association, whether or not he or she is a Director or Officer at the time such expenses are incurred, except when the Director or Officer is adjudged guilty of willful misfeasance, malfeasance, or nonfeasance, or found to have breached his or her fiduciary duty, in the performance of duties. The foregoing right of indemnification shall be in addition to and exclusive of all other rights and remedies to which such Director or Officer may be entitled.

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 therein.

11. AMENDMENT

These Articles of Incorporation shall be amended in the following manner:

11.1 Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

11.2 A resolution for the adoption of a proposed amendment may be proposed by the Board of Directors of the Association or by the members of the Association. A member may propose such an amendment by instrument in writing directed to any member of the Board of Directors signed by not less than twenty percent (20%) of the membership. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided, the President or, in the event of the President's failure to act, the Board of Directors, shall call a meeting of the membership to be held not sooner than fifteen (15) days nor later than sixty (60) days thereafter for the purpose of considering said amendment. Directors and members not present in person at the meeting considering the amendment may express their approval in writing provided such approval is delivered to the Secretary at or prior to the meeting. Except as provided herein, such approval must be either by:

(a) Not less than sixty-six and two-thirds percent (66-2/3%) of the entire membership of the Board of Directors and by not less than sixty-six and two-thirds percent (66-2/3%) of the votes of the entire membership of the Association; or

(b) Not less than sixty-six and two-thirds percent (66-2/3%) of the votes of the entire membership of the Association.

11.3 Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of the members, nor any change in Paragraph 3.3, without approval in writing by all members and the joinder of all record Owners of mortgages on the Condominium Units. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium. No amendment shall be made without the written approval of the Developer if such amendment shall cause an assessment of the Developer as a Unit Owner for capital improvements, constitute an action that would be detrimental to the sales of Units by the Developer, or any other such action which would inhibit, impair, or otherwise preclude the rights reserved to the Developer by way of the Declaration of Condominium.

11.4 Any amendment (including termination) of the Declaration of Condominium that would affect the ownership, operation or maintenance of the Surface Water Management System, or that would affect the Surface Water Management System of the Common Elements, shall not be effective without the prior written approval of the Southwest Florida Water Management District.

11.5 A copy of each amendment shall be filed with the Secretary of State, pursuant to the provisions of the applicable Florida Statutes, and a copy certified by the

Secretary of State shall be recorded in the Public Records of the County where the condominium is located.

PINELLAS COUNTY FLA.
OFF. REC. BK. 10183 PG. 782

12. REGISTERED AGENT

The corporation hereby appoints Thomas Kapper, located at 10825 Seminole Boulevard, Unit 2B Seminole, Florida 33778, as its Registered Agent to accept service of process within this state.

IN WITNESS WHEREOF, the Subscribers have affixed their signatures hereto this 1st day of July, 1998.

Signed, Sealed and Delivered
in the Presence of:

[Signature]

[Signature] (SEAL)
Thomas Kapper

Melissa Esposito

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this day 1st of July, 1998, by Thomas Kapper, as Subscriber.

[Signature]

Print: _____
NOTARY PUBLIC

My Commission Expires:

Personally known OR produced identification _____

Type of identification produced: Driver's License _____ OR Other: _____



Roger A. Larson
MY COMMISSION # CC524842 EXPIRES
January 28, 2000
BONDED THRU TROY FARM INSURANCE, INC.

BYLAWS

OF

BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC.

1. IDENTITY

These are the Bylaws of BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC., hereinafter called the "Association", a corporation not for profit under the laws of the State of Florida. These Bylaws are adopted for the purpose of governing the Association and incorporate by reference the terms and conditions of the Articles of Incorporation of the Association and of the Declaration of Condominium referred to therein.

1.1 The Office of the Association shall be at 10825 Seminole Boulevard, Largo, FL 33778.

1.2 The Fiscal Year of the Association shall be as determined by the Board of Directors.

1.3 The Seal of the Association shall bear the name of corporation, the word "Florida", and the words "Corporation Not For Profit"

2. MEMBERS' MEETINGS

2.1 The annual members' meeting shall be held at least once each year at the office of the Association unless otherwise designated by the Board of Directors, at a time and date determined by the Board. Such annual members' meetings shall be for the purpose of transacting annual business of the Association authorized to be transacted by the members.

2.2 Special members' meetings shall be held whenever called by the President or by a majority of the Board of Directors, and must be called by such officer upon receipt of a written request from members entitled to cast ten percent (10%) of the votes of the entire membership. Provided, however, until Developer has relinquished control of the Association, no special members' meetings shall be called or convened for the purpose of removal of the Directors appointed by the Developer or to amend this Declaration or its exhibits to remove rights and reservations in the Developer.

2.3 Notice of all members' meetings with an agenda stating the time and place and the object for which the meeting is called shall be given by the President or Secretary. Such notice shall be in writing (unless waived by the Unit Owner in

writing) to each member at his address as it is on the books of the Association and shall be given not less than fourteen (14) continuous days prior to the date of the meeting. An Officer of the Association shall provide an Affidavit, to be included in the official records of the Association, affirming that a Notice of the Association meeting was mailed or hand delivered, in accordance with this provision, to each unit owner at the addresses last furnished to the Association. Notice of a meeting may be waived in writing before or after the meeting. If it is an annual meeting, the Notice shall also be posted in a conspicuous place on the condominium property at least 14 continuous days in advance of the meeting and if not an annual meeting, 48 continuous hours in advance of the meeting, except in emergency. Notice of any meeting in which assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of such assessments.

2.4 A quorum at members meeting shall consist of a majority of the voting interests entitled to cast votes of the entire membership. The acts approved by a majority of the votes present at a meeting of which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation, these Bylaws, or the Condominium Act.

2.5 Voting.

(a) In any meeting of members, the Owners of Units shall be entitled to cast one vote for each Unit owned.

(b) If a Unit is owned by one person, that person's right to vote shall be established by the record title to the Unit. If any Unit is owned by more than one person, or is under lease, the person entitled to cast one vote for the Unit shall be designated by a certificate signed by all of the record Owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or duly authorized officer and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. If such certificate is not on file, the vote of such Owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.6 Proxies. Votes may be cast in person or by proxy as defined and limited by F.S. 718.112 (2)(b). A proxy may be made by any person entitled to vote and shall be effective only for the specific meeting for which originally given and any lawfully adjourned meeting thereof and in no event shall any proxy be valid for a

period longer than ninety (90) days after the date of the first meeting for which it was given. The proxy shall be revocable at any time at the pleasure of the Unit Owner executing it, and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

2.7 Adjourned meetings. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.8 The order of business at annual members' meetings, and as far as practical at other members' meetings, shall be:

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (e) Reports of Committees.
- (f) Appointment of inspectors of election.
- (g) Election of directors.
- (h) Determination of less than adequate reserves or no reserves.
- (i) Unfinished business.
- (j) New business.
- (k) Adjournment.

3. DIRECTORS

The affairs of the Association shall be determined by a Board of Directors who need not be members of the Association. The first Board of Directors shall consist of three (3) directors who need not be members of the Association. The Board of Directors may from time to time increase or decrease the number of persons to serve on the Board, provided, however, that the Board must always consist of an odd number of members, and provided, further, that there shall never be less than three (3) Directors on the Board. The Board shall remain at three (3) Directors until such time as the Developer transfers control of the Association to Unit Owners other than the Developer, at which time the Board shall consist of not less than five (5) members. Any increase or decrease in the number of members on the Board shall be effectuated at least thirty (30) days prior to a regular annual election of the Board, and such change in number shall be effective as of the date of the next regular election. The term of the first Board of Directors or their replacements, shall continue until the Developer is required by statute to relinquish control or voluntarily relinquishes control of the Association.

3.1 Election of Directors shall be conducted in the following manner:

(a) Election of Directors shall be held at the annual members' meeting, with the first election being at the first member meeting required to be called pursuant to Florida Statute 718.301 to elect a Board member, or members, to provide for the percentage of Unit Owners other than the Developer on the Board of Directors as required by Florida Statute 718.301. Said election of Unit Owners other than the Developer shall take place in accordance with the procedures as set forth in F.S. 718 and the Florida Administration Code, as amended. Election of Directors thereafter shall be at each year's annual meeting.

(b) Except as to vacancies created by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

(c) Subsequent to delivery of control of the Board to the Unit Owners other than the Developer, pursuant to Florida Statute 718.301, any member of the board of administration may be recalled and removed from office with or without cause, by the vote or agreement in writing by a majority of all Unit Owners. A special meeting of the Unit Owners to recall a member or members of the board of administration may be called by ten percent (10%) of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting. Recall shall operate in accordance with Florida Statute 718.112(2)(k).

(d) Provided, however, that until the Developer has relinquished control of the Association, the first directors of the Association shall serve, and in the event of vacancies, the remaining directors shall fill the vacancies, and if there are no remaining directors, the vacancies shall be filled by the Developer, and directors serving during the Developer's control cannot be removed by a vote pursuant to Paragraph (c) above. This shall not be interpreted or be construed so as to preclude annual meetings of the membership.

3.2 The term of each director's service, subject to the provisions of 3.1(d) above, shall be as follows: The first Board elected subsequent to the transfer of control to the Unit Owners shall elect two (2) Board members for two years and the remaining Board members for one year. At the end of the initial term, they shall thereafter be elected for one year terms, thereby staggering the Board members. In the event of a five member Board of Directors or a larger Board of Directors, the majority number of Directors shall be elected every two (2) years.

3.3 The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and a notice of such meeting shall be posted conspicuously on the condominium property at least forty-eight (48) continuous hours preceding the meeting.

3.4 Regular meeting of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least forty-eight (48) continuous hours prior to the day named for such meeting. Notice to members of Directors meetings shall be given by posting such notice in a conspicuous place forty-eight (48) continuous hours in advance of said meeting. Said meeting shall be open to all Unit Owners.

3.5 Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third of the Directors. Not less than forty-eight (48) hours' notice of the meeting shall be given personally, by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Notice to members of Directors meetings shall be given by posting such notice in a conspicuous place forty-eight (48) continuous hours in advance of said meeting. Said meeting shall be open to all Unit Owners.

3.6 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

3.7 A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

3.8 Adjourned meeting. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. No further notice need be given of an adjourned meeting.

3.9 Joinder and meeting by approval of minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director and his or her approval of the actions taken but shall not be considered for purposes of determining a quorum.

3.10 The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected and, if none, the President shall

preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

3.11 The order of business at directors' meetings shall be:

- (a) Calling of roll
- (b) Proof of due notice of meeting
- (c) Reading and disposal of any unapproved minutes
- (d) Reports of officers and committees
- (e) Election of officers
- (f) Unfinished business
- (g) New business
- (h) Adjournment

3.12 A Director shall not be entitled to, nor paid, any fee for services as a Director.

3.13 A Director shall be considered as present for a regular or special meeting if such Director is in simultaneous communication by telephone or other media with all other Directors.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws, shall be exercised exclusively by the Board of Directors, subject only to the approval by Unit Owners where such approval is specifically required. Without limiting the powers and duties of the Board of Directors, it shall have the following express powers, in addition to all others herein granted, and provided for by the Declaration of Condominium and the Condominium Act, to wit:

- (a) To enter into a long-term management contract, providing for the management of the condominium property and of the recreation area, if any.
- (b) To enter into contracts for the purpose of making available to the Owners and residents of the Units such services, as but not limited to, doorman and automobile parking; maid service, security and security alarm system, contracts for maintenance, repair, replacement of common elements and the like, provided, however, that the term of period of such contracts shall not exceed three (3) years and, provided further, that said contracts may provide for additional extensions of the original term in the absence of written notice of termination by either party.
- (c) To charge, assess and collect fees, charges, assessments, including reserves for the Condominium, not less frequently than

quarterly, and to enforce the collection according to the Declaration of Condominium and the exhibits and as allowed by law. To lease, maintain, repair and replace the common elements.

(d) To purchase or lease real and personal property in the Association's name.

(e) The Directors shall keep minutes of all meetings of the Unit Owners and the Board of Directors and said minutes shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. Said minutes shall be retained for a period of time not less than seven years.

(f) To create and promulgate reasonable rules and regulations for the operation of the Condominium.

(g) To gain access to each unit during reasonable hours, when necessary for the maintenance, repair or replacement of any common elements or for making emergency repairs necessary to prevent damage to the common elements or to another unit or units.

(h) To adopt a budget for the Association. Provided notice of the meeting for adoption of the budget and a copy of the budget shall be mailed to all members fourteen (14) days prior to the Board meeting.

5. OFFICERS

5.1 The officers of the Association shall be a President, who shall be a Director, Secretary and a Treasurer, all of whom shall be elected annually by the Board of Directors, and such other officers as the Board of Directors may, from time to time, designate.

Any officer may be removed peremptorily, without cause, by a vote of two-thirds of the directors present at any duly constituted meeting.

5.2 The President shall be the chief executive officer of the Association and shall have all of the powers and duties usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as said president, in his or her discretion, may determine appropriate to assist in the conduct of the affairs of the Association.

5.3 The Secretary shall keep the minutes of all proceedings of the directors and the members meetings; shall tend to the giving and serving of all notices to the members and directors and other notices required by law; shall have custody of

the seal and affix it to instruments requiring a seal when duly signed; shall keep the records of the Association, and shall perform all duties incident to the office and as may be required by the directors or the President.

5.4 The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness; shall keep the books of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office.

5.5 No compensation shall be paid to any officer of the Association. No officer who is a designee of the Developer shall receive any compensation for services as an officer.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Condominium, Articles of Incorporation of the Association, and the Condominium Acts shall be supplemented by the following provisions.

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including, if applicable, but not limited to those expenses listed in F.S. 718.504(20), including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for operating expenses for the succeeding year, or may be distributed to the membership, as the Directors shall determine.

(b) Reserve accounts for capital expenditures and deferred maintenance. Each of these accounts shall include, but not be limited to roof replacement, building painting, and pavement resurfacing. The establishment and funding of these reserve accounts shall be subject to the conditions and exceptions set forth in F.S. 718.112(2)(f).

(c) Operations, which shall include gross revenues from the use of Common Elements and from other sources. Only the additional direct expense required by any revenue producing operation will be charged to this account, and any surplus from any operation shall be used to reduce the assessments for current expense for the year during which the surplus is realized.

6.2 Budget. The Board of Directors shall adopt a Budget for each fiscal year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for reserves. The form of the annual budget shall be in conformance with Chapter 718.111, 718.112 and 718.504(20) of the Florida Statutes. A copy of the Budget shall be delivered by mail at the address of the Unit Owner existing on the books of the Association not less than fourteen (14) days prior to the meeting at which it is to be considered, together with a notice of that meeting. If an adopted budget requires assessment against the Unit Owners in any fiscal or calendar year exceeding 115% of the assessments for the preceding year, the Board, upon written application of 10% of the Unit Owners to the Board, shall call a special meeting of the Unit Owners within thirty days, upon not less than 10 days written notice to each Unit Owner. At the special meeting, the Unit Owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority of the vote of all Unit Owners. The budget shall be considered adopted if approved by a majority of the Unit Owners at the meeting or in writing. In determining whether assessments exceed 115% of similar assessments in prior years, any Authorized provisions for reasonable reserves for repair or replacement of the Condominium property, anticipated expenses by the Condominium Association which are not anticipated to be incurred on a regular annual basis, or assessments for betterments to the Condominium property shall be excluded from the computation. However, as long as the Developer is in control of the Board of Administration, the Board shall not impose an assessment for any year greater than 115% of the prior fiscal or calendar year's assessment without approval of the majority of all of the Unit Owners.

6.3 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the fiscal year annually, in advance, 30 days preceding the fiscal year for which the assessments are made. Such assessments shall be due and payable as determined by the Board of Directors, but not less frequently than quarterly. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and payments on such assessment shall be due and payable in the same manner as the prior assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the fiscal year for which an amended assessment is made shall be payable as determined by the Board of Directors. Provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of any immediate need or emergency.

6.4 Acceleration of Assessment installments upon default. If a Unit Owner shall be in default in the payment of an assessment, the Board of Directors may accelerate the remaining quarterly balance of the assessment upon notice to the

Unit Owner, and the then unpaid quarterly balance of the assessment shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice to such Unit Owner by registered or certified mail, whichever shall first occur.

6.5 Depository. The depository of the Association shall be such bank or savings and loan association as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the directors, provided that a Management Agreement may include in its provisions authority in a designated agent to sign checks on behalf of the Association for payment of the obligations of the Association.

6.6 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons including officers and Directors controlling or disbursing funds of the Association in accordance with Florida Statute 718.112 (2)(j). The premiums on such bonds shall be paid by the Association.

6.7 Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors. A copy of any audit report received as a result of an audit shall be made available to each member of the Association at the office of the Association at reasonable hours. The audit, as used herein, is not intended to be a certified audit, but need only be a summation of the year's transactions.

7. PARLIAMENTARY RULES

Robert's' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation, or these Bylaws.

8. AMENDMENTS

A resolution for the adoption of a proposed amendment of these Bylaws may be proposed by either the Board of Directors of the Association or by the members of the Association. Members may propose such an amendment by instrument in writing directed to the President or Secretary of the Board signed by not less than twenty percent (20%) of the membership. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided for, the President or, in the event of his refusal or failure to act, the Board of Directors, shall call a meeting of the membership to be held within sixty (60) days for the purpose of considering said amendment. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such

approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

(a) Not less than sixty-six and two-thirds percent (66 2/3%) of the entire membership of the Board of Directors and by not less than sixty-six and two thirds percent (66 2/3%) of the votes of the entire membership of the Association; or

(b) Not less than sixty-six and two-thirds percent (66 2/3%) of the votes of the entire membership of the Association.

8.1 Proviso. Provided, however, that no amendment shall discriminate against any condominium Unit Owner nor against any Condominium Unit or class or group of Units unless the Condominium Unit Owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium. Each amendment shall, on the first page, identify the book and page of the Public Records where the declaration of each condominium operated by the Association is recorded.

