Venetian Bay Condo Governance Documents

HC Alliance Title

Scott Ellis
Clerk Of Courts, Brevard County
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Trust: 63.00 Rec: 501.00 Serv: 0.00
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This instrument prepared by and return to:
Robert L. Beals, Esq.
Robert L. Beals, P.A.
730 East Strawbridge Ave., Suite 101
Melbourne, FL 32901

INDEX TO DECLARATION OF CONDOMINIUM OF VENETIAN BAY, A CONDOMINIUM

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VENETIAN BAY

AKE Development, Inc., a Florida corporation, hereinafter called "Developer", does hereby make, declare, and establish this Declaration of Condominium (hereinafter sometimes called "this Declaration"), as and for a plan of condominium unit ownership for VENETIAN BAY, consisting of real property and improvements thereon as hereinafter described.

All restrictions, reservations, covenants, conditions and easements contained herein shall constitute covenants running with the land or equitable servitudes upon the land, as the case may be, and shall rule perpetually unless terminated as provided herein and shall be binding upon all parties or persons subsequently owning property in said Condominium, and in consideration of receiving and by acceptance of a conveyance, grant, devise, lease, or mortgage, all grantees, devisees, lessees, and assigns and all parties claiming by, through or under such persons, agree to be bound by all provisions hereof. Both the burdens imposed and the benefits shall run with each unit and the interests in the common property as herein defined.

I.

ESTABLISHMENT OF CONDOMINIUM

The Developer is the owner of the fee simple title to that certain real property situate in the City of Palm Bay, County of Brevard, and State of Florida, which property is more particularly described as follows; to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

and which property the Developer owns. VENETIAN BAY CONDOMINIUM is located at 4955 and 4975 U.S. Highway One, Palm Bay, Florida, 32905. Phase One of the Condominium consists of one (1) building which has eight (8) floors of residential units and one (1) floor of parking spaces containing a total of 33 residential units and 33 interior parking spaces. The building consists of twelve (12) type "A" units, each of which has three bedrooms and three bathrooms and contains approximately 2,418 square feet plus 488 square feet of balcony space; twelve (12) type "B" units consisting of three (3) bedrooms and three (3) bathrooms and contains approximately 2,159 square feet plus 325 square feet of balcony space; six (6) type "C" units containing three (3) bedrooms and two (2) bathrooms each and contains approximately 1,849 square feet plus 275 square feet of balcony space; one (1) type "P1" unit consisting of three (3) bedrooms, and entertainment room and three and one half (3.5) bathrooms and contains approximately 3,686 square feet plus 643 square feet of balcony space; one (1) type "P2" unit consisting of three (3) bedrooms, and entertainment room and three and one half (3.5) bathrooms containing 3,748 square feet plus 643 square feet of balcony; one (1) type "P3" unit consisting of three (3) bedrooms, an entertainment room and three and one half (3.5) bathrooms containing 3,561 square feet plus 655 square feet of balcony. The graphic description of each floor of the Phase One Building is shown on Sheets 8 through 17, inclusive, of Exhibit A to the Declaration of Condominium. The Developer reserves the right to designate the garages for the exclusive use of the unit owners, and upon such designation, the garages shall become limited common elements. For legal description, survey and plot plan of the condominium see Exhibit A to the Declaration of Condominium. The Developer estimates that Phase One of the Condominium will be completed on or before October 1, 2003. The Developer is obligated to construct Phase One of the condominium only.

The graphic description of each floor of the Phase One Building is shown on Sheets 8 through 17, inclusive, of Exhibit A to the Declaration of Condominium. The Developer reserves the right to designate the garages for the exclusive use of the unit owners, and upon such designation, the garages shall become limited common elements. For legal description, survey and plot plan of the condominium see Exhibit A to the Declaration of Condominium. The Developer estimates that Phase One of the Condominium will be completed on or before October 1, 2003. The Developer is obligated to construct Phase One of the condominium only.

The provisions of the Florida Condominium Act are hereby adopted herein by express reference and shall govern the Condominium and the rights, duties and responsibilities of unit owners hereof, except where permissive variances therefrom appear in the Declaration and the By-Laws and Articles of Incorporation of VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit.

The definitions contain in the Florida Condominium Act shall be the definition of like terms as used in this Declaration and exhibits hereto unless other definitions are specifically set forth.