8.2 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the President or duly qualified officer of the Association with the formalities of a deed. The amendment shall be effective when such certificate shall be annexed to and recorded with an amendment to the Declaration of Condominium where the Condominium is located.

8.3 No Bylaws shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. Non-material errors or omissions in the Bylaw process shall not invalidate and otherwise properly promulgate an amendment. Extensive changes to the Bylaws may be changed in accordance with Florida Statute 718.112(2)(k)2.

8.4 Exist in Perpetuity. The corporation shall have perpetual existence. However, if the Association is dissolved, the property consisting of the common surface water management system shall be conveyed to an appropriate agency of local government and, if not accepted, then the common surface water management system shall be dedicated to a similar non-profit corporation.

8.5 Amendments Need Prior Written Approval of the SWFWMD. Any amendment (including termination) of the Declaration of Condominium that would affect the ownership, operation or maintenance of the common surface water management system, or that would affect the common surface water

management system itself, shall not be effective without the prior written approval of the Southwest Florida Water Management District.

9. STATUTORY INCLUSIONS

9.1 If the transfer, lease, sale, or sublease of a Unit by its owner is subject to notice to the Condominium Association or any body thereof, a preset fee not to exceed the amount permitted by Florida Statute 718 may be charged by the Association in connection with any such transfer, sale, lease, or sublease to cover the Association's expenditures and services.

9.2 Notice of any meeting where assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

9.3 Mandatory non-binding arbitration. In the event of internal disputes arising from the operation of the condominium among Unit Owners, Associations, and their agents and assigns, the parties shall elect to resolve such disputes by submitting to mandatory non-binding arbitration in accordance with Florida Statutes 718.1255. If the parties agree to so submit, they shall make such election in writing filed with the Secretary of the Association.

10. FINES - LEVY AND FORECLOSURE

10.1 Power to Levy Fines. The Board of Directors of the Association shall have the power and authority to levy and assess fines in accordance with the Declaration of Condominium, Articles of Incorporation, Bylaws and Rules and Regulation periodically created from time to time by the Board of Directors and/or the Association for the operation and management of the Condominium property.

10.2 Procedure to Levy Fines. In the event a fine is to be levied, the following procedure shall be followed:

(a) The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing before a committee of other Unit Owners after reasonable notice of not less than 14 days, and said notice shall include:

- (1) A statement of the date, time and place of the hearing;
- (2) A statement of the provisions of the Declaration, Association Bylaws, or Association rules which have allegedly been violated; and

(3) A short and plain statement of the matters asserted by the Association.

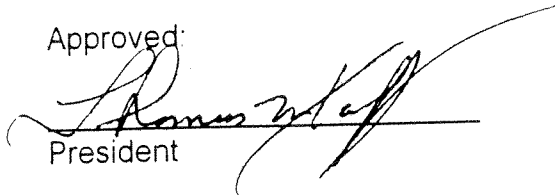
(b) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the Association.

(c) The hearing shall be conducted before a committee of other Unit Owners.

(d) Subsequent to the hearing and any continuance thereof, but, nevertheless not later than 10 days following the adjournment of the hearing, the Board of Directors shall make a final decision as to the levying and assessment of the fine. Such decision shall be delivered to the party against whom the fine is sought to be levied by notice in writing at the last known address of the party.

The foregoing were adopted as the Bylaws of The Association at the first meeting of the Board of Directors on the 2nd day of July, 1998

Approved:



President

Secretary

06/30/98 11:52 AM
0133620.01
38480.97109

EXHIBIT "E"


CONSENT OF MORTGAGEE

The undersigned, Steven Beatty as successor Trustee of Sheldon L. Rothman, as Trustee of the Happy Homes, Inc. of Pinellas County Profit Sharing Trust as Mortgagee, does hereby consent and join into the Declaration of Condominium of BAY POINTE VILLAS, a Condominium.

The Mortgagee owns a Mortgage dated the 24th day of September, 1997 recorded the 29th day of September, 1997 in Official Records Book 9853, page 242 of the public records of Pinellas County, Florida. Such joinder and consent shall not be construed nor shall it affect the priority of lien of the Mortgagee on the real property which is declared to condominium ownership.

Dated this 23RD day of July, 1998

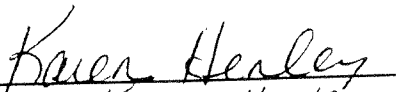
Witnesses:



Print: PETER T. HOFSTRA

By: Steven Beatty

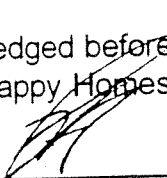
Steven Beatty, as Trustee of The Happy Homes, Inc. of Pinellas County Profit Sharing Trust



Print: Karen Henley

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this 23RD day of July, 1998, by Steven Beatty, as Trustee of The Happy Homes, Inc., of Pinellas County Profit Sharing Trust.



Print: PETER T. HOFSTRA
Notary Public

My commission expires:

Personally known X OR produced identification _____
Type of identification produced: Driver's License OR other _____

0142569.01/mme

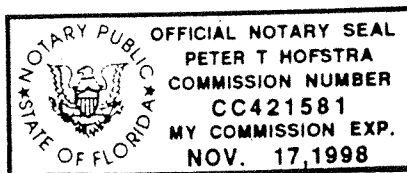


EXHIBIT "E"


CONSENT OF MORTGAGEE

The undersigned, Happy Homes, Inc. of Pinellas County as general partner of Community Investors, Ltd., as Mortgagee, does hereby consent and join into the Declaration of Condominium of BAY POINTE VILLAS, a Condominium.

The Mortgagee owns a Mortgage dated the 1st day of June, 1998 recorded the ____ day of _____, 1998 in Official Records Book 10115, page 1 of the public records of Pinellas County, Florida. Such joinder and consent shall not be construed nor shall it affect the priority of lien of the Mortgagee on the real property which is declared to condominium ownership.

Dated this 23RD day of July, 1998


Witnesses: Community Investors, Ltd.
By: Happy Homes, Inc. of Pinellas County
its general partner


Print: PETER T. HOFSTRA
Karen Henley
Print: Karen Henley

By: Bea Beatty
Bea Beatty, Its vice President

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this 23RD day of July, 1998, by Bea Beatty as vice President, for Happy Homes, Inc., of Pinellas County, general partner of Community Investors, Ltd.


Print: PETER T. HOFSTRA
Notary Public

My commission expires:

Personally known X OR produced identification _____
Type of identification produced: Driver's License OR other _____

0142569.01/mme

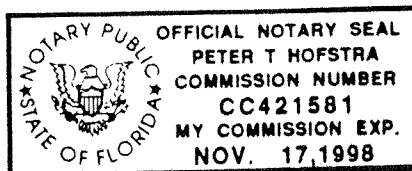


EXHIBIT "E"

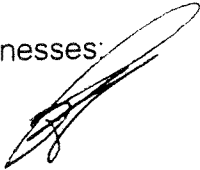
CONSENT OF MORTGAGEE

The undersigned, Steven Beatty as successor Trustee of Sheldon L. Rothman, as Trustee of the Happy Homes, Inc. of Pinellas County Profit Sharing Trust as Mortgagee, does hereby consent and join into the Declaration of Condominium of BAY POINTE VILLAS, a Condominium.

The Mortgagee owns a Mortgage dated the 1st day of April, 1998 recorded the 1st day of April, 1998 in Official Records Book 10044, page 1675 of the public records of Pinellas County, Florida. Such joinder and consent shall not be construed nor shall it affect the priority of lien of the Mortgagee on the real property which is declared to condominium ownership.

Dated this 23RD day of July, 1998

Witnesses:



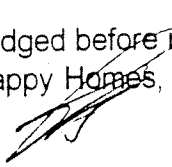
Print: PETER T. HOFSTRA

By: St Beatty
Steven Beatty, as Trustee of The Happy Homes, Inc. of Pinellas County Profit Sharing Trust

Karen Henley
Print: Karen Henley

STATE OF FLORIDA
COUNTY OF PINELLAS

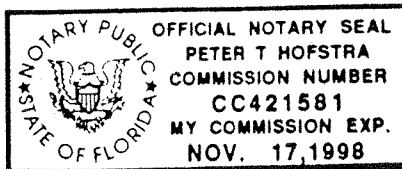
The foregoing instrument was acknowledged before me this 23RD day of July, 1998, by Steven Beatty, as Trustee of The Happy Homes, Inc., of Pinellas County Profit Sharing Trust.


Print: PETER T. HOFSTRA
Notary Public

My commission expires:

Personally known X OR produced identification _____
Type of identification produced: Driver's License OR other _____

0142569.01/mme



REC 15.00

INST # 99-077497
MAR 10, 1999 4:46PM

PINELLAS COUNTY FLA.
OFF REC BK 10434 PG 2500

PREPARED BY AND RETURN TO: ✓
ROGER A. LARSON, ESQUIRE
JOHNSON, BLAKELY, POPE, BOKOR,
RUPPEL & BURNS, P.A.
911 CHESTNUT STREET
CLEARWATER, FL 33756

AMENDMENT TO DECLARATION OF CONDOMINIUM
OF
BAY POINTE VILLAS, A CONDOMINIUM

The undersigned Developer, for itself, successors, grantees and assigns files this Amendment to the Declaration of Condominium of Bay Pointe Villas, a Condominium, recorded at Official Records Book 10183, Page 734, and Condominium Plat Book 120, Page 46 – 48 inclusive, of all the Public Records of Pinellas County, Florida, for the purposes of filing a Supplemental Surveyors Certificate attached hereto as Exhibit "A".


This Amendment is made pursuant to the Declaration of Condominium and need only be executed by the Developer.

The Surveyor's Certificate is attached hereto as Exhibit "A" and is incorporated herein by reference.

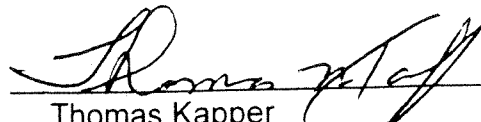
IN WITNESS WHEREOF, the Developer has executed this Amendment to the Declaration this 2nd day of March, 1999.

Signed, Sealed and Delivered
in the Presence of:

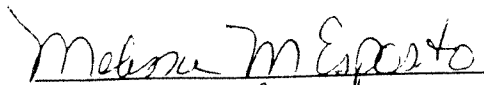
SHADOW LAKES DEVELOPMENT
COMPANY



ROGER A. LARSON

By: 

Thomas Kapper
President



Melissa M. Esposito

RECORDING
REC 9/15.00
AS _____
T _____
ES _____
ITF _____
V _____
TOTAL \$ 15.00

STATE OF FLORIDA
COUNTY OF Pinellas

The foregoing instrument was acknowledged before me this 2nd day of March, 1999, by Thomas Kapper as President of SHADOW LAKES DEVELOPMENT COMPANY.



Notary Public
Print Name: _____

My Commission Expires:

Personally known OR produced identification _____
Type of identification produced: Driver's License _____ OR other _____

Exhibit "A" – Surveyor's Certificate

#179781/mme



Roger A. Larson
MY COMMISSION # CC524842 EXPIRES
January 28, 2000
BONDED THRU TROY FAIN INSURANCE, INC.

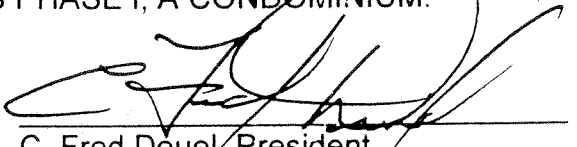
4C118972	JTF	03-10-1999	16:38:44
	01	DCL-BAY POINTE VILLAS	
RECORDING		1	\$15.00
		TOTAL:	\$15.00
		CHECK AMT. TENDERED:	\$15.00
		CHANGE:	\$.00

AFFIDAVIT

COUNTY OF PINELLAS)
SS
STATE OF FLORIDA)

I HEREBY CERTIFY, that on this day personally appeared before me the undersigned authority, C. Fred Deuel of C. FRED DEUEL & ASSOCIATES, INC., a Florida corporation, who after being duly sworn, as required by law, deposes and says:

- 1. That Units 1, 2, 3 and 4, of BAY POINTE VILLAS PHASE I, A CONDOMINIUM, property was surveyed under my responsible direction and supervision and that the construction of the condominium is substantially complete so that the materials, description and plans of the condominium property set out hereon, together with the provisions of the declaration describing the condominium property, is an accurate representation of the location and dimensions of the improvements, and that identification, location, and dimensions of the common elements and of each unit can be determined from these materials. Due to slight variances in recreation and common areas, an amended condominium will be filed.
- 2. That this Affidavit is given for the compliance with Section 718.104 (e) Florida Statutes, 1977, and is and shall be made a part of aforesaid Declaration of Condominium of BAY POINTE VILLAS PHASE I, A CONDOMINIUM.



C. Fred Deuel, President
C. FRED DEUEL & ASSOCIATES, INC.

Sworn to and subscribed before me this 14 day of December, 1998.

Carol Leon Moore
Notary Public, State of Florida

My Commission expires: _____

This instrument prepared by/return to:
Sheryl Payseur, an employee of
C. Fred Deuel & Associates, Inc.
P. O. Box 10116
St. Petersburg, FL 33733-0116



Carol Leon Moore
MY COMMISSION # CC660787 EXPIRES
July 29, 2001
BONDED THRU TROY FAIN INSURANCE, INC.

ARTICLES OF INCORPORATION

OF

BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC.

The undersigned do hereby associate themselves for the purpose of forming a corporation not for profit as allowed by Section 718 and Section 617 of the Florida Statutes. Pursuant to the provisions and laws of the State of Florida, we certify as follows:

1. NAME

The name of the corporation shall be BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC., hereinafter referred to as the "Association", with its principal registered office located at 10825 Seminole Boulevard, Largo, FL 33778. The Board of Directors may, from time to time, move the principal office to any other address in Florida.

2. PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to Chapter 718, Florida Statutes 1997, hereinafter called the "Condominium Act", for the operation of BAY POINTE VILLAS, A CONDOMINIUM, (the "Condominium") to be created pursuant to the provisions of its Declaration of Condominium and the Condominium Act.

3. POWERS

The powers of the Association shall include and be governed by the following provisions:

3.1 The Association shall have all of the common law and statutory powers of a corporation not for profit not in conflict with the terms of these Articles of Incorporation or the Condominium Act.

3.2 The Association shall have all of the powers and duties set forth in the Condominium Act, these Articles of Incorporation and the Declaration of Condominium and its attendant documents, and all of the powers and duties reasonably necessary for operation of the Condominium. In the event of a conflict between the powers of the Association as is set forth in these Articles of Incorporation, the Bylaws, or the Declaration of Condominium and the Condominium Act, the Condominium Act shall prevail.

3.3 All funds and the titles to all properties acquired by the Association, and their proceeds, shall be held in trust for the members in accordance with the provisions of the Declaration of Condominium, these Articles of Incorporation, and the Bylaws of the Association, and the costs, expenses, maintenance, care and upkeep of such properties for the benefit of the members shall be considered common expenses of the Condominium.

3.4 The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Declaration of Condominium and the Bylaws.

3.5 The Association shall have the power and authority to levy, charge, assess and collect fees, charges and assessments from the Unit Owners as allowed by the Declaration of Condominium.

3.6 The Association shall have the power and authority to own, acquire, operate and maintain the common surface water management system, hereinafter referred to by name or together with other areas collectively as the "Common Elements" as further described in the Plat of the properties. The "Surface Water Management System" shall mean those water management areas defined by Rule 40D-4.021(5), Florida Administrative Code. Examples of components of the Surface Water Management System include, but are not limited to, the following: streets, roads, rights-of-way, inlets, ditches, culverts, structures, retention and detention areas, ponds, lakes, floodplain compensation areas, wetland mitigation areas and conservation/preservation areas.

3.7 Notwithstanding anything herein to the contrary, the corporation shall exercise only such powers as are in furtherance of the exempt purposes of organizations set forth in Section 501(c)(7) of the Internal Revenue Code and its regulations as the same now exist or as they may be hereinafter amended from time to time.

3.8 The corporation shall have no power to declare dividends, and no part of its net earnings shall inure to the benefit of any member or director of the corporation or to any other private individual. The corporation shall have no power or authority to engage in activities which consist of carrying on propaganda or otherwise attempting to influence legislation or to participate in, or intervene in, any political campaign on behalf of any candidate for public office.

3.9 The corporation shall have no capital stock.

3.10 This Section shall not be construed to give the Association any powers not authorized by the Condominium Act.

4. MEMBERSHIP

4.1 The members of the Association shall consist of all of the record Owners of Units in the Condominium which have adopted these Articles, hereinafter referred to as "Units", and after termination of the Condominium shall consist of those who are members at the time of such termination, and their successors and assigns.

4.2 Membership shall be acquired by recording in the Public Records of the County within which the Condominium is situate, a deed or other instrument establishing record title to a Unit in the Condominium, the Owner designated by such instrument thus becoming a member of the Association, and the membership of the prior Owner being thereby terminated, provided, however, any party who owns more than one Unit shall remain a member of the Association so long as such owner shall retain title to or a fee ownership interest in any Unit.

4.3 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 to the Unit.

4.4 On all matters upon which the member shall be entitled to vote, there shall be one vote for each Unit, which vote may be exercised or cast in such manner as may be provided in the Bylaws of the Association. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

4.5 The Developer shall be a member of the Association and shall be allowed one vote for each Unit owned by the Developer.

5. EXISTENCE

The Corporation shall have perpetual existence.

In the event the Corporation is dissolved, the property consisting of the Surface Water Management System shall be conveyed to an appropriate agency of local government and, in the event such governmental agency is unwilling to accept such property, then the Surface Water Management System shall be dedicated to a similar non-profit corporation.

6. SUBSCRIBERS

The names and addresses of the subscribers to these Articles of Incorporation are:

Thomas Kapper
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

7. OFFICERS

The affairs of the Association shall be administered by a President, a Vice President, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time designate. Any person may hold two offices, excepting that the same person shall not hold the office of President and Secretary. Officers of the Association shall be those set forth herein or elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

Thomas Kapper - President
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Ruth Slatford - Vice President
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Nancy Kapper - Secretary
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Cheryl Gentry - Treasurer
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

8. DIRECTORS

8.1 The affairs of the Association shall be managed by a Board of Directors who need not be members of the Association. The membership of the Board shall consist of not less than three (3) Directors until the control of the Association is transferred to the Unit Owners other than the Developer pursuant to Florida Statute 718.301. Thereafter, the Board shall consist of not less than five (5) Directors. Provided, however, that the Board shall always consist of an odd number of Directors.

8.2 Directors of the Association shall be elected at the annual meeting of the members in the manner provided by the Bylaws. Directors may be removed and vacancies on the Board shall be filled in the manner provided by the Bylaws.

8.3 The first election of Directors shall not be held until the Developer, as defined in the Declaration of Condominium, is required by law to elect directors in

accordance with Florida Statute 718.301. That is to say, the Developer shall remain in control of the Board of Directors until required to relinquish pursuant to Section 718.301(1)(a) through (e). The Directors named in these Articles shall serve until the first election of Directors, and any vacancies in office occurring before the first election shall be filled by the remaining Directors and/or the Developer.

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

Thomas Kapper
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Ruth Slatford
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

Nancy Kapper
10825 Seminole Boulevard Suite 2-B
Largo, FL 33778

9. INDEMNIFICATION

Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon him or her in connection with any proceedings or the settlement of any proceeding to which he or she may be a party, or in which he or she may become involved by reason of being or having been a Director or Officer of the Association, whether or not he or she is a Director or Officer at the time such expenses are incurred, except when the Director or Officer is adjudged guilty of willful misfeasance, malfeasance, or nonfeasance, or found to have breached his or her fiduciary duty, in the performance of duties. The foregoing right of indemnification shall be in addition to and exclusive of all other rights and remedies to which such Director or Officer may be entitled.

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 therein.

11. AMENDMENT

These Articles of Incorporation shall be amended in the following manner:

11.1 Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.

11.2 A resolution for the adoption of a proposed amendment may be proposed by the Board of Directors of the Association or by the members of the Association. A member may propose such an amendment by instrument in writing directed to any member of the Board of Directors signed by not less than twenty percent (20%) of the membership. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided, the President or, in the event of the President's failure to act, the Board of Directors, shall call a meeting of the membership to be held not sooner than fifteen (15) days nor later than sixty (60) days thereafter for the purpose of considering said amendment. Directors and members not present in person at the meeting considering the amendment may express their approval in writing provided such approval is delivered to the Secretary at or prior to the meeting. Except as provided herein, such approval must be either by:

(a) Not less than sixty-six and two-thirds percent (66-2/3%) of the entire membership of the Board of Directors and by not less than sixty-six and two-thirds percent (66-2/3%) of the votes of the entire membership of the Association; or

(b) Not less than sixty-six and two-thirds percent (66-2/3%) of the votes of the entire membership of the Association.

11.3 Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of the members, nor any change in Paragraph 3.3, without approval in writing by all members and the joinder of all record Owners of mortgages on the Condominium Units. No amendment shall be made that is in conflict with the Condominium Act or the Declaration of Condominium. No amendment shall be made without the written approval of the Developer if such amendment shall cause an assessment of the Developer as a Unit Owner for capital improvements, constitute an action that would be detrimental to the sales of Units by the Developer, or any other such action which would inhibit, impair, or otherwise preclude the rights reserved to the Developer by way of the Declaration of Condominium.

11.4 Any amendment (including termination) of the Declaration of Condominium that would affect the ownership, operation or maintenance of the Surface Water Management System, or that would affect the Surface Water Management System of the Common Elements, shall not be effective without the prior written approval of the Southwest Florida Water Management District.

11.5 A copy of each amendment shall be filed with the Secretary of State, pursuant to the provisions of the applicable Florida Statutes, and a copy certified by the

Secretary of State shall be recorded in the Public Records of the County where the condominium is located.

12. REGISTERED AGENT

The corporation hereby appoints Thomas Kapper, located at 10825 Seminole Boulevard, Unit 2B Seminole, Florida 33778, as its Registered Agent to accept service of process within this state.

IN WITNESS WHEREOF, the Subscribers have affixed their signatures hereto this _____ day of _____, 1997.

Signed, Sealed and Delivered
in the Presence of:

_____(SEAL)
Thomas Kapper

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this day ____ of _____, 1997, by Thomas Kapper, as Subscriber.

Print: _____

NOTARY PUBLIC

My Commission Expires:

Personally known _____ OR produced identification _____

Type of identification produced: Driver's License _____ OR Other: _____

ACCEPTANCE OF REGISTERED AGENT

Having been named to accept service of process of the above stated corporation at the place designated in this certificate, pursuant to Chapter 48.091 and Chapter 617.0501 of the Florida Statutes, I hereby acknowledge that I am familiar with and accept the obligations of the position of registered agent.

By: _____ (SEAL)
Thomas Kapper, Registered Agent

05/05/98 3:27 PM
38490.97109
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BYLAWS

OF

BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC.

1. IDENTITY

These are the Bylaws of BAY POINTE VILLAS CONDOMINIUM ASSOCIATION, INC., hereinafter called the "Association", a corporation not for profit under the laws of the State of Florida. These Bylaws are adopted for the purpose of governing the Association and incorporate by reference the terms and conditions of the Articles of Incorporation of the Association and of the Declaration of Condominium referred to therein.

1.1 The Office of the Association shall be at 10825 Seminole Boulevard, Largo, FL 33778.

1.2 The Fiscal Year of the Association shall be as determined by the Board of Directors.

1.3 The Seal of the Association shall bear the name of corporation, the word "Florida", and the words "Corporation Not For Profit".

2. MEMBERS' MEETINGS

2.1 The annual members' meeting shall be held at least once each year at the office of the Association unless otherwise designated by the Board of Directors, at a time and date determined by the Board. Such annual members' meetings shall be for the purpose of transacting annual business of the Association authorized to be transacted by the members.

2.2 Special members' meetings shall be held whenever called by the President or by a majority of the Board of Directors, and must be called by such officer upon receipt of a written request from members entitled to cast ten percent (10%) of the votes of the entire membership. Provided, however, until Developer has relinquished control of the Association, no special members' meetings shall be called or convened for the purpose of removal of the Directors appointed by the Developer or to amend this Declaration or its exhibits to remove rights and reservations in the Developer.

2.3 Notice of all members' meetings with an agenda stating the time and place and the object for which the meeting is called shall be given by the President or Secretary. Such notice shall be in writing (unless waived by the Unit Owner in

writing) to each member at his address as it is on the books of the Association and shall be given not less than fourteen (14) continuous days prior to the date of the meeting. An Officer of the Association shall provide an Affidavit, to be included in the official records of the Association, affirming that a Notice of the Association meeting was mailed or hand delivered, in accordance with this provision, to each unit owner at the addresses last furnished to the Association. Notice of a meeting may be waived in writing before or after the meeting. If it is an annual meeting, the Notice shall also be posted in a conspicuous place on the condominium property at least 14 continuous days in advance of the meeting and if not an annual meeting, 48 continuous hours in advance of the meeting, except in emergency. Notice of any meeting in which assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of such assessments.

2.4 A quorum at members meeting shall consist of a majority of the voting interests entitled to cast votes of the entire membership. The acts approved by a majority of the votes present at a meeting of which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declaration of Condominium, the Articles of Incorporation, these Bylaws, or the Condominium Act.

2.5 Voting.

(a) In any meeting of members, the Owners of Units shall be entitled to cast one vote for each Unit owned.

(b) If a Unit is owned by one person, that person's right to vote shall be established by the record title to the Unit. If any Unit is owned by more than one person, or is under lease, the person entitled to cast one vote for the Unit shall be designated by a certificate signed by all of the record Owners of the Unit and filed with the Secretary of the Association. If a Unit is owned by a corporation, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by the President or duly authorized officer and filed with the Secretary of the Association. Such certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned. If such certificate is not on file, the vote of such Owner shall not be considered in determining the requirement for a quorum nor for any other purpose.

2.6 Proxies. Votes may be cast in person or by proxy as defined and limited by F.S. 718.112 (2)(b). A proxy may be made by any person entitled to vote and shall be effective only for the specific meeting for which originally given and any lawfully adjourned meeting thereof and in no event shall any proxy be valid for a

period longer than ninety (90) days after the date of the first meeting for which it was given. The proxy shall be revocable at any time at the pleasure of the Unit Owner executing it, and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

2.7 Adjourned meetings. If any meeting of the members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

2.8 The order of business at annual members' meetings, and as far as practical at other members' meetings, shall be:

- (a) Calling of the roll and certifying of proxies.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading and disposal of any unapproved minutes.
- (e) Reports of Committees.
- (f) Appointment of inspectors of election.
- (g) Election of directors.
- (h) Determination of less than adequate reserves or no reserves.
- (i) Unfinished business.
- (j) New business.
- (k) Adjournment.

3. DIRECTORS

The affairs of the Association shall be determined by a Board of Directors who need not be members of the Association. The first Board of Directors shall consist of three (3) directors who need not be members of the Association. The Board of Directors may from time to time increase or decrease the number of persons to serve on the Board, provided, however, that the Board must always consist of an odd number of members, and provided, further, that there shall never be less than three (3) Directors on the Board. The Board shall remain at three (3) Directors until such time as the Developer transfers control of the Association to Unit Owners other than the Developer, at which time the Board shall consist of not less than five (5) members. Any increase or decrease in the number of members on the Board shall be effectuated at least thirty (30) days prior to a regular annual election of the Board, and such change in number shall be effective as of the date of the next regular election. The term of the first Board of Directors or their replacements, shall continue until the Developer is required by statute to relinquish control or voluntarily relinquishes control of the Association.

3.1 Election of Directors shall be conducted in the following manner:

(a) Election of Directors shall be held at the annual members' meeting, with the first election being at the first member meeting required to be called pursuant to Florida Statute 718.301 to elect a Board member, or members, to provide for the percentage of Unit Owners other than the Developer on the Board of Directors as required by Florida Statute 718.301. Said election of Unit Owners other than the Developer shall take place in accordance with the procedures as set forth in F.S. 718 and the Florida Administration Code, as amended. Election of Directors thereafter shall be at each year's annual meeting.

(b) Except as to vacancies created by removal of directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining directors.

(c) Subsequent to delivery of control of the Board to the Unit Owners other than the Developer, pursuant to Florida Statute 718.301, any member of the board of administration may be recalled and removed from office with or without cause, by the vote or agreement in writing by a majority of all Unit Owners. A special meeting of the Unit Owners to recall a member or members of the board of administration may be called by ten percent (10%) of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners, and the notice shall state the purpose of the meeting. Recall shall operate in accordance with Florida Statute 718.112(2)(k).

(d) Provided, however, that until the Developer has relinquished control of the Association, the first directors of the Association shall serve, and in the event of vacancies, the remaining directors shall fill the vacancies, and if there are no remaining directors, the vacancies shall be filled by the Developer, and directors serving during the Developer's control cannot be removed by a vote pursuant to Paragraph (c) above. This shall not be interpreted or be construed so as to preclude annual meetings of the membership.

3.2 The term of each director's service, subject to the provisions of 3.1(d) above, shall be as follows: The first Board elected subsequent to the transfer of control to the Unit Owners shall elect two (2) Board members for two years and the remaining Board members for one year. At the end of the initial term, they shall thereafter be elected for one year terms, thereby staggering the Board members. In the event of a five member Board of Directors or a larger Board of Directors, the majority number of Directors shall be elected every two (2) years.

3.3 The organization meeting of a newly-elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and a notice of such meeting shall be posted conspicuously on the condominium property at least forty-eight (48) continuous hours preceding the meeting.

3.4 Regular meeting of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, at least forty-eight (48) continuous hours prior to the day named for such meeting. Notice to members of Directors meetings shall be given by posting such notice in a conspicuous place forty-eight (48) continuous hours in advance of said meeting. Said meeting shall be open to all Unit Owners.

3.5 Special meetings of the Board of Directors may be called by the President and must be called by the Secretary at the written request of one-third of the Directors. Not less than forty-eight (48) hours' notice of the meeting shall be given personally, by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Notice to members of Directors meetings shall be given by posting such notice in a conspicuous place forty-eight (48) continuous hours in advance of said meeting. Said meeting shall be open to all Unit Owners.

3.6 Waiver of Notice. Any director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice.

3.7 A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of directors is required by the Declaration of Condominium, the Articles of Incorporation or these Bylaws.

3.8 Adjourned meeting. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. No further notice need be given of an adjourned meeting.

3.9 Joinder and meeting by approval of minutes. The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director and his or her approval of the actions taken but shall not be considered for purposes of determining a quorum.

3.10 The presiding officer of Directors' meetings shall be the Chairman of the Board if such an officer has been elected and, if none, the President shall

preside. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

3.11 The order of business at directors' meetings shall be:

- (a) Calling of roll
- (b) Proof of due notice of meeting
- (c) Reading and disposal of any unapproved minutes
- (d) Reports of officers and committees
- (e) Election of officers
- (f) Unfinished business
- (g) New business
- (h) Adjournment

3.12 A Director shall not be entitled to, nor paid, any fee for services as a Director.

3.13 A Director shall be considered as present for a regular or special meeting if such Director is in simultaneous communication by telephone or other media with all other Directors.

4. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws, shall be exercised exclusively by the Board of Directors, subject only to the approval by Unit Owners where such approval is specifically required. Without limiting the powers and duties of the Board of Directors, it shall have the following express powers, in addition to all others herein granted, and provided for by the Declaration of Condominium and the Condominium Act, to wit:

- (a) To enter into a long-term management contract, providing for the management of the condominium property and of the recreation area, if any.
- (b) To enter into contracts for the purpose of making available to the Owners and residents of the Units such services, as but not limited to, doorman and automobile parking; maid service, security and security alarm system, contracts for maintenance, repair, replacement of common elements and the like, provided, however, that the term of period of such contracts shall not exceed three (3) years and, provided further, that said contracts may provide for additional extensions of the original term in the absence of written notice of termination by either party.
- (c) To charge, assess and collect fees, charges, assessments, including reserves for the Condominium, not less frequently than

quarterly, and to enforce the collection according to the Declaration of Condominium and the exhibits and as allowed by law. To lease, maintain, repair and replace the common elements.

(d) To purchase or lease real and personal property in the Association's name.

(e) The Directors shall keep minutes of all meetings of the Unit Owners and the Board of Directors and said minutes shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. Said minutes shall be retained for a period of time not less than seven years.

(f) To create and promulgate reasonable rules and regulations for the operation of the Condominium.

(g) To gain access to each unit during reasonable hours, when necessary for the maintenance, repair or replacement of any common elements or for making emergency repairs necessary to prevent damage to the common elements or to another unit or units.

(h) To adopt a budget for the Association. Provided notice of the meeting for adoption of the budget and a copy of the budget shall be mailed to all members fourteen (14) days prior to the Board meeting.

5. OFFICERS

5.1 The officers of the Association shall be a President, who shall be a Director, Secretary and a Treasurer, all of whom shall be elected annually by the Board of Directors, and such other officers as the Board of Directors may, from time to time, designate.

Any officer may be removed peremptorily, without cause, by a vote of two-thirds of the directors present at any duly constituted meeting.

5.2 The President shall be the chief executive officer of the Association and shall have all of the powers and duties usually vested in the office of president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as said president, in his or her discretion, may determine appropriate to assist in the conduct of the affairs of the Association.

5.3 The Secretary shall keep the minutes of all proceedings of the directors and the members meetings; shall tend to the giving and serving of all notices to the members and directors and other notices required by law; shall have custody of

the seal and affix it to instruments requiring a seal when duly signed; shall keep the records of the Association, and shall perform all duties incident to the office and as may be required by the directors or the President.

5.4 The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness; shall keep the books of the Association in accordance with good accounting practices; and shall perform all other duties incident to the office.

5.5 No compensation shall be paid to any officer of the Association. No officer who is a designee of the Developer shall receive any compensation for services as an officer.

6. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration of Condominium, Articles of Incorporation of the Association, and the Condominium Acts shall be supplemented by the following provisions.

6.1 Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expenses, which shall include all receipts and expenditures within the year for which the budget is made, including, if applicable, but not limited to those expenses listed in F.S. 718.504(20), including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for operating expenses for the succeeding year, or may be distributed to the membership, as the Directors shall determine.

(b) Reserve accounts for capital expenditures and deferred maintenance. Each of these accounts shall include, but not be limited to roof replacement, building painting, and pavement resurfacing. The establishment and funding of these reserve accounts shall be subject to the conditions and exceptions set forth in F.S. 718.112(2)(f).

(c) Operations, which shall include gross revenues from the use of Common Elements and from other sources. Only the additional direct expense required by any revenue producing operation will be charged to this account, and any surplus from any operation shall be used to reduce the assessments for current expense for the year during which the surplus is realized.

6.2 Budget. The Board of Directors shall adopt a Budget for each fiscal year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for reserves. The form of the annual budget shall be in conformance with Chapter 718.111, 718.112 and 718.504(20) of the Florida Statutes. A copy of the Budget shall be delivered by mail at the address of the Unit Owner existing on the books of the Association not less than fourteen (14) days prior to the meeting at which it is to be considered, together with a notice of that meeting. If an adopted budget requires assessment against the Unit Owners in any fiscal or calendar year exceeding 115% of the assessments for the preceding year, the Board, upon written application of 10% of the Unit Owners to the Board, shall call a special meeting of the Unit Owners within thirty days, upon not less than 10 days written notice to each Unit Owner. At the special meeting, the Unit Owners shall consider and enact a budget. The adoption of the budget shall require a vote of not less than a majority of the vote of all Unit Owners. The budget shall be considered adopted if approved by a majority of the Unit Owners at the meeting or in writing. In determining whether assessments exceed 115% of similar assessments in prior years, any Authorized provisions for reasonable reserves for repair or replacement of the Condominium property, anticipated expenses by the Condominium Association which are not anticipated to be incurred on a regular annual basis, or assessments for betterments to the Condominium property shall be excluded from the computation. However, as long as the Developer is in control of the Board of Administration, the Board shall not impose an assessment for any year greater than 115% of the prior fiscal or calendar year's assessment without approval of the majority of all of the Unit Owners.