II.

SURVEY AND DESCRIPTION OF IMPROVEMENTS

A. Attached hereto and made a part hereof, and marked Exhibit A consisting of seventeen (17) pages, are boundary surveys of the entire premises of which Phases One and Two are a part, boundary surveys of each phase, a graphic plot plan of the overall planned improvements, and graphic descriptions of the improvements contemplated as comprising Phases One and Two in which units are located, and plot plans thereof, identifying the units, the common elements and the limited common elements, and their respective locations and dimensions.

Said surveys, graphic descriptions and plot plans were prepared by:

Robert M. Packard, PSM
Reg. Florida Surveyor & Mapper #3867

and have been certified in the manner required by the Florida Condominium Act. Each unit is identified and designated by a specific number. No unit bears the same numerical designation as any other unit. The specific numbers identifying each unit are listed on Sheets 8 through 17 of Exhibit A attached to this Declaration of Condominium.

The units to be located on the lands described in Exhibit A, contemplated as constituting all phases, are not substantially completed but are merely proposed. The time period within which Phase One must be completed is within eighteen (18) months from the date of recording this Declaration of Condominium. All phases must be added to the Condominium within seven (7) years from the date of recording of this Declaration of Condominium. The Developer is not obligated to construct any phase other than Phase One.

Without the consent of any unit owner, the Developer, or its successor in title to all or any portion of Phase Two shown on the plans referred to in the exhibits hereto, may at any time amend the Declaration so as to subject to the provisions of the Florida Condominium Act, all of said Phase Two on which will be constructed the Phase Two improvements identified in the exhibits hereto, and from and after the recording of such amendment or amendments, the Condominium shall include Phase Two.

The above described Phases may be added to the Condominium in any order, in the Developer's sole discretion.

The Developer may construct a maximum of 66 condominium units if the maximum number of units in Phase Two are added to the Condominium.

The Developer, or any successor in title, shall have the right, prior to the execution and recording of the respective amendments, to change the size, layout and location, and to make non-material changes in the legal description of a phase. No amendment shall be effective until recorded in the Public Records of Brevard County.

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

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Residential buildings and units which may be added to the condominium may be substantially different from the building and units in Phase One of the Condominium. The Developer may alter the size, location and layout of any unit in Phase Two of the Condominium. The minimum size of any unit shall be one thousand eight hundred forty-nine (1,849) square feet, excluding patios or balconies, and the maximum size of any unit shall be three thousand seven hundred forty-eight (3748) square feet, excluding patios or balconies. Each of these buildings will contain a minimum of eight (8) residential floors, although each building may contain more residential floors depending upon the number of units and the type of units the Developer may build. The Developer has no obligation to construct or add Phase Two.

Each unit's percentage ownership in the common elements if the second phase is added will be determined by Exhibit B attached hereto and made a part hereof. This fraction will determine each unit's proportion of ownership in the common elements, manner of sharing common expenses, and ownership of the common surplus as additional units are added to the Condominium by the addition of additional phases, if any.

Unless and until a further amendment to this Declaration is recorded adding to the Condominium Phase Two, each Phase One unit owner will own an undivided share in the common elements as shown on Exhibit B attached. Assuming Phase Two is added to the Condominium, the phases are added in order, and the maximum number of units are added in each phase then the following statements will be true. If Phase Two is added to the Condominium, with the maximum number of units, each unit owner in Phases One and Two will own an undivided share in the common elements as shown on Exhibit C attached. The Developer may add the Phases to the Condominium in any order that it elects in its sole discretion.

Initially, there shall be a total of thirty-three (33) votes to be cast by the owners of the Condominium units. If Phase Two is added to the Condominium with the maximum number of units there shall be a total of sixty-six (66) votes to be cast by the owners of the Condominium units. The owner of each Condominium unit shall be entitled to cast one (1) vote as provided in Article VI of this Declaration of Condominium. If Phase Two is not added as a part of the Condominium, the membership vote and ownership in the Association shall not be changed by the failure of the Developer to add Phase Two, but shall be as provided in this paragraph. The recreational areas and facilities are described in Exhibit A attached hereto. See the Prospectus for a description of these areas and facilities. The Developer reserves the right to expand the recreational facilities without the consent of the unit owners or the Association. Time-share estates shall not be created with respect to units in any phase.