6.3 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the fiscal year annually, in advance, 30 days preceding the fiscal year for which the assessments are made. Such assessments shall be due and payable as determined by the Board of Directors, but not less frequently than quarterly. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment, and payments on such assessment shall be due and payable in the same manner as the prior assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors. Unpaid assessments for the remaining portion of the fiscal year for which an amended assessment is made shall be payable as determined by the Board of Directors. Provided, nothing herein shall serve to prohibit or prevent the Board of Directors from imposing a lump sum assessment in case of any immediate need or emergency.

6.4 Acceleration of Assessment installments upon default. If a Unit Owner shall be in default in the payment of an assessment, the Board of Directors may accelerate the remaining quarterly balance of the assessment upon notice to the

Unit Owner, and the then unpaid quarterly balance of the assessment shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the Unit Owner, or not less than ten (10) days after the mailing of such notice to such Unit Owner by registered or certified mail, whichever shall first occur.

6.5 Depository. The depository of the Association shall be such bank or savings and loan association as shall be designated from time to time by the directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by such persons as are authorized by the directors, provided that a Management Agreement may include in its provisions authority in a designated agent to sign checks on behalf of the Association for payment of the obligations of the Association.

6.6 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons including officers and Directors controlling or disbursing funds of the Association in accordance with Florida Statute 718.112 (2)(j). The premiums on such bonds shall be paid by the Association.

6.7 Audit. An audit of the accounts of the Association may be made from time to time as directed by the Board of Directors. A copy of any audit report received as a result of an audit shall be made available to each member of the Association at the office of the Association at reasonable hours. The audit, as used herein, is not intended to be a certified audit, but need only be a summation of the year's transactions.

7. PARLIAMENTARY RULES

Robert's' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation, or these Bylaws.

8. AMENDMENTS

A resolution for the adoption of a proposed amendment of these Bylaws may be proposed by either the Board of Directors of the Association or by the members of the Association. Members may propose such an amendment by instrument in writing directed to the President or Secretary of the Board signed by not less than twenty percent (20%) of the membership. Amendments may be proposed by the Board of Directors by action of a majority of the Board at any regularly constituted meeting thereof. Upon an amendment being proposed as herein provided for, the President or, in the event of his refusal or failure to act, the Board of Directors, shall call a meeting of the membership to be held within sixty (60) days for the purpose of considering said amendment. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such

approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

- (a) Not less than sixty-six and two-thirds percent (66 2/3%) of the entire membership of the Board of Directors and by not less than sixty-six and two thirds percent (66 2/3%) of the votes of the entire membership of the Association; or
- (b) Not less than sixty-six and two-thirds percent (66 2/3%) of the votes of the entire membership of the Association.

8.1 Proviso. Provided, however, that no amendment shall discriminate against any condominium Unit Owner nor against any Condominium Unit or class or group of Units unless the Condominium Unit Owners so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium. Each amendment shall, on the first page, identify the book and page of the Public Records where the declaration of each condominium operated by the Association is recorded.

8.2 Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the President or duly qualified officer of the Association with the formalities of a deed. The amendment shall be effective when such certificate shall be annexed to and recorded with an amendment to the Declaration of Condominium where the Condominium is located.

8.3 No Bylaws shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text underlined, and words to be deleted shall be lined through with hyphens. Non-material errors or omissions in the Bylaw process shall not invalidate and otherwise properly promulgate an amendment. Extensive changes to the Bylaws may be changed in accordance with Florida Statute 718.112(2)(k)2.

8.4 Exist in Perpetuity. The corporation shall have perpetual existence. However, if the Association is dissolved, the property consisting of the common surface water management system shall be conveyed to an appropriate agency of local government and, if not accepted, then the common surface water management system shall be dedicated to a similar non-profit corporation.

8.5 Amendments Need Prior Written Approval of the SWFWMD. Any amendment (including termination) of the Declaration of Condominium that would affect the ownership, operation or maintenance of the common surface water management system, or that would affect the common surface water

management system itself, shall not be effective without the prior written approval of the Southwest Florida Water Management District.

9. STATUTORY INCLUSIONS

9.1 If the transfer, lease, sale, or sublease of a Unit by its owner is subject to notice to the Condominium Association or any body thereof, a preset fee not to exceed the amount permitted by Florida Statute 718 may be charged by the Association in connection with any such transfer, sale, lease, or sublease to cover the Association's expenditures and services.

9.2 Notice of any meeting where assessments against Unit Owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

9.3 Mandatory non-binding arbitration. In the event of internal disputes arising from the operation of the condominium among Unit Owners, Associations, and their agents and assigns, the parties shall elect to resolve such disputes by submitting to mandatory non-binding arbitration in accordance with Florida Statutes 718.1255. If the parties agree to so submit, they shall make such election in writing filed with the Secretary of the Association.

10. FINES - LEVY AND FORECLOSURE

10.1 Power to Levy Fines. The Board of Directors of the Association shall have the power and authority to levy and assess fines in accordance with the Declaration of Condominium, Articles of Incorporation, Bylaws and Rules and Regulation periodically created from time to time by the Board of Directors and/or the Association for the operation and management of the Condominium property.

10.2 Procedure to Levy Fines. In the event a fine is to be levied, the following procedure shall be followed:

(a) The party against whom the fine is sought to be levied shall be afforded an opportunity for hearing before a committee of other Unit Owners after reasonable notice of not less than 14 days, and said notice shall include:

- (1) A statement of the date, time and place of the hearing;
- (2) A statement of the provisions of the Declaration, Association Bylaws, or Association rules which have allegedly been violated;
and

(3) A short and plain statement of the matters asserted by the Association.

(b) The party against whom the fine may be levied shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the Association.

(c) The hearing shall be conducted before a committee of other Unit Owners.

(d) Subsequent to the hearing and any continuance thereof, but, nevertheless not later than 10 days following the adjournment of the hearing, the Board of Directors shall make a final decision as to the levying and assessment of the fine. Such decision shall be delivered to the party against whom the fine is sought to be levied by notice in writing at the last known address of the party.

The foregoing were adopted as the Bylaws of The Association at the first meeting of the Board of Directors on the _____ day of _____, 1997.

Approved:

President

Secretary

05/05/98 3:30 PM

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38480.97109

BAY POINTE VILLAS, A CONDOMINIUM
RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges that the documents marked with an "X" below have been received or, as to plan and specifications, made available for inspection.

Name and Address of Condominium: BAY POINTE VILLAS, A CONDOMINIUM, c/o Shadow Lakes Development Company 10825 Seminole Boulevard, Largo, Florida 33778

An "X" has been placed in the column by each document received or, for the plans and specifications made available for inspection. If the item does not apply, then the symbol "N/A" has been placed in the column.

DOCUMENT	RECEIVED
PROSPECTUS TEXT	<u> X </u>
DECLARATION OF CONDOMINIUM	<u> X </u>
ARTICLES OF INCORPORATION	<u> X </u>
BYLAWS	<u> X </u>
ESTIMATED OPERATING BUDGET	<u> X </u>
FORM OF AGREEMENT FOR SALE OR LEASE	<u> X </u>
RULES AND REGULATIONS	<u> X </u>
COVENANTS AND RESTRICTIONS	<u> N/A </u>
GROUND LEASE	<u> N/A </u>
MANAGEMENT AND MAINTENANCE CONTRACT FOR MORE THAN 1 YEAR	<u> N/A </u>
RENEWABLE MANAGEMENT CONTRACTS	<u> N/A </u>
LEASE OF RECREATIONAL AND OTHER FACILITIES TO BE USED EXCLUSIVELY BY UNIT OWNERS OF SUBJECT CONDOMINIUMS	<u> N/A </u>
FORM OF UNIT LEASE, IF A LEASEHOLD	<u> N/A </u>
DECLARATION OF SERVITUDE	<u> N/A </u>
SALES BROCHURES	<u> X </u>
PHASE DEVELOPMENT DESCRIPTION (SEE 718.503(2)(k) AND 504(14))	<u> X </u>
LEASE OF RECREATIONAL AND OTHER FACILITIES TO BE USED BY UNIT OWNERS WITH OTHER CONDOS (SEE 718.503(2)(h))	<u> N/A </u>
DESCRIPTION OF MANAGEMENT FOR SINGLE MANAGEMENT OF MULTIPLE CONDOMINIUMS (SEE 718.503(2)(k))	<u> N/A </u>

CONVERSION INSPECTION REPORT	<u> N/A </u>
CONVERSION TERMITE INSPECTION REPORT	<u> N/A </u>
PLOT PLAN	<u> X </u>
FLOOR PLAN	<u> X </u>
SURVEY OF LAND AND GRAPHIC DESCRIPTION OF IMPROVEMENTS	<u> X </u>
EXECUTED ESCROW AGREEMENT	<u> X </u>
PLANS AND SPECIFICATIONS	<u>made available</u>
LOCAL AND STATE APPROVAL OF DEVELOPMENT PLAN	<u> X </u>
QUESTION AND ANSWER SHEET	<u> X </u>
EVIDENCE OF DEVELOPER'S OWNERSHIP OF CONTRACTUAL INTEREST	<u> X </u>

AS THE UNDERSIGNED PURCHASER, I HAVE REVIEWED THIS LIST AND DETERMINED THAT I HAVE RECEIVED EACH OF THE ITEMS MARKED WITH AN "X", AND AS TO PLANS AND SPECIFICATIONS, THEY HAVE BEEN MADE AVAILABLE FOR MY INSPECTION.

THE PURCHASE AGREEMENT IS VOIDABLE BY PURCHASER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE PURCHASER, AND RECEIPT BY PURCHASER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO BUYER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THE PURCHASE AGREEMENT IS ALSO VOIDABLE BY PURCHASER BY DELIVERING WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE PURCHASER. ANY PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. PURCHASER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE PURCHASER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

EXECUTED THIS _____ DAY OF _____, 19__.

_____(SEAL)
PURCHASER OR LESSEE

_____(SEAL)
PURCHASER OR LESSEE

Receipt
0133621.01

AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE
BAY POINTE VILLAS, A CONDOMINIUM

THIS AGREEMENT FOR PURCHASE AND SALE OF REAL ESTATE ("Agreement") made and entered into as of the Effective Date by and between Shadow Lakes Development Company, a Florida corporation, whose address is 10825 Seminole Boulevard, Largo, Florida 33778 hereinafter called "Seller", and

whose address is _____, and
telephone number is _____ called "Buyer".

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, REFERENCE SHOULD BE MADE TO THIS CONTRACT AND THE DOCUMENTS REQUIRED BY FLORIDA STATUTES SECTION 718.503, TO BE FURNISHED BY DEVELOPER TO A BUYER OR A LESSEE.

WITNESSETH:

That in consideration of the mutual promises and covenants herein contained, and other valuable considerations passing between the parties hereto, the Seller agrees to sell and the Buyer agrees to purchase the following described property, lying and being in Pinellas County, Florida, to wit:

Unit _____, BAY POINTE VILLAS, A CONDOMINIUM, together with appurtenances thereto.
Parking Space _____.

Purchase price	\$ _____
Earnest money deposit for reservation	\$ _____
Additional deposit upon the execution of this Agreement	\$ _____
Additional deposit due on _____	\$ _____
Balance in cash at closing	\$ _____
Total purchase price	\$ _____

ADDITIONAL AMOUNTS

In addition to the above, Buyer will be required to pay to the Association at closing a sum equal to two (2) months maintenance fee to be used by the Association for a capital improvement and working capital reserve.

ESCROW

DeLoach & Hofstra, P.A. shall act as Escrow Agent and hold all deposit moneys. The Escrow Agent is located at 8640 Seminole Blvd., Seminole, Florida, and a written receipt for the deposit may be received upon request. The sums deposited are to be deposited in the account controlled by the Escrow Agent located at DeLoach & Hofstra, P.A..

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERY IN WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF THE EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO AVIODABLE BY BUYER DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PROPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE

TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

This Contract is for the transfer of a unit that is subject to an assessment for monthly maintenance for commonly used facilities.

Failure to pay the monthly assessment for commonly used facilities may result in foreclosure of the lien.

CLOSING, PHYSICAL POSSESSION

It is anticipated that the closing shall take place on or before _____, or if construction of the unit is not completed, then after the certificate of occupancy has been issued and within fifteen (15) days after notification, in writing, by the Seller to the Buyer. Closing shall be at such place as may be designated by Seller or by any mortgagee.

Physical possession, unless otherwise stated herein, shall be as of the date of closing. Physical possession shall not be delivered until the full purchase price is paid pursuant to the terms of this Agreement and the taking of physical possession prior to that time shall constitute a full and complete acceptance of the condominium unit and the payment for the full sale price shall be immediately due and payable.

TITLE INSURANCE

The Seller shall, at its expense, furnish at or prior to closing unless otherwise stated below, a title insurance commitment in the amount of the purchase price showing marketable fee simple title in the Seller subject to the Standard Exceptions set forth in the standard ALTA commitments and policies, and any other matters herein excepted, followed by a title insurance policy subsequent to closing and recordation of requisite instruments. Title insurance commitment and policy shall be subject to the Declaration of Condominium of BAY POINTE VILLAS, A CONDOMINIUM, applicable zoning laws, matters of survey, and easements, reservations and restrictions of record, and taxes for the current year and years subsequent. In the event the title insurance commitment reveals defects in Seller's title, Buyer shall notice Seller in writing within ten (10) days of the receipt of the commitment for title insurance and Seller shall have a period of sixty (60) days after such notification by the Buyer to the Seller within which to cure said defects and this sale shall be closed within ten (10) days after notice to the Buyer of such cure. Upon Seller's failure to correct said defects within the time limit, the earnest money deposit shall be returned to Buyer upon demand and all rights and liabilities between the Seller and the Buyer arising hereunder shall terminate.

CONVEYANCE

Title shall be conveyed by statutory warranty deed, free and clear of all liens and encumbrances whatsoever, except the Declaration of Condominium of BAY POINTE VILLAS, A CONDOMINIUM, applicable zoning laws, matters of survey, and easements, reservations and restrictions of record, and taxes for the current year, and years subsequent.

DOCUMENTARY STAMPS, FEES

The Seller shall pay for documentary stamps on the deed, as well as the cost of the title insurance premiums and charges. The Buyer shall pay for the cost of recording the deed, all costs attributable to mortgage financing, and two months maintenance fee as a contribution to the Association capital reserve.

PRORATION

Taxes for the year in which the sales close shall be pro-rated as of closing date or possession, whichever shall first occur, based upon the best possible information available as to the current year's taxes. Monthly Association assessments shall be prorated as of the date of closing or date of possession, whichever shall first occur.

LOSS OR DAMAGE

The risk of loss or damage to the premises by fire or otherwise, until delivery of the deed, is assumed by the Seller.

TIME OF THE ESSENCE

Time shall be of the essence to this Contract.

ENFORCEMENT

In the event of default on the part of either party hereto in consummating this Contract, then the defaulting party agrees to pay all costs and expenses incurred by the innocent party in enforcing the party's rights hereunder, including reasonable attorney's fees, at trial and appellate levels.

ASSIGNMENT OF CONTRACT

This Contract shall not be assigned by the Buyer to any other person without the express written consent of the Seller.

APPROVAL OF BUYER

Buyer acknowledges and agrees that Seller shall have the right and privilege of investigating Buyer for the purpose of assuring that the Condominium is occupied by a congenial group of those thought to be financially responsible and those who would make responsible Condominium owners and residents, and that, for this purpose, Seller may, in its discretion, at any time within fifteen (15) days after the Effective Date, rescind this Agreement without giving any reasons therefore, and in such event, any sums paid by Buyer shall be forthwith returned to him, and Buyer and Seller shall thereupon be relieved of any and all rights and obligations under this Agreement.

DEFAULT

In the event that Buyer shall default in the performance of any of the obligations to be performed by Buyer, pursuant to this Agreement, Seller shall retain the deposits as liquidated damages, and as its sole and exclusive remedy. In the event Buyer has not paid a sum of ten percent (10%) of the purchase price, then such sum as Buyer shall have paid shall be retained by Seller as said liquidated damages. It is acknowledged that such amount is fair and just damages.

If for any reason whatsoever, Seller should default in the performance of any of the obligations to be performed by Seller pursuant to this Agreement, Seller's liability hereunder shall be either the return of any and all deposits paid by Buyer or the Buyer may seek specific performance. In the event the Buyer accepts the return of such deposit, it shall be considered Buyer's sole and exclusive remedy. Any default by either Seller or Buyer shall be considered cured by the closing.

CLOSING FUNDS

Closing funds are to be paid by cash, certified check or cashier's check or wire transferred collected funds only, in U.S. funds.

FULL DISCLOSURE DOCUMENTS

Seller has, at the execution of this Agreement, delivered to Buyer all of the documents required by Florida Statute 718 and Buyer has receipted for said documents by a Receipt for Condominium Documents, a copy of which is attached to this Agreement.

REPRESENTATIONS OF THE SELLER

Seller represents that the condominium property shall be constructed in a workmanlike manner, substantially in accordance with plans and specifications approved by the the appropriate governing authority and on file in the offices of the Seller.

Construction of the condominium property will be complete and ready for possession within two (2) years from the Effective Date of this Agreement, provided, however, that Seller shall not be responsible for any delay caused by acts of God, weather conditions, restrictions imposed by any governmental agency, labor strikes, material shortages or other delays beyond the control of the Seller and the time for completion and occupancy shall be extended accordingly.