The maximum and minimum number of units in Phase One is thirty-three (33) units. The maximum number of units in Phase Two is thirty-three (33) units and the minimum number of units is thirty-three (33) units.

B. 1. The Developer does hereby establish and create for the benefit of Phase Two and does hereby give, grant and convey to each and every individual and business, or other entity hereafter owning any portion of Phase Two the following easements, licenses, rights and privileges:

a. Right-of-way for ingress and egress, by vehicle or on foot, in, to, upon over and under the streets, driveways and walks in Phase One (as shown on Exhibit "A" annexed hereto and as they may be built or relocated in the future), between the public highway bounding the Condominium and Phase Two for all purposes for which streets, driveways and walks are commonly used, including the transportation of construction materials for use in Phase Two and the Association shall maintain and repair all streets, driveways and walks in Phase One; and

b. Rights to connect with, make use of underground utility lines, pipes, conduits, sewers and drainage lines which may from time to time exist in Phase One, (as the same may be from time to time relocated) all of which shall be maintained and repaired by the Association.

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c. The right to make use of such recreational facilities that are located in Phase One non-exclusively with the owners from time to time of Phase Two, or any parts thereof, their tenants, and the immediate families of such tenants and their guests, who are residents in occupancy of units in Phase Two.

2. The easements, licenses, rights and privileges established, created and granted by the provisions of this subparagraph B, shall be for the benefit of and restricted solely to the owners from time to time of Phase Two or any parts thereof, their tenants, and the immediate families of such tenants and their guests who are residents in occupancy of units in Phase Two, for the duration of their tenancies; but the same is not intended, nor shall it be construed as creating any rights in or for the benefit of the general public or any rights in or to any portion of Phase One other than the driveways, walks, parking spaces, utility and drainage lines, sewers, conduits, wires, pipes and conduits.

3. The Phase One unit owners, and each of them, for themselves, their heirs, administrators, executors, successors and assigns, (and/or the Association) shall through VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., maintain and repair, at their sole cost and expense, those portions of Phase One which are subject to the easements, licenses, rights and privileges described in this subparagraph B to the Declaration.

C. 1. The Developer does hereby establish and create, and does hereby give, grant and convey to each and every individual and business, or other entity hereafter owning any portion of Phases One and Two, those easements, licenses, rights and privileges, as are applicable to Phases One and Two as follows:

a. As appurtenant to and benefitting Phase One.

i. Right-of-way for ingress and egress, by vehicle or on foot in, to, upon, over and under the streets, driveways and walks in Phase Two, when constructed (and as they may be built or relocated in the future), for all purposes for which streets driveways and walks are commonly used; and

ii. Rights to connect with, make use of underground utility lines, pipes, conduits, sewers and drainage lines which may from time to time exist in Phase Two, (as the same may be from time to time relocated); and

b. As appurtenant to and benefitting Phase Two.

i. Right-of-way for ingress and egress, by vehicle or on foot in, to, upon, over and under the streets, driveways and walks in Phase One, when constructed (and as they may be built or relocated in the future), for all purposes for which streets driveways and walks are commonly used; and

ii. Rights to connect with, make use of underground utility lines, pipes, conduits, sewers and drainage lines which may from time to time exist in Phase One (as the same may be from time to time relocated).

iii. The right to make use of such recreational facilities that are located in Phase one non-exclusively with the owners from time to time of Phase One, or any parts thereof, their tenants, and the immediate families of such tenants and their guests, who are residents in occupancy of units in Phase One.

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The Association shall maintain and repair the streets, driveways, walks, underground utility lines, pipes, conduits, sewers, drainage lines and the recreational facilities located in the common elements. The owners of phase land not added to the Condominium shall have a right to enforce the duty of the Association to maintain and repair such facilities as described herein.

2. Unless and until Phase Two has been added to the Condominium, the Developer or any successor in title to Phase One shall have the right to charge owners of Phase Two a fair and equitable fee to be shared with the owners of Phase One until phase Two is added to the Condominium, if ever, for the cost of maintaining and keeping in good order, condition and repair those recreational facilities as have been constructed in Phase One. The owner of any phase land not submitted to Condominium not paying the fee when due shall lose the privilege of using the recreational facilities until his account is brought current. This paragraph shall not apply to any Condominium unit owner who may not be denied the privilege of using the recreational facilities for failure to pay maintenance fees under the Florida Condominium Act.

3. The easements, licenses, rights and privileges established, created and granted by Developer pursuant to the provisions of this subparagraph C shall be for the benefit of, and restricted solely to, the owners from time to time of each of the phases so benefitted, or any parts thereof, their tenants, and the immediate families of such tenants and their guests, who are residents in occupancy of units in each of the phases so benefitted, for the duration of their tenancies, but the same is not intended, nor shall it be construed as creating any rights in or for the benefit of the general public or any rights in or to any portion of each Phase other than as hereinabove provided in this subparagraph C.

D. In the event of a taking under the power of eminent domain of all or any part of Phases One and Two, that portion of the award attributable to the value of any land within the phase so taken shall be payable only to the owner or owners in fee thereof, and no claim thereon shall be made by the owners of any phase, or parts thereof, not so taken, provided, however, the owners of any phase, or parts thereof, not so taken may file collateral claims with the condemning authority, over and above the value of the land in any phase so taken, to the extent of any damage suffered by a phase not taken resulting from the loss of the easements, licenses, rights and privileges so taken; and provided further, however, that the owners of the phase so taken, to the maximum extent possible, shall promptly repair and restore the remaining portion of the phase so taken and affected by said easements, licenses, rights and privileges as nearly as practicable to the condition they were in immediately prior to such taking and without contribution from the owners of those phases not so taken, but if the net proceeds of such award are insufficient to pay the costs of such restoration and repair, the owner or owners of the phases not so taken shall contribute the new awards, if any, received by them to the extent necessary to make up such deficiency. The easements, licenses, rights and privileges affecting the land in those phases made subject to a taking shall remain in full force and effect on the remaining portion of the phase, as repaired and restored. The provisions of this subparagraph D do not control, and shall be wholly inapplicable to, the rights of any unit owners in any phase that has been added to the Condominium by amendment to the Declaration.

E. Each of the easements, covenants, restrictions, benefits and obligations hereunder shall be perpetual and run with the land. The provisions of this Article II may not be abrogated, modified or rescinded in whole or in part other than with the consent of the owner or owners of Phases One and Two, and of all mortgagees under any mortgages covering all or any part of Phases One and Two, evidenced by a declaration in writing, executed and acknowledged by all said owners and mortgagees and duly recorded in the Public Records of Brevard County. However, in the event all phases shall be included in the Condominium, the provisions of subparagraphs B, C and D of this Article II shall become null and void, just as if never entered into and without the necessity for the execution of any further documents, whereupon the common elements of the Condominium shall expressly include within its meaning, in addition to the items as listed in the Florida Condominium Act and those items heretofore set forth in this Declaration, non-exclusive cross-easements for ingress, egress, and

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the installation and maintenance, repair and replacement of all utility and drainage lines serving any of the units of the Condominium, but the provisions contained in subparagraph A of this Article II shall not be so rendered null and void, and, to the extent applicable. shall remain in full force and effect.

III.

OWNERSHIP OF UNITS AND APPURTENANT SHARE IN COMMON ELEMENTS AND COMMON SURPLUS, AND SHARE OF COMMON EXPENSES

Each unit shall be conveyed as an individual property capable of independent use and fee simple ownership and the owner or owners of each unit shall own, as an appurtenance to the ownership of each said unit, an undivided share as shown on Exhibit B attached hereto of all common elements of the Condominium, which includes, but is not limited to, ground support area, walkways, yard area, parking areas, foundations, etc., and substantial portions of the exterior walls, floors, ceiling and walls between units unless and until a future amendment to this Declaration is recorded adding Phase 2, each unit member will own an undivided interest in the common elements as shown on Exhibit B attached. The space within any of the units and common elements shall not be further subdivided. Any undivided interest in the common property is hereby declared to be appurtenant to each unit and such undivided interest shall not be separate from the unit and such interest shall be deemed conveyed, devised, encumbered or otherwise included with the unit even though such interest is not expressly mentioned or described in the conveyance, or other instrument. Any instrument, whether a conveyance, mortgage or otherwise, which describes only a portion of the space within any unit shall be deemed to describe the entire unit owned by the person executing such instrument and an interest in all common elements of the Condominium as shown on Exhibit B attached. If Phase 2 is added to the Condominium, and if the maximum number of units are built, unit owners share in ownership of the common elements will be as shown on Exhibit C attached hereto.