Notwithstanding anything contained above, Seller shall not be required to commence construction of the building in which this unit is located until fifty percent (50%) of the units in said building have been sold to buyers pursuant to agreements acceptable to Seller and until Seller has procured adequate construction loan financing. If such construction has not commenced within 180 days after the Effective Date hereof, then, at any time after such 180 day period, either party may serve written notice upon the other of intent to terminate this Agreement and unless (in case of such notice served by Buyer) construction shall commence with ten (10) days after receipt by Seller of such notice (in which case said notice shall be of no effect). This Agreement shall terminate on the tenth day after receipt of such notice by the party being served and, upon such termination, all amounts paid hereunder by Buyer, together with interest earned thereon, if any, shall be refunded to Buyer and neither party shall have any further obligation or liability to the other.

MEMBERSHIP IN THE ASSOCIATION

This Agreement is Buyer's application for membership in Bay Pointe Villas Condominium Association, Inc., a Florida not for profit corporation. Such membership shall take effect at closing and shall entitle the owner of the unit to one (1) vote in the management affairs of the Association, in accordance with the provisions of the Articles of Incorporation of said Association. At the time of closing herein, Buyer, (if more than one Buyer, designation shall be made by a written statement filed with the Secretary of the Association pursuant to the Declaration of Condominium naming who shall serve as proxy) shall automatically be a member in the Association.

REQUIREMENTS OF FLORIDA STATUTES

Buyer specifically grants authority to the Seller to file and place among the public records of the county in which the Unit is located, all documents required to be filed by Florida Statutes in case of condominiums, in order to legally create and maintain in existence the proposed condominium property.

Buyer hereby agrees to conform with and abide by all of the terms, conditions and provisions of the final Declaration of Condominium recorded among the public records of the county in which the Unit is located, relative to the property herein described.

The Declaration of Condominium will be recorded prior to the closing. Seller reserves the right to make changes in the proposed Declaration of Condominium, a copy of which has been delivered to Buyer and shall deliver to Buyer a copy of any amendment.

MODIFICATIONS TO UNIT

Seller and Buyer agree that any changes in the proposed layout of the unit hereinabove described or any additional work, extras, options or other changes to the standard unit done at the request of the Buyer by the Seller shall, prior to commencement of such work or alteration of said unit, be reduced to writing and executed by both the Buyer and the Seller, wherein the parties hereto agree to such changes, alterations or additions and the cost of same. Work shall not be commenced unless the Buyer shall, in addition to the purchase price, deliver, in escrow, the full amount of the extra cost of any such changes, modifications or alterations. Such additional amounts for changes, extras, alterations or additions may be drawn from escrow by the Seller as payment becomes due.

MISCELLANEOUS

This Agreement constitutes the full and complete understanding existing between the parties and the same shall not be altered, amended or otherwise changed, except by the express written agreement of the parties.

This Agreement shall be binding upon the parties hereto, their personal representatives, executors, administrators and assigns.

All notices by one party to the other given pursuant to this Agreement shall be in writing and may be served upon either party by personal delivery or certified mail, return receipt requested, at the following addresses shown on the first page of this Agreement.

The Effective Date of this Agreement shall be the last date the the Buyer or the Seller executes this Agreement.

ENERGY INFORMATION

The Buyer shall be entitled to have the energy efficiency rating of the property determined. The Buyer acknowledges receipt of the energy efficiency information brochure prepared by the State of Florida, Department of Community Affairs.

Information regarding the type, thickness, R value and location of insulation which is specified to be installed in each part of the condominium unit or surrounding the same is shown in the following table. Since this building is not constructed, the information provided is based on construction specifications only and not on the insulation actually installed. All R values described are based upon information received from the manufacturer of the insulation materials and do not constitute representations or warranties of the Seller. Seller reserves the right to substitute a different type of thickness of insulation from that hereafter disclosed. However, in no event would the R value for each respective use be less than that disclosed below. Should Seller substitute a different type or thickness of insulation, the new disclosures concerning the substituted material will be supplied to Buyer as soon as the same is available.

TABLE OF INSULATION DATA

<u>Portion of Unit Insulated</u>	<u>Insulation Type</u>	<u>Thickness</u>	<u>R Value</u>
Roof	Batting		R-19
Exterior Block Walls	Thermax	3/4 in.	R-5

RADON

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit. Pursuant to §404.056(8), Florida Statutes.

The balance of this page is intentionally left blank.

THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERY IN WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF THE EXECUTION OF THIS AGREEMENT BY THE BUYER, AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503 OF THE FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF RECEIPT FROM THE DEVELOPER OF ANY AMENDMENT WHICH MATERIALLY ALTERS OR MODIFIES THE OFFERING IN A MANNER THAT IS ADVERSE TO THE BUYER. ANY PROPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. BUYER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN FIFTEEN (15) DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE SUMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date and year first above written.

Signed, sealed, and delivered
in the presence of:

Buyer Date: _____
SS# _____ (SEAL)

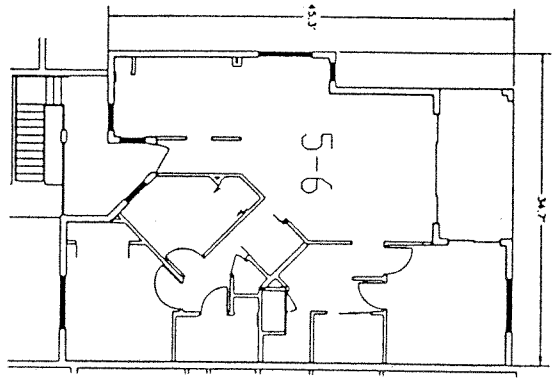
Buyer Date: _____
SS# _____ (SEAL)

SHADOW LAKES DEVELOPMENT COMPANY,
a Florida corporation

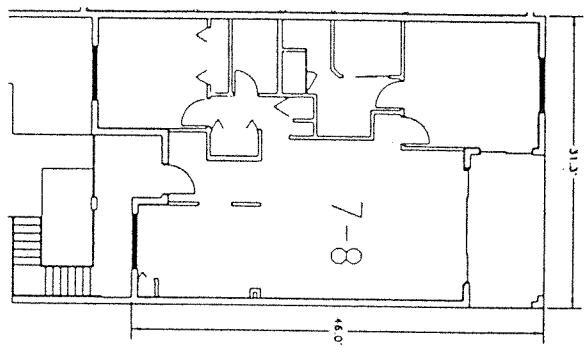
By _____
Thomas Kapper, its President
Seller Date: _____

I/Agree
0133622.01

*BAY POINTE VILLAS
A PHASE CONDOMINIUM
SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST
PINELLAS COUNTY, FLORIDA*



GROUND LEVEL UNIT 5
SECOND LEVEL UNIT 6
SCALE: 1"=10'



GROUND LEVEL UNIT 7
SECOND LEVEL UNIT 8
SCALE: 1"=10'

- NOTE:
1. UNITS COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO ASSIGNED PARKING SPACES AND BALCONIES.
 2. COMMON ELEMENTS SHALL BE LIMITED TO EXTERIOR WALLS, THE LAND, ALL ROADWAYS AND LOTTING PLANS TO ELIMINATE THE COMMON ELEMENTS.
 3. THE UNIT BOUNDARIES ARE AS FOLLOWS:
 - A. THE UPPER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
 - B. THE LOWER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE CEILING OF THE UNIT.
 - C. THE FRONTIER WALLS SHALL BE THE UNFINISHED SURFACE OF THE FRONTIER WALLS OF THE UNIT EXTENDED TO THEIR PLUMB INTERSECTIONS WITH EACH OTHER AND WITH THE UPPER AND LOWER BOUNDARIES TOGETHER WITH ALL EXTERIOR DOORS AND WINDOWS.

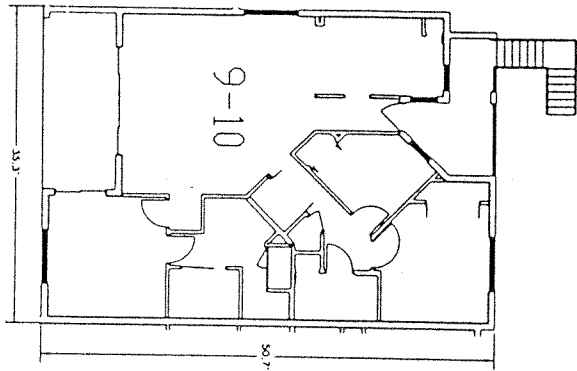
EXISTING ELEVATOR SHAFT:

2ND FLOOR-19.33
1ST FLOOR-10.0

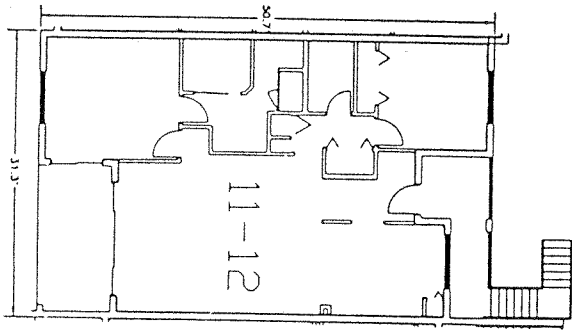
NOTE:
ELEVATORS INDICATED HEREIN REFER TO THE NATIONAL GEOGRAPHIC VERTICAL DATUM OF 1928.

E. Fred Dowd and Associates, Inc.
CONSULTING ENGINEERS - LAND SURVEYORS - LAND PLANNERS
ST. PETERSBURG - ZEPHYRHILLS
1620 FIRST AVENUE NORTH
ST. PETERSBURG, FLORIDA 33713
CERTIFICATE OF AUTHORIZATION LB. # 107

BAY POINTE VILLAS
A PHASE CONDOMINIUM
 SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST,
 PINELLAS COUNTY, FLORIDA



GROUND LEVEL UNIT 9
 SECOND LEVEL UNIT 10
 SCALE: 1/8" = 1'-0"



GROUND LEVEL UNIT 11
 SECOND LEVEL UNIT 12
 SCALE: 1/8" = 1'-0"

NOTE:

1. UNITS COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO ASSIGNED PARKING SPACES AND BALCONIES.
2. UNITS COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO EXTERIOR WALLS, THE LAND, ROAD, AND UTILITY UTILITIES TO ILLUMINATE THE COMMON ELEMENTS.
3. THE UNIT BOUNDARIES ARE AS FOLLOWS:
 - a. THE UPPER BOUNDARY SHALL BE THE UNFINISHED SURFACE OF THE CEILING OF THE UNIT.
 - b. THE LOWER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
 - c. THE INTERIOR BOUNDARIES SHALL BE THE UNFINISHED MASONRY SURFACE OF THE PARTITION WALLS OF THE UNIT AND WITH THE UPPER AND LOWER BOUNDARIES, TOGETHER WITH ALL EXTERIOR DOORS AND WINDOWS.

EXISTING ELEVATION CHART:

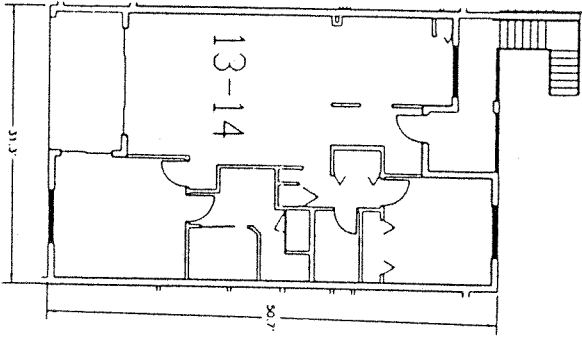
2ND FLOOR-19.33
1ST FLOOR-10.0

NOTE:

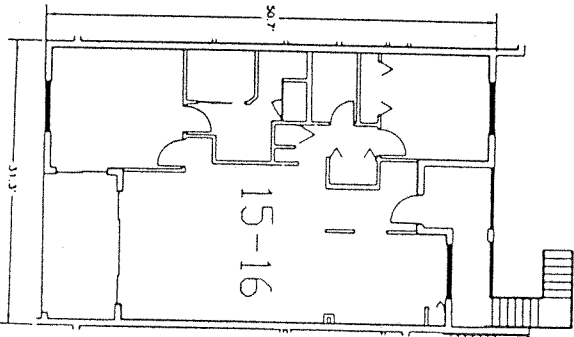
ELEVATIONS INDICATED HEREIN REFER TO THE NATIONAL GEODETIC CONTROL DATUM OF 1929.

B. Fred Davel and Associates, Inc.
 CONSULTING ENGINEERS - LAND SURVEYORS - LAND PLANNERS
 51, PETERSBURG - ZEPHYRHILLS
 1620 FIRST AVENUE NORTH
 ST. PETERSBURG, FLORIDA 33713
 CERTIFICATE OF AUTHORIZATION L.B. # 107

BAY POINTE VILLAS
A PHASE CONDOMINIUM
 SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST
 PINELLAS COUNTY, FLORIDA



GROUND LEVEL UNIT 13
 SECOND LEVEL UNIT 14
 SCALE: 1/8" = 1'-0"



GROUND LEVEL UNIT 15
 SECOND LEVEL UNIT 16
 SCALE: 1/8" = 1'-0"

NOTE

1. UNITS COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO: ASSOCIATED PARKING SPACES AND ROOMS.
2. COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO: EXTERIOR WALLS, THE LAND, ALL ROADWAYS, AND LIGHTING.
3. THE UNIT BOUNDARIES, THE COMMON ELEMENTS, A. THE UPPER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE CEILING OF THE UNIT.
- B. THE PERIMETER WALLS SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
- C. THE PERIMETER WALLS OF THE UNIT OTHER THAN SURFACE OF THE PERIMETER WALLS OF THE UNIT AND WITH THE UPPER AND LOWER BOUNDARIES TOGETHER WITH ALL EXTERIOR DOORS AND WINDOWS.

EXISTING ELEVATION CHART:

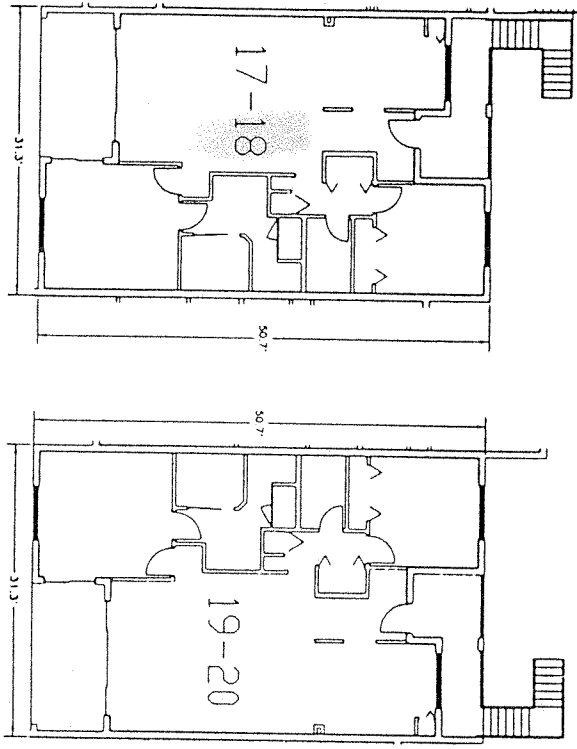
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1ST FLOOR-10.0

NOTE

ELEVATIONS INDICATED HEREIN REFER TO THE NATIONAL GEODETIC VERTICAL DATUM OF 1928.

B. Fred Davel and Associates, Inc.
 CONSULTING ENGINEERS - LAND SURVEYORS - LAND PLANNERS
 ST. PETERSBURG - ZEPHYRHILLS
 1620 FIRST AVENUE NORTH
 ST. PETERSBURG, FLORIDA 33713
 CERTIFICATE OF AUTHORIZATION LB # 107

*BAY POINTE VILLAS
A PHASE CONDOMINIUM
SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST
PINELLAS COUNTY, FLORIDA*



GROUND LEVEL UNIT 17
SECOND LEVEL UNIT 18
SCALE: 1"=10'

GROUND LEVEL UNIT 19
SECOND LEVEL UNIT 20
SCALE: 1"=10'

E. Fred Deal and Associates, Inc.
CONSULTING ENGINEERS • LAND SURVEYORS • LAND PLANNERS
ST. PETERSBURG • ZEPHYRHILLS
1620 FIRST AVENUE NORTH
ST. PETERSBURG, FLORIDA 33713
CERTIFICATE OF AUTHORIZATION L.B. # 107

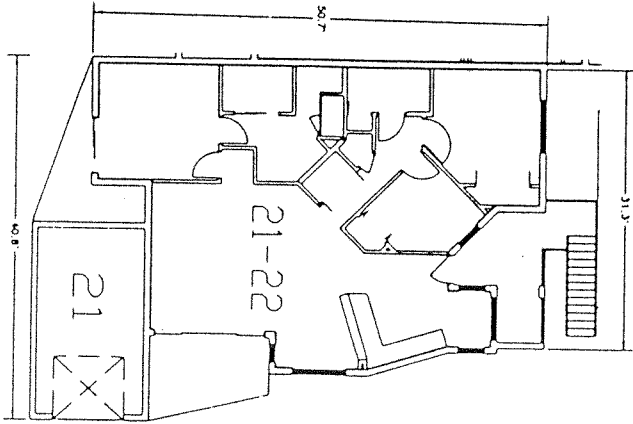
- NOTE:
1. UNITED COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO:
 - A. COMMON WALLS AND PARTITIONS
 - B. EXTERIOR WALLS, THE LAND, ALL ROAD WAYS, AND UTILITY
 - C. COMMON ELEMENTS AND AREAS NOT LIMITED TO:
 1. THE COMMON ELEMENTS ARE TO BE MAINTAINED AND REPAIRED BY THE UNIT OWNERS.
 2. THE UPPER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE CEILING OF THE UNIT.
 3. THE LOWER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR OF THE UNIT.
 4. THE PLUMBING, MECHANICAL AND ELECTRICAL SYSTEMS SHALL BE THE UNFINISHED SURFACE OF THE PLUMBING WALLS OF THE UNIT AND SHALL BE THE UNFINISHED SURFACE OF THE UNIT WITH ALL EXTERIOR DOORS AND WINDOWS.

EXISTING ELEVATION CHART:

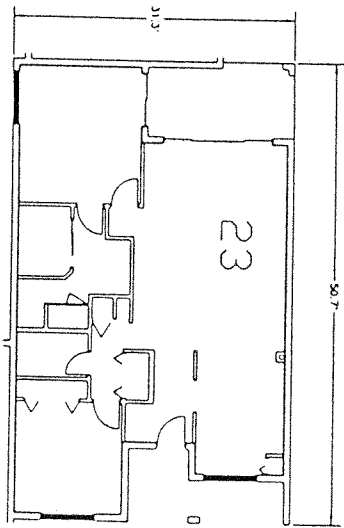
2ND FLOOR-18.33
1ST FLOOR-10.0

NOTE:
ELEVATIONS REPORTED HEREON REFER TO THE NATIONAL GEODETIC
VERTICAL DATUM OF 1929.

BAY POINTE VILLAS
 A PHASE CONDOMINIUM
 SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST
 PINELLAS COUNTY, FLORIDA



GROUND LEVEL UNIT 21
 SECOND LEVEL UNIT 22
 SCALE: 1/8" = 1'-0"



GROUND LEVEL UNIT 23
 SCALE: 1/8" = 1'-0"

EXISTING ELEVATOR SHAFT:
2ND FLOOR-18.33
1ST FLOOR-10.0

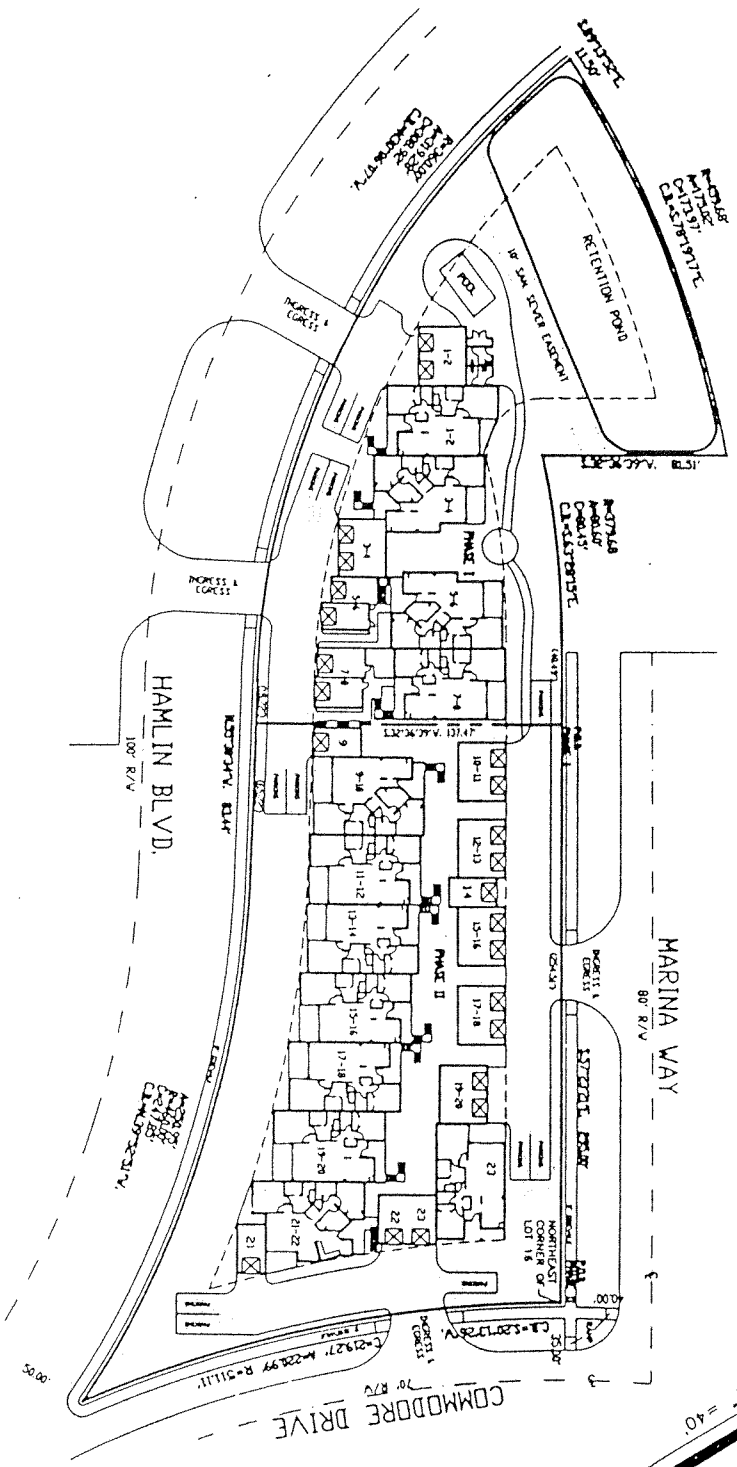
NOTE:
 1. UNITS COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO ASSIGNED PARKING SPACES AND BALCONIES.
 2. COMMON ELEMENTS INCLUDE BUT ARE NOT LIMITED TO EXTERIOR WALLS, ROOFS, CEILING, FLOORS, STAIRS AND LIFTS.
 3. THE UNIT BOUNDARIES ARE AS FOLLOWS:
 a. THE UPPER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE CEILING.
 b. THE LOWER BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE FLOOR.
 c. THE VERTICAL BOUNDARIES SHALL BE THE UNFINISHED SURFACE OF THE WALLS.
 d. THE BOUNDARIES SHALL BE EXTENDED TO THEIR PLUMB INTERSECTIONS WITH THE OTHER AND WITH THE UPPER AND LOWER BOUNDARIES, TOGETHER WITH ALL EXTERIOR DOORS AND WINDOWS.

NOTE:
 ELEVATIONS INDICATED HEREIN REFER TO THE NATIONAL GEODETIC VERTICAL DATUM OF 1929

E. Fred Paul and Associates, Inc.

CONSULTING ENGINEERS - LAND SURVEYORS - LAND PLANNERS
 ST. PETERSBURG - ZEPHYRHILLS
 1620 FIRST AVENUE NORTH
 ST. PETERSBURG, FLORIDA 33713
 CERTIFICATE OF AUTHORIZATION L.B. # 107

BAY POINTE VILLAS A PHASE CONDOMINIUM SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST PINELLAS COUNTY, FLORIDA



LEGAL DESCRIPTION - PHASE I

BEGIN AT THE NORTHWEST CORNER OF LOT 18, CLEARWATER COVE PHASE II, ACCORDING TO THE PLAT THEREOF RECORDED IN PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA, THENCE N47°23'31"W, 251.51 FEET FOR A POINT OF BEGINNING, THENCE S37°56'39"W, 137.47 FEET, THENCE N45°30'34"W, 18.22 FEET, THENCE S18°28' FEET ALONG THE ARC OF CURVE TO THE POINT OF BEGINNING, CHORD BEARING N30°06'07"W, 208.97 FEET, THENCE S89°13'57"E, 20.00 FEET, THENCE S78°11'17"E, 113.53 FEET, THENCE S12°26'39"W, 81.51 FEET, THENCE S60°50' FEET ALONG THE ARC OF CURVE TO THE POINT OF BEGINNING, CHORD BEARING S87°28'15"E, 80.15 FEET, THENCE S37°23'31"E, 40.49 FEET TO THE POINT OF BEGINNING, SAID PARCEL OF LAND LING AND BEING IN SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST PINELLAS COUNTY, FLORIDA.

LEGAL DESCRIPTION - PHASE II

BEGIN AT THE NORTHWEST CORNER OF LOT 18, CLEARWATER COVE PHASE II, ACCORDING TO THE PLAT THEREOF RECORDED IN PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA, THENCE S12°26'39"W, 81.51 FEET, THENCE S60°50' FEET ALONG THE ARC OF CURVE TO THE POINT OF BEGINNING, CHORD BEARING S87°28'15"E, 80.15 FEET, THENCE S37°23'31"E, 40.49 FEET TO THE POINT OF BEGINNING, SAID PARCEL OF LAND LING AND BEING IN SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST PINELLAS COUNTY, FLORIDA.

LEGAL DESCRIPTION - DETAIL

UNITS 1, 2, 3, AND 4, LOT 18, UNITS 1, 2, 3, AND 4, LOT 12, UNITS 1, 2, 3, AND 4, LOT 18, CLEARWATER COVE PHASE II, ACCORDING TO THE PLAT THEREOF RECORDED IN PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA, THENCE S12°26'39"W, 81.51 FEET, THENCE S60°50' FEET ALONG THE ARC OF CURVE TO THE POINT OF BEGINNING, CHORD BEARING S87°28'15"E, 80.15 FEET, THENCE S37°23'31"E, 40.49 FEET TO THE POINT OF BEGINNING, SAID PARCEL OF LAND LING AND BEING IN SECTION 19, TOWNSHIP 30 SOUTH, RANGE 15 EAST PINELLAS COUNTY, FLORIDA.

NOTE

- EASEMENTS AS SHOWN ON PLAN OF CLEARWATER COVE PHASE II ARE TO BE VACATED.

I, C. FRED DEWITT, HEREBY CERTIFY THAT ON JULY 12, 1984, COMPLETED A SURVEY OF BAY POINTE VILLAS A CONDOMINIUM IN ACCORDANCE WITH THE USE AND OCCUPATION CONTAINED HEREON, I CERTIFY THAT THE CORNER POINTS AND DIMENSIONS SHOWN ON THIS PLAN ARE TRUE AND CORRECT REPRESENTATIONS OF THE PROPOSED IMPROVEMENTS DESCRIBED HEREON.


 FLORIDA SURVEYOR REG. NO. 627

E. Fred Dewitt and Associates, Inc.
 CONSULTING ENGINEERS • LAND SURVEYORS • LAND PLANNERS
 1620 FIRST AVENUE NORTH
 ST. PETERSBURG, FLORIDA 33713
 CERTIFICATE OF AUTHORIZATION LB. # 107

ESCROW AGREEMENT FOR PURCHASE AGREEMENTS

THIS ESCROW AGREEMENT made and entered into as of this 30th day of March, 1998, by and between SHADOW LAKES DEVELOPMENT COMPANY, a Florida corporation, whose address is 10825 Seminole Boulevard, Largo, Florida 33778 (herein called "Developer"), and DELOACH AND HOFFESTRA, whose address is 8640 Seminole Boulevard, Seminole, Florida 33772 (herein called "Escrow Agent").

WITNESSETH:

WHEREAS, the Developer is creating BAY POINTE VILLAS, A CONDOMINIUM, (the "Condominium") pursuant to the Declaration of Condominium to be filed of public record in the manner provided in Chapter 718, Florida Statutes (the "Condominium Act"); and

WHEREAS, the Condominium Act requires the Developer contracting to sell a condominium parcel to establish an escrow account into which the Developer shall deposit a portion of the proceeds of sales received from purchasers of condominium units until such time as all of the landscaping and construction to the common elements and units are complete; and

WHEREAS, Escrow Agent is a law firm whose members are licensed to practice in the State of Florida and is duly qualified under Section 718.202, Florida Statutes, and has agreed to serve as Escrow Agent for the purposes required under the Condominium Act and this Agreement.

THEREFORE, IT IS AGREED:

1. Establishment of Escrow. The parties hereto establish an escrow for the purpose of receiving, holding and disbursing funds as required under Section 718.202 of the Condominium Act. Funds deposited in this escrow may, at the election of the Escrow Agent, be deposited in separate accounts, or in a common escrow, or commingled with other escrow monies received by or handled by the Escrow Agent; provided, however, the Escrow Agent shall at all times maintain adequate records to show the interest of each person who has contracted to purchase a unit in the Condominium; and provided, further, that a summary of such accounts shall be provided not less often than annually to Developer.

2. Deposit of Funds. So long as required by the Condominium Act, in connection with sales of units that are or will be a part of the Condominium, the Developer shall promptly deposit funds received from purchaser with Escrow Agent in such amount or amounts as are required under the Condominium Act, Section 718.202. The Developer shall, at the time of such deposit, give a copy of the Agreement to

Purchase applicable to the purchaser (unless it has been furnished in connection with an earlier deposit) to the Escrow Agent containing the amount of sums received from the purchaser, the amount of such funds being delivered to the Escrow Agent, the full name, mailing address and telephone number of the purchaser, and such other information as the Escrow Agent shall reasonably require.

3. Receipt and Acknowledgment. Upon receipt of the funds, Escrow Agent shall deliver one (1) copy of a written acknowledgment to the Developer, and shall keep a record copy of such acknowledgment. The acknowledgment shall be in form agreed to by the parties, and shall identify the Condominium, state the date and amount received, the name and address of the purchaser, and the number of the unit being purchased or reserved. The Escrow Agent shall also deliver one (1) copy of the receipt to the purchaser.

4. Release of Funds from Escrow under Purchase Agreement. Funds deposited in escrow under Purchase Agreement shall only be released in accordance with the following:

(a) Funds deposited by a purchaser who properly terminates his contract shall be paid to the purchaser free of all costs of the escrow, together with any interest earned on the funds, fourteen (14) days after receipt by the Escrow Agent of written instructions from the purchaser, unless on or before the end of said fourteen (14) day period the Escrow Agent has received written notice from the Developer of a dispute between purchaser and the Developer.

(b) If the purchaser defaults in the performance of his obligations under the Agreement to Purchase, the funds deposited by the purchaser shall be paid to the Developer, together with any interest earned on the funds fourteen (14) days after receipt by the Escrow Agent of written instructions from Developer, unless on or before the end of said fourteen (14) day period the Escrow Agent has received written notice from the purchaser of a dispute between the purchaser and Developer.

(c) The Escrow Agent shall disburse the escrowed funds of the purchaser at or after the closing of the purchase and sale of the purchaser's unit to the Developer or the Developer's assigns, together with any interest earned on the escrowed funds, unless prior to the disbursement the Escrow Agent receives written notice from the purchaser of a dispute between the purchaser and Developer.

(d) If the Escrow Agent receives timely notice of a dispute between purchaser and Developer, the purchaser's funds shall remain in escrow until purchaser and Developer jointly deliver to the Escrow Agent written instructions, signed by both parties, stating that the dispute has been resolved, or until the Escrow Agent is furnished with a certified copy of a final nonappealable order of a court of competent jurisdiction determining the rights of the parties; in which event the Escrow Agent shall comply with said order, and shall be relieved of all responsibility under this Agreement.

The Escrow Agent may, however, in the event of a dispute between the purchaser and Developer, pay the escrowed funds into the registry of the court, and apply to the court for resolution of the disputed interests of the parties as provided by law.

5. Interest. Unless the Developer directs the Escrow Agent to the contrary in writing, the escrow funds shall not earn interest. The purchaser shall have no right to direct that the funds earn interest.

6. Expenses. The Developer shall pay the expenses of escrow, if any.

7. General Provisions.

(a) Instructions to Escrow Agent. The following procedure shall be used by the parties concerning instructions to the Escrow Agent:

(1) All instructions to the Escrow Agent shall be in writing and signed by the person or persons issuing such instructions.

(2) The Escrow Agent, upon receipt of instructions from any person or persons, shall furnish a written acknowledgment thereof to the person or persons serving such instructions.

(3) All other notices, declarations or demands given by a person to another person or persons shall be served upon the Escrow Agent and handled in the manner described hereinabove.

(4) The mailing of any notice or other document by the Escrow Agent to a person or persons shall constitute notice of the contents of such notice or document as of the date of such mailing and no further notice thereof shall be required.

(b) Duties Limited to Instructions. Except as specifically provided herein, the Escrow Agent shall have no duty to know or determine the performance or nonperformance of any term or condition of any contract or agreement between the Developer and any purchaser, and the duties and responsibilities of the Escrow Agent are limited as provided in this Agreement.

(c) Indemnification of Escrow Agent. The Developer further agrees to pay on demand, as well as to indemnify and hold the Escrow Agent harmless from and against, all costs, damages, judgments, attorney's fees, expenses, obligations and liabilities of any kind or nature, which, in good faith, the Escrow Agent may incur or sustain in connection with, or arising out of this Escrow, and the Escrow Agent is hereby given a lien upon all of the right, title and interest of the undersigned in all escrowed papers and other property and monies deposited in this Escrow, to protect his rights and to indemnify and reimburse him under this Agreement.

(d) Nonliability in the Event of Invalidity of Documents. The Escrow Agent shall have no responsibility for the authority or validity of any document deposited hereunder. The sole duty of Escrow Agent with respect to such documents is to hold and dispose of them as herein provided.

(e) Construction or Interpretation of Documents. In accepting any funds or documents delivered hereunder, it is agreed and understood among the parties that the Escrow Agent shall not be called upon to construe any contract or instrument deposited herewith in his capacity as Escrow Agent.

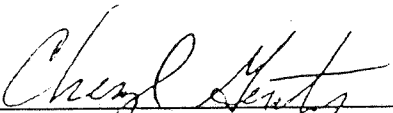
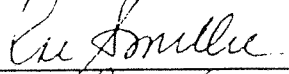
(f) Substitution of Escrow Agent. In the event the Developer enters into another Escrow Agreement for the Condominium with another Escrow Agent qualified under Section 718.202, Florida Statutes, then, upon instructions from the Developer, Escrow Agent herein shall be authorized to transfer to the new Escrow Agent the deposits held hereunder, and Escrow Agent herein shall be released of all liability and responsibility to Developer and purchasers as to those deposits transferred.