The Developer hereby, and each subsequent owner of any interest in a unit and in the common elements, by acceptance of a conveyance or any instrument transferring an interest, waives the right of partition of any interest in the common elements under the laws of the State of Florida as it exists now or hereafter until this Condominium unit project is terminated according to the provisions hereof or by law. Any owner may freely convey an interest in a unit together with an undivided interest in the common elements subject to the provisions of this Declaration. The Developer hereby reserves the right to remove any party walls between any Condominium units owned by the Developer in order that the said units may be used together as one (1) integral unit. All assessments and voting rights, however, shall be calculated as if such units were as originally designated on the exhibits attached to this Declaration, notwithstanding the fact that the several units are used as one.

All owners of units shall have as an appurtenance to their units a perpetual easement of ingress to and egress from their units over streets, walks, terraces and other common elements from and to the public highways bounding the Condominium complex, and a perpetual right or easement, in common with all persons owning an interest in any unit in the Condominium complex, to the use and enjoyment of all public portions of the buildings and to other common facilities (including but not limited to facilities as they now exist) located in the common elements.

All property covered by the exhibits hereto shall be subject to a perpetual easement for encroachments which now exist or hereafter may exist caused by settlement or movement of the buildings, and such encroachments shall be permitted to remain undisturbed and such easement shall continue until such encroachment no longer exists.

All units and the common elements shall be subject to a perpetual easement in gross granted to VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., and its successors, for ingress and egress for the purpose of having its employees and agents perform all obligations and duties of the Association set forth herein. The Association shall have the right to grant utility easements under, through or over the common elements and such other easements as the Board,

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in its sole discretion, shall decide. The consent of the unit owners to the granting of any such easement shall not be required.

The common expenses shall be shared and the common surplus shall be owned in the same proportion as each such unit owner's share of the ownership of the common elements as shown on Exhibit B attached hereto.

IV.

UNIT BOUNDARIES, COMMON ELEMENTS, AND LIMITED COMMON ELEMENTS

The units of the Condominium consist of that volume of space which is contained within the decorated or finished exposed interior surfaces of the perimeter walls, floors (excluding carpeting and other floor coverings) and ceilings of the units, the boundaries of the units are more specifically shown in Exhibit A attached hereto. The dark solid lines on the floor plans hereinabove mentioned represent the perimetrical boundaries of the units, while the upper and lower boundaries of the units, relating to the elevations of the units, are show in notes on said plan.

There are limited common elements appurtenant to each of the units in this Condominium, as shown and reflected by the floor and plot plans. These limited common elements are reserved for the use of the units appurtenant thereto, to the exclusion of other units, and there shall pass with a unit, as an appurtenance thereto, the exclusive right to use the limited common elements so appurtenant. In addition, there are thirty-three (33) garages in Phase I and thirty-three (33) garages in Phase II and as shown on Sheet 8 of Exhibit A. These garages are common elements for which the Developer reserves the right to designate the unit which shall be entitled to exclusive use of the garage. After such designation the garage shall be appurtenant to the unit and shall become a limited common element. The Developer may charge a fee for the assignment of these garages in its sole discretion.

Any air conditioning and/or heating equipment which exclusively services a Unit shall be a Common Element appurtenant to the Unit it services.

The common elements of the Condominium unit consist of all of the real property, improvements and facilities of the Condominium other than the units and the limited common elements as the same are hereinabove defined, and shall include easements through the units for conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utility services to the units, limited common elements and common elements and easements of support in every portion of a unit which contributes to the support of improvements and shall further include all personal property held and maintained for the joint use and enjoyment of all the owners of the units.

There are located on the common elements of the Condominium property swale areas for the purpose of water retention and these areas are to be perpetually maintained by the Association so that they will continue to function as water retention areas.

V.

ADMINISTRATION OF CONDOMINIUM BY VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.

The operation and management of the Condominium shall be administered by VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., a corporation not for profit, organized and existing under the laws of the State of Florida, hereinafter referred to as the "Association."