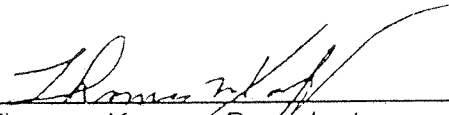
-IN WITNESS WHEREOF, the parties have hereunto set their hands and seals to this Agreement as of the day and year first above written.

Witnesses:


DEVELOPER:

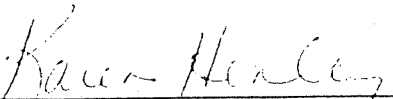

SHADOW LAKES DEVELOPMENT
COMPANY, a Florida corporation



Print: CHERYL GENTRY

Print: RAE SMILIE

By: 
Thomas Kapper, President

ESCROW AGENT:

DELOACH AND ~~HOFSTRA~~ HOFSTRA, P.A. 


Print: Karen Henley

Print: Monica L. Case

By:  PETER T. HOFSTRA, SECRETARY

Prepared by and return to:
Rolfe D. Duggar, P.A.
4699 Central Avenue
St. Petersburg, FL 33713

PINELLAS COUNTY FLA.
OFF. REC. BK 9736 PG 1071

Parcel numbers:
19/30/15/16445/000/0161; 19/30/15/16445/000/0162;
19/30/15/16445/000/0163; 19/30/15/16445/000/0164;
19/30/15/16445/000/0171; 19/30/15/16445/000/0172;
19/30/15/16445/000/0173; 19/30/15/16445/000/0174;
19/30/15/16445/000/0181; 19/30/15/16445/000/0182;
19/30/15/16445/000/0183; 19/30/15/16445/000/0184;
19/30/15/16445/000/0191; 19/30/15/16445/000/0192;
19/30/15/16445/000/0193; 19/30/15/16445/000/0194;
19/30/15/16445/000/0201; 19/30/15/16445/000/0202;
19/30/15/16445/000/0203; 19/30/15/16445/000/0204;
19/30/15/16445/000/0211; 19/30/15/16445/000/0212;
19/30/15/16445/000/0213

WARRANTY DEED FROM A CORPORATION

THIS INDENTURE made this 9th day of June, 1997, between 9100, INC, a dissolved Florida corporation, and having its principal place of business at 200 Madonna Blvd., Slip 14, St. Petersburg, FL 33715, "Grantor", and SHADOW LAKES DEVELOPMENT COMPANY, a Florida corporation, whose address is 10825 Seminole Blvd., #1, Largo, FL 34648, "Grantee";

WITNESSETH, that the said Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other valuable considerations, receipt whereof is hereby acknowledged, has granted, bargained, sold, aliened, remised, released, conveyed and confirmed, and by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the said Grantees, and their heirs and assigns forever, all that certain parcel of land lying and being in the County of Pinellas and State of Florida, more particularly described as follows:


Units 1, 2, 3, and 4, Lot 16; Units 1, 2, 3, and 4, Lot 17; Units 1, 2, 3, and 4, Lot 18; Units 1, 2, 3, and 4, Lot 19; Units 1, 2, 3, and 4, Lot 20; Units 1, 2, and 3, Lot 21, CLEARWATER COVE PHASE IV, according to the plat thereof recorded in Plat Book 84, Page 54, Public Records of Pinellas County, FL

Subject to Mortgage - NONE
Subject to easements, restrictions, and reservations of record.

The purpose of this deed is to allow the Grantor to wind up and liquidate its business and affairs. This corporation was dissolved on October 9, 1992.


TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the same in fee simple forever.
And the said Grantor, for itself and for its successors, hereby covenants with said Grantees that the Grantor is lawfully seized of said land in fee simple; that the Grantor has good right and lawful authority to sell and convey said land, and hereby warrants the said title to said land and will defend the same against the lawful claims of all persons whomsoever, and that said land is free of all encumbrances, excepts taxes accruing subsequent to 1996.


Printed name: Rolfe D. Duggar

9100, INC, a dissolved corporation

By: 
WILLIAM HORNER, President

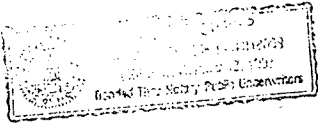

Printed name: James A. Larson

(CORPORATE SEAL)

2-705-00

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me this 9th day of June, 1997 by WILLIAM HORNER, president of 9100, INC., a dissolved Florida corporation, on behalf of the corporation. He is personally known to me or produced drivers license as identification and he did/did not take an oath.



[Signature]
Notary Public
Printed name: Ralph D. Dugget
Commission #:
My commission expires:

BAY POINTE VILLAS, A CONDOMINIUM

SALES DISCLOSURE

UPON CLOSING THE SALE OF A CONDOMINIUM UNIT IN BAY POINTE VILLAS, A CONDOMINIUM, ADDITIONAL COSTS MAY BE DEMANDED FROM YOU IN THE FORM OF CLOSING COSTS. CHARGES MAY BE MADE FOR THE FOLLOWING:

Proration of a maintenance fee from time of closing through the quarter in which the closing occurs	Monthly Maint.	_____
	Without Reserves	_____

Cost of recording the Warranty Deed (\$6.00 for the first page plus \$4.50 for each additional page)		_____
--	--	-------

Cost of procuring a mortgage - these costs will be disclosed to you by your mortgage lender		Undetermined
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Initial contribution to be paid to

Title Insurance is available to Buyer (Paid by Seller)

THE PERSON PROCURING THE SALE OF THE CONDOMINIUM UNIT IS AN AGENT OF THE SELLER, SHADOW LAKES DEVELOPMENT COMPANY, AND THE PERSON PROCURING THE SALE OF THE REAL PROPERTY WILL BE PAID BY THE SELLER UPON COMPLETION OF THE SALE.

THE UNDERSIGNED BUYER ACKNOWLEDGES RECEIPT OF THE DISCLOSURE PRIOR TO THE EXECUTION OF THE AGREEMENT FOR SALE OF REAL ESTATE.

Dated this _____ day of _____, 199_

"BUYER"

BAY POINTE VILLAS, A CONDOMINIUM
ESTIMATED OPERATING BUDGET FOR UNITS 1 THROUGH 8, PHASE ONE
YEAR BEGINNING JANUARY 1, 1998 YEAR ENDING DECEMBER 31, 1998

	<u>MONTHLY</u>	<u>ANNUALLY</u>
Expenses for the Association:		
Administration	\$26.00	\$313.00
Management Fees	80.00	960.00
Maintenance	320.00	3,848.00
Rent for Recreational and other commonly used facilities	N/A	N/A
Taxes upon Association Property	N/A	N/A
Taxes upon Leased Area	N/A	N/A
Insurance	260.00	3,130.00
Security Provisions	N/A	N/A
Other expenses	316.00	3,798.00
Operating Capital	N/A	N/A
Reserves		
Roof Replacement		
Building Painting		
Pavement Resurface		
Fees to Division	2.67	32.00
Expenses for a Unit Owner:		
Rent for the Unit	N/A	N/A
Rent Payable by Unit Owner	N/A	N/A
	<u>\$1,006.75</u>	<u>\$12,081.00</u>

	<u>Units</u>	
	<u>MONTHLY</u>	<u>ANNUALLY</u>
Assessment per unit	\$125.85	\$1,510.26
Reserves		
Roof replacement	7.17	86.08
Building Painting	6.98	83.45
Pavement re-surface	.73	8.70
Without reserves	125.85	1,510.26
With reserves	\$140.73	\$1,688.46

Calculation of Reserves:

Roof replacement for 8 units - $\$10,330 \div 15$ year estimated remaining useful life = $\$688.66$ per year $\div 8$ units = $\$86.08$ per unit per year. (Estimated useful life and remaining life are the same). Existing Fund Balance: Zero.

Building Painting for 8 units - $\$4,006 \div 6$ year estimated remaining useful life = $\$667$ per year $\div 8$ units = $\$83.45$ per unit per year. (Estimated useful life and remaining life are the same). Existing Fund Balance: Zero.

Pavement Resurfacing for 8 units - $\$1,043 \div 15$ year estimated remaining useful life = $\$70$ per year $\div 8$ units = $\$8.70$ per unit per year. (Estimated useful life and remaining life are the same). Existing Fund Balance: Zero.

ESTIMATED RESERVES PURSUANT TO FLORIDA STATUTE 718.112(2)(F)2
ARE BASED UPON ANTICIPATED COSTS IN THE FUTURE

At the initial membership meeting of the Association, the Developer intends not to fund a reserve as permitted by Florida Statute 718.112(2)(f) 1995. The Developer has shown, for purposes of illustration, an amount to be reserved for the capital expenditures and deferred maintenance. These amounts were computed by means of a formula based upon estimated remaining useful life and estimated replacement cost of each reserve item. In addition, if the Developer remains in control of the Association, it is the Developer's intention to recommend to the membership each year to waive reserves. The vote to waive reserves shall be held annually.

The Developer, pursuant to Florida Statute 718.116(9)(a) 1997, is excused from the payment of the share of the common expenses and

assessments related to those units for a period of time which shall be not longer than the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit occurs. The Developer, however, will pay the portion of the common expenses incurred during this period which exceed the amount assessed other Unit Owners.

Reference paragraph 18 of the Declaration of Condominium for the Developer's obligation to pay common expenses.

YOU MAY FIND THAT THE SUM OF EACH OF THE ASSESSMENTS ON A MONTHLY AND ANNUAL BASIS DO NOT ADD EXACTLY. FOR PURPOSES OF CONVENIENCE, ROUNDING HAS OCCURRED.

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BAY POINTE VILLAS, A CONDOMINIUM
ESTIMATED OPERATING BUDGET
FOR UNITS 1 THROUGH 23, PHASE ONE THROUGH TWO
YEAR BEGINNING JANUARY 1, 1998
YEAR ENDING DECEMBER 31, 1998

	<u>Monthly</u>	<u>Annually</u>
Expenses for the Association:		
Administration	75.00	900.00
Management Fees	230.00	2,760.00
Maintenance	922.00	11,064.00
Rent for Recreational and other commonly used facilities	N/A	N/A
Taxes upon Association Property	N/A	N/A
Taxes upon Leased Area	N/A	N/A
Insurance	750.00	9,000.00
Security Provisions	N/A	N/A
Other expenses	910.00	10,920.00
Operating Capital	N/A	N/A
Reserves		
Roof Replacement		
Building Painting		
Pavement Resurface		
Fees to Division	7.67	92.00

Expenses for a Unit Owner:

Rent for the Unit	N/A	N/A
Rent Payable by Unit Owner	N/A	N/A
	2,894.67	34,736.00
	<u>Units</u>	
	<u>Monthly</u>	<u>Annually</u>
Assessment per unit	125.85	1,510.20
Reserves		
Roof replacement	7.17	86.08
Building Painting	6.98	83.48
Pavement re-surface	.73	8.70
Without reserves	125.85	1,510.20
With reserves	140.73	1,688.46

Calculation of Reserves:

Roof replacement for 23 units - \$29,700 ÷ 15 year estimated remaining useful life = \$1,980 per year ÷ 23 units = \$86.08 per unit per year. (Estimated useful life and remaining life are the same). Existing Fund Balance: Zero.

Building Painting for 23 units - \$11,520 ÷ 6 year estimated remaining useful life = \$1,920 per year ÷ 23 units = \$83.48 per unit per year. (Estimated useful life and remaining life are the same). Existing Fund Balance: Zero.

Pavement Resurfacing for 23 units - \$3,000 ÷ 15 year estimated remaining useful life = \$200 per year ÷ 23 units = \$8.20 per unit per year. (Estimated useful life and remaining life are the same). Existing Fund Balance: Zero.

ESTIMATED RESERVES PURSUANT TO FLORIDA STATUTE 718.112(2)(F)2
ARE BASED UPON ANTICIPATED COSTS IN THE FUTURE

At the initial membership meeting of the Association, the Developer intends not to fund a reserve as permitted by Florida Statute 718.112(2)(f) 1995. The Developer has shown, for purposes of illustration, an amount to be reserved for the capital expenditures and deferred maintenance. These amounts were

computed by means of a formula based upon estimated remaining useful life and estimated replacement cost of each reserve item. In addition, if the Developer remains in control of the Association, it is the Developer's intention to recommend to the membership each year to waive reserves. The vote to waive reserves shall be held annually.

The Developer, pursuant to Florida Statute 718.116(9)(a) 1995, is excused from the payment of the share of the common expenses and assessments related to those units for a period of time which shall be not longer than the first day of the fourth calendar month following the month in which the closing of the purchase and sale of the first condominium unit occurs. The Developer, however, will pay the portion of the common expenses incurred during this period which exceed the amount assessed other Unit Owners.

Reference paragraph 18 of the Declaration of Condominium for the Developer's obligation to pay common expenses.

YOU MAY FIND THAT THE SUM OF EACH OF THE ASSESSMENTS ON A MONTHLY AND ANNUAL BASIS DO NOT ADD EXACTLY. FOR PURPOSES OF CONVENIENCE, ROUNDING HAS OCCURRED.

0133625.01



Bay Pointe Villas

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.



BAY POINTE VILLAS

SHADOW LAKES DEVELOPEMENT COMPANY
10825 SEMINOLE BLVD. UNIT #1 LARGO, FL 33778 • (813) 397-1192 • FAX (813) 397-1272

EXCLUSIVE CHARACTERISTICS

Bay Pointe Villas is a carefully planned condominium community located in Seminole adjacent to Bay Pointe Executive Golf Course.

Bay Pointe Villas are within 20 minutes of the Clearwater-St. Petersburg International Airport and 30 minutes from the Tampa International Airport. Swimming in the Gulf of Mexico is 5 minutes away. Churches of all denominations, top rated schools, and major shopping malls are nearby. The community is located in an unincorporated area of Pinellas County. This means lower property taxes than in nearby incorporated cities.

Come enjoy the relaxing lifestyle Bay Pointe Villas offer in Seminole, Florida.

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND THE DOCUMENTS REQUIRED BY SECTION 719.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

SHADOW LAKES DEVELOPMENT CO. IS PROUD OF THESE

OUTSTANDING FEATURES

FOUND IN EVERY UNIT AT

BAY POINT VILLAS

- * Private one-car garage with additional private parking space, plus ample guest parking areas
- * Private landscaped courtyard entry
- * Concrete block construction with exterior of pale stucco, wood accents, and white trim
- * 9-foot ceilings throughout, with cathedral ceilings in Grand Room and Dining Area in upper level villas
- * Pre-wired ceilings for decorator fans and lighting fixtures
- * Cable-ready in Grand Room and Bedrooms
- * Triple sliding glass doors from Grand Room to Private Screened Lanai
- * Double sliding glass doors from Master Suite to Private Screened Lanai
- * Full-size closets in bedrooms
- * Laundry area equipped for full-size washer and dryer

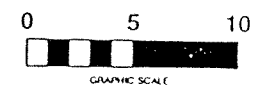
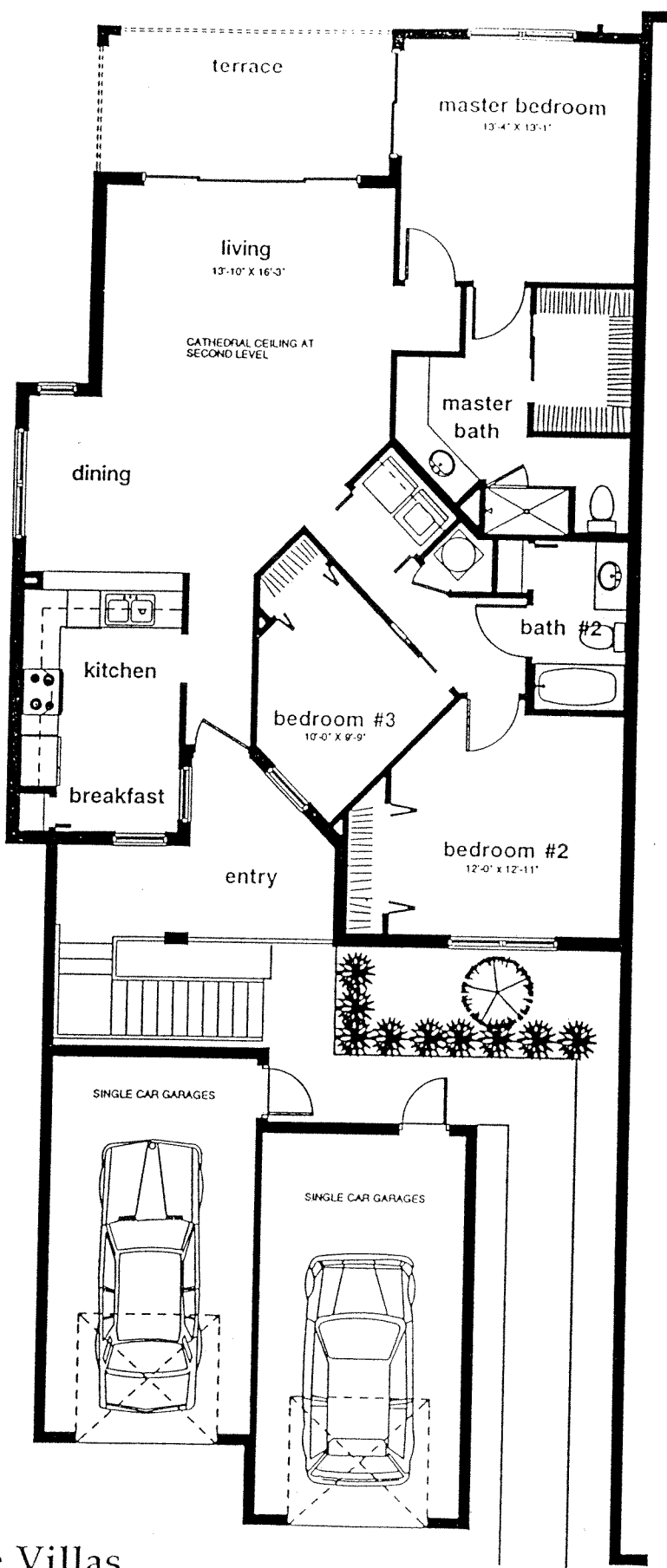
- * Fully equipped, all electric kitchen includes:
 - * Stove
 - * Refrigerator with electric icemaker
 - * Dishwasher
 - * Double stainless-steel sink and disposer
 - * Custom cabinetry
 - * Shelved pantry with slatted, bi-fold doors
 - * Eat-in breakfast corner overlooking landscaped courtyard
 - * Open pass-through to Dining Area

- * Baths include:
 - * Full ceramic-tile tub enclosures
 - * Carpeting throughout
 - * Fully mirrored bi-fold doors and shelving for linens in large master Walk-in closet
 - * Private water-closet in Master Bath

In conclusion: Shadow Lakes Development Co. will custom design to your specifications, when and where possible.

ALL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER. FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS BROCHURE AND THE DOCUMENTS REQUIRED BY SECTION 718.503, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.

710.505, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.



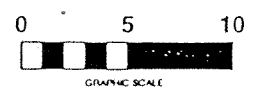
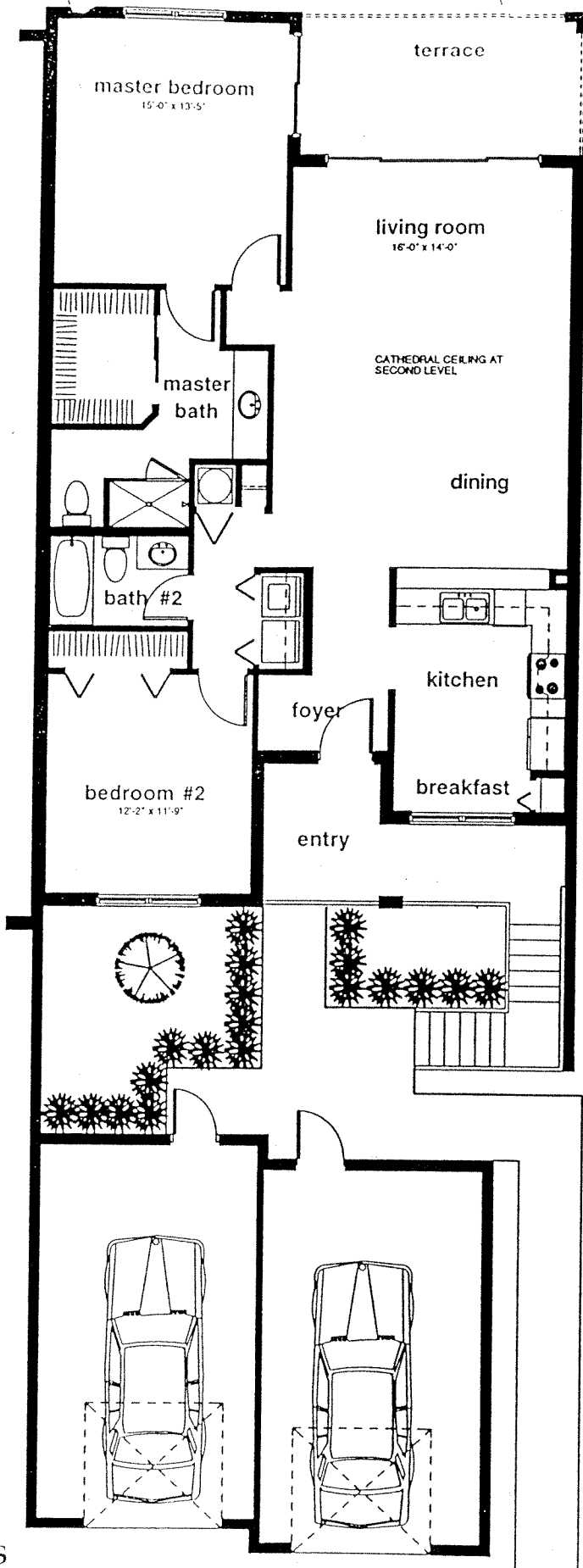
SQUARE FOOTAGE
LIVING AREA 1,309
TOTAL 1,447

Bay Pointe Villas

THE DEVELOPER RESERVES THE RIGHT TO ALTER DESIGNS, VARY FEATURE POSITIONS OR SUBSTITUTE MATERIALS OF COMPARABLE VALUE AS DEEMED ADVISABLE OR NECESSARY BY BUILDER OR ARCHITECT.

3 Bedroom Unit

18.500, FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER TO A BUYER OR LESSEE.



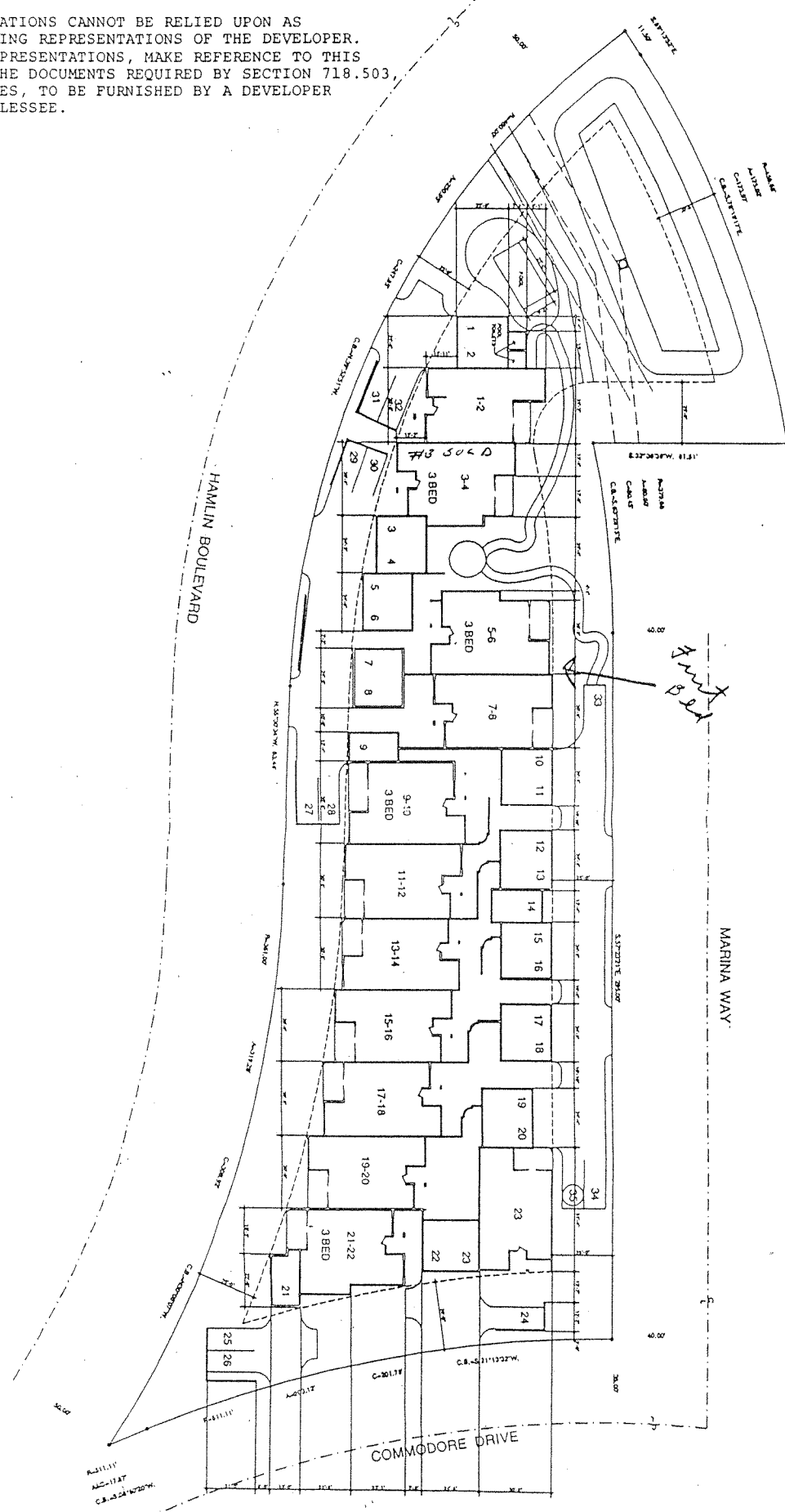
SQUARE FOOTAGE
LIVING AREA 1,216
TOTAL 1,351

Bay Pointe Villas

2 Bedroom Unit

THE DEVELOPER RESERVES THE RIGHT TO ALTER DESIGNS, VARY FEATURE POSITIONS OR SUBSTITUTE MATERIALS OF COMPARABLE VALUE AS DEEMED ADVISABLE OR NECESSARY BY BUILDER OR ARCHITECT.

ALL REPRESENTATIONS CANNOT BE RELIED UPON AS
CORRECTLY STATING REPRESENTATIONS OF THE DEVELOPER.
FOR CORRECT REPRESENTATIONS, MAKE REFERENCE TO THIS
PROSPECTUS AND THE DOCUMENTS REQUIRED BY SECTION 718.503,
FLORIDA STATUTES, TO BE FURNISHED BY A DEVELOPER
TO A BUYER OR LESSEE.



852869

CENTRAL PERMIT RECEIPT FORM

REF. NO.

Pinellas County

310 COURT ST., CLEARWATER, FL 34616

PLEASE TYPE OR PRINT

FIRST

LAST

OWNER NAME: TOM KAPPEL / SHAROLANES DELG. TEL: 397.1192

OWNER ADDRESS: 10825 SEMINOLE BLVD

CITY: LARGO STATE: FL ZIP: 33778

ARCHITECT / EGR: JOHN MARSHALL SCOTT TEL: 755-0100

CONTRACTOR: BEN MARANZO TEL: 397-2659 FCILB #

CONTR. COMPANY: MARCO DEV. CORP PCCLB # 06026769

CONTR. ADDRESS: POB 66904 CONTR. DIVISION:

CITY: ST. PETE BCH STATE: FL ZIP: 33736

CONSTR. ADDRESS: 14590 HARMON BLVD. UNIT # 8748

CITY: SEMINOLE STATE: FL ZIP: 33778

PROJECT NAME/SUBPROJECT NAME: CLEARWATER COVE PHASE III IV

BDIVISION: CLEARWATER COVE PHASE III IV

SECTION: 19 TWP: 30S RANGE 15E SUBDIV. NO: 16445 BLOCK 000 LOT 0000

ZONING: R-10 BY 13 UNITS OF FLOOD ZONE: All REQ'D ELEV.: 10.0' EGR BY: J

SETBACKS: C.O.C. NO. EPI OCCUPANCY: R

MAX. HGT. DATE TYPE CONSTRUCTION: I II III IV V VI

CONDITIONED AREA SQ. FT. RADON AREA: 590 SQ. FT.

AREA: 590 SQ. FT. X RATE: \$28.00 PER SQ. FT. = EVALUATION \$16,520

MISC. INFO: 1 STY Detached GARAGE

ORK DESCRIPTION: 2BED-2BATH 1216 1/2 SF GARAGES per plan

PERMIT NO. 165415

Zoning	\$ 15.00	PERMIT NO. 165415
Habitat Mgmt.	\$ N/C	897.200V
Building	\$ 143.10	R
Radon	\$ 5.90	
Sea Wall	\$ 10/A	
Water Tap	\$ N/C	see CPR 852868
Impact	\$ N/C	
Back Flow	\$ 9/18/97	
Sewer Con	\$ N/C	
Sewer Tap	\$	
Swr Const Cntrb Share	\$	
Fire District	\$	
Transportation	\$ NC	

CENTRAL PERMIT NO. 165415	SEP. 29, 1997
ZONING	R-10
ZULOTING	143.10
OTIF AMOUNT	5.90
DATE	9/21/97

I hereby swear (or affirm) that the information provided in applications for the above indicated permits is true and complete to the best of my knowledge. 1449-6 SIGNATURE DATE 9/21/97

852868

CENTRAL PERMIT RECEIPT FORM

REF. NO.

Pinellas County

310 COURT ST., CLEARWATER, FL 34616

PLEASE TYPE OR PRINT

FIRST

LAST

OWNER NAME: TOM KAAPER / MARCO DEV CORP TEL: 897.1172

OWNER ADDRESS: 10825 SEMINOLE BLVD.

CITY: LARGO STATE: FL ZIP: 33778

ARCHITECT / EGR: JOHN MARSHALL SCOTT TEL: 735-0100

CONTRACTOR: KEVIN MARINICH TEL: 397-2659 FCILB #

CONTR. COMPANY: MARCO DEV CORP. PCCLB #: CSC-026769

CONTR. ADDRESS: P.O. D. 46904 CONTR. DIVISION:

CITY: ST. PETERS BAY STATE: FL ZIP: 33736

CONSTR. ADDRESS: 14540 HANLIN BLVD UNIT # 748

CITY: SEMINOLE STATE: FL ZIP: 33778

- BUILDING \$239,140
ELECTRIC \$133,300
PLUMBING \$159,760
GAS \$1,000
MECHANICAL \$1,000
SPRINKLER \$1,000
HOOD \$1,000
CHEMICAL \$1,000
REFRIGERATION \$1,000
FIRE INSPECTION \$1,000
SPAN REVIEW \$1,000
THRESHOLD \$1,000
VIOLATION \$1,000

TOTAL PERMIT FEE \$707.88

PROJECT NAME/SUBPROJECT NAME: 1997 POINTE VILLAS

SUBDIVISION: CLEARWATER COVE PHASE III IV

SECTION: 19 TWP 30S RANGE 15E SUBDIV. NO: 1644 BLOCK 000 LOT 0000

ZONING: RPO BY UNITS OF FLOOD ZONE All REQ'D ELEV. 10.0' EGR. BY

SETBACKS 25 C.O.C. NO. 17-000122 EPI OCCUPANCY R

MAX. HGT. DATE TYPE CONSTRUCTION I II III IV V VI

CONDITIONED AREA SQ. FT. RADON AREA 2660 SQ. FT.

AREA 2660 SQ. FT. X RATE \$57.00 PER SQ. FT. = EVALUATION \$151,620.00

MISC. INFO: 2574 Casdo Bldg - per SP 1017.042

WORK DESCRIPTION: 2 STORY MAR BRG - 2BED, 2BATH - 1216/SF A/C

43.72 CR # 822091

Table with columns for Fee Type, Amount, and Permit No. (165417). Rows include Zoning, Habitat Mgmt, Building (707.88), Radon (2660), Water Tap (1000), Impact (352), Back Flow (655), Sewer Con (3286), Sewer Tap, Swr Const Cntrb Share, Fire District, and Transportation (1906).

Summary table of permit fees: ZONING \$15.00, BUILDING \$707.88, DTIF RADON TRNG FND \$26.60, WATER TAP \$600.00, IMPACT \$352.00, BACK FLOW \$655.00, BUILDING \$3,785.00.

I hereby swear (or affirm) that the information provided in applications for the above indicated permits is true and complete to the best of my knowledge.

SIGNATURE: [Signature] DATE: 9/21/97

Warranty Deed

This Indenture, Made this _____ day of _____, 19 ____ A.D., Between SHADOW LAKES DEVELOPMENT COMPANY, a corporation existing under the laws of the state of Florida

of the County of Pinellas, State of Florida, grantor, and

whose address is:

of the County of _____, State of _____, grantee.

Witnesseth that the GRANTOR, for and in consideration of the sum of _____ TEN & NO/100 (\$10.00) _____ DOLLARS,

and other good and valuable consideration to GRANTOR in hand paid by GRANTEE, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said GRANTEE and GRANTEE'S heirs and assigns forever, the following described land, situate, lying and being in the County of _____ State of _____ to wit:

Unit _____, BAY POINTE VILLAS, a Condominium, together with an undivided share in the common elements appurtenant thereto, according to the Declaration of Condominium as recorded in O.R. Book _____, Page _____, and all its attachments and amendments, and as recorded in Condominium Plat Book _____, Page _____, public records of Pinellas County, Florida.

THIS DEED TO SUBJECT TO:

1. Taxes for the year _____ and all subsequent years.
2. The terms and conditions of the Declaration of Bay Pointe Villas, a Condominium.
3. Applicable zoning law.
4. Matters of survey.
5. Easements, restrictions and reservations of record.

and the grantor does hereby fully warrant the title to said land, and will defend the same against lawful claims of all persons whomsoever.

In Witness Whereof, the grantor has hereunto set his hand and seal the day and year first above written.

Signed, sealed and delivered in our presence:

SHADOW LAKES DEVELOPMENT COMPANY

Printed Name: _____
Witness _____

By: _____ (Seal)

P.O. Address 10825 Seminole Blvd., Largo, FL 33778

Printed Name: _____
Witness _____

STATE OF Florida
COUNTY OF Pinellas

(Corporate Seal)

The foregoing instrument was acknowledged before me this _____ day of _____, 19 ____ by

SHADOW LAKES DEVELOPMENT COMPANY, _____ of _____ Florida Corporation, on behalf of the corporation. He is personally known to me or has produced his _____ as identification.

This Document Prepared By:
ROGER A. LARSON, ESQ.
LAW OFFICES OF JOHNSON, BLAKELY, POPE, et al.
Post Office Box 1368
CLEARWATER, FL 33757-1368

Printed Name: _____
NOTARY PUBLIC
My Commission Expires:

38490.97109

IN WITNESS WHEREOF, the Developer has executed this _____
Amendment to the Declaration this ____ day of _____, 1998.

Signed, Sealed and Delivered
in the Presence of:

_____,
a Florida _____

Print: _____

By: _____

Print _____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of
_____, 1998, by _____.

Notary Public
Print Name: _____

My commission expires:

Personally known _____ OR produced identification _____
Type of Identification produced: Driver's License ___ OR other ___

0152304.01