The Association shall make available to unit owners, lenders and the holders and insurers of the first mortgage on any unit, current copies of the Declaration, By-Laws and other rules governing the Condominium, and other books, records and financial statements of the

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Association. The Association also shall be required to make available to prospective purchasers current copies of the Declaration, By-Laws, other rules governing the Condominium, and the most recent annual audited financial statement, if such is prepared. "Available" shall at least mean available for inspection upon request, during normal business hours or under other reasonable circumstances.

The Association, upon written request from any institutional lenders which have an interest or prospective interest in the Condominium, shall furnish within a reasonable time the financial report of the Association required by Section 718.111(13), Florida Statutes, for the immediately preceding fiscal year.

The Association shall have all of the powers and duties set forth in the Florida Condominium Act and, where not inconsistent therewith, those powers and duties set forth in this Declaration, Articles of Incorporation and By-Laws of the Association. True and correct copies of the Articles of Incorporation and the By-Laws are attached hereto, made a part hereof, and marked Exhibit D and Exhibit E, respectively.

VI.

MEMBERSHIP AND VOTING RIGHTS

The Developer and all persons hereafter owning a vested present interest in the fee title to any one of the units shown on the exhibits hereto and which interest is evidenced by recordation of a proper instrument in the Public Records of Brevard County, Florida, shall automatically be members and their memberships shall automatically terminate when they no longer own such interest.

There shall be a total of thirty-three (33) votes to be cast in Phase One and if Phase Two is added and the maximum number of units built sixty-six (66) votes by the owners of the Condominium units. Such votes shall be apportioned and cast as follows: The owner of each Condominium unit (designated as such on the exhibits attached to this Declaration) shall be entitled to cast one (1) vote. Where a Condominium unit is owned by a corporation, partnership or other legal entity or by more than one (1) person, all the owners thereof shall be collectively entitled to the vote assigned to such unit and such owners shall, in writing, designate an individual who shall be entitled to cast the vote on behalf of the owners of such Condominium unit of which he is a part until such authorization shall have been changed in writing. The term, "owner," as used herein, shall be deemed to include the Developer.

All of the affairs, policies, regulations and property of the Association shall be controlled and governed by the Board of Administration of the Association who are all to be elected annually by the members entitled to vote, as provided in the By-Laws of the Association. Each director shall be the owner of a Condominium unit (or a partial owner of a Condominium unit where such unit is owned by more than one (1) individual, or if a unit is owned by a corporation, including the Developer, any duly elected officer or officers of an owner corporation may be elected a director or directors). The first election of directors shall be held sixty (60) days from the date of recording of the Declaration of Condominium.

The owners shall place members on the Board of Administration in accordance with the schedule as follows: When unit owners other than the Developer own fifteen percent (15%) or more of the units, the unit owners shall be entitled to elect not less than one-third (1/3) of the members of the Board of Administration. Unit owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Administration: (a) Three years after fifty (50%) percent of the units that will be operated ultimately by the Association have been conveyed to the 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 of 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

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course of business, or and (e) seven years after recordation of the declaration of condominium, or in the case of an association which may ultimately operate more than one condominium, seven years after recordation of the declaration for the first condominium it operates, or in the case of an association operating a phase condominium created pursuant to S. 718.403, seven years after recordation of the declaration creating the initial phase, whichever shall occur first. The Developer is entitled to elect or appoint 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 of the units in the Condominium operated by the Association. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned units in the same manner as any other unit owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board of Administration.

The Developer reserves the right to transfer control of the Association to unit owners other than the Developer at any time, in its sole discretion. The unit owners shall take control of the Association if the Developer so elects prior to the time stated in the above schedule.

Within seventy-five (75) days after the unit owners other than the Developer are entitled to elect a member or members of the Board of Administration of an association, the Association shall call, and give no less than sixty (60) days' notice of an election for the members of the Board of Administration. The election shall proceed as provided in F.S. 718.112(2)(d). The notice may be given by any unit owner if the Association fails to do so. Upon election of the first unit owner other than the Developer to the Board of Administration, the Developer shall forward to the Division the name and mailing address of the unit owner Board member.

If, during the period prior to the time that the Developer relinquishes control of the Association any provision of the Condominium Act or any rule promulgated thereunder is violated by the Association, the Developer is responsible for such violation and is subject to the administrative action provided for such violation or violations and is liable for such violation or violations to third parties.

VII.

COMMON EXPENSES, ASSESSMENTS, COLLECTION LIEN AND ENFORCEMENT. LIMITATIONS

The Board of Administration of the Association shall propose annual budgets in advance for each fiscal year which shall contain estimates of the cost of performing the functions of the Association, including but not limited to the common expense budget, which shall include, but not be limited to, the estimated amounts necessary for maintenance, and operation of common elements and limited common elements, landscaping, street and walkways, office expense, utility services, replacement and operating reserve, casualty insurance, liability insurance, administration and salaries. Failure of the board to include any item in the annual budget shall not preclude the board from levying an additional assessment in any calendar year for which the budget has been projected. Each unit owner shall be liable for the payment to the Association of a percentage of the common expenses as shown on Exhibits B and C attached hereto, of the common expenses as determined in said budget.

Common expenses include the expenses of the operation, maintenance, repair, or replacement of the common elements, costs of carrying out the powers and duties of the Association and any other expenses designated as common expense by the Condominium Act, the Declaration, the Articles of Incorporation, or the Bylaws of the Association. Common expenses also include reasonable transportation services, insurance for directors and officers, road maintenance and operation expenses, in-house communications, and security services, which are reasonably related to the general benefit of the unit owners, even if such expenses do not attach to the common elements or property of the Condominium. However, such common expenses must either have been services or items provided from the date the control of the Board of Administration of the Association was transferred from the Developer to the unit owners or must be services or items provided for in the Condominium documents or Bylaws.

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After adoption of the budget and determination of the annual assessment per unit, as provided in the By-Laws, the Association shall assess such sum by promptly notifying all owners by delivering or mailing notice thereof to the voting member representing each unit at such member's most recent address as shown by the books and records of the Association. One-twelfth (1/12) of the annual assessment shall be due and payable in advance to the Association on the first (lst) day of each month.

Each initial unit owner other than the Developer shall pay at closing a contribution in the amount of $400.00 to the Developer as working capital. This contribution shall not be credited as advance maintenance payments for the unit.

Special assessments may be made by the Board of Administration from time to time to meet other needs or requirements of the Association in the operation and management of the Condominium and to provide for emergencies, repairs or replacements, and infrequently recurring items of maintenance. However, any special assessment in excess of two hundred dollars ($200.00) which is not connected with an actual operating, managerial or maintenance expense of the Condominium, shall not be levied without the prior approval of the members owning a majority of the units in the Condominium.

The specific purpose or purposes of any special assessment approved in accordance with the Condominium documents shall be set forth in a written notice of such assessment sent or delivered to each unit owner. The funds collected pursuant to a special assessment shall be used only for the specific purpose or purposes set forth in such notice. However, upon completion of such specific purpose or purposes, any excess funds will be considered common surplus, and may, at the discretion of the Board, either be returned to the unit owners or applied as a credit towards future assessments.

The liability for any assessment or portion there of may not be avoided by a unit owner or waived by reason of such unit owner's waiver of the use and enjoyment of any of the common elements of the Condominium or by abandonment of the unit for which the assessments are made.

The record owners of each unit shall be personally liable, jointly and severally, to the Association for the payment of all assessments, regular or special, made by the Association and for all costs of collection of delinquent assessments. In the event assessments against a unit are not paid within thirty (30) days after their due date, the Association shall have the right to foreclose its lien for such assessments.

Assessments and installments on them that are unpaid for over thirty (30) days after due date shall bear interest at the maximum rate permitted by law per annum from the due date until paid. If a payment is more than ten (10) days late, the Association may charge an administrative late fee in addition to such interest, in an amount not to exceed the greater of $25.00 or five percent of each installment of the assessment for each delinquent installment that the payment is late. Any payment received by the Association shall be applied first to any interest accrued by the Association, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection, and then to the delinquent assessment. The foregoing shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. A late fee shall not be subject to the provisions in Chapter 687 or Section 718.303(3), Florida Statutes.

The Association has a lien on each Condominium parcel for any unpaid assessments with interest and for reasonable attorney's fees incurred by the Association which are incident to the collection of the assessment for enforcement of the lien. Except as set forth below, the lien shall be effective from and shall relate back to the recording of the original Declaration of Condominium. In the case of lien on a parcel located in a phase condominium created pursuant to Section 718.403, Florida Statutes, the lien is effective from and shall relate back to the recording of the Declaration or amendment thereto creating the parcel. However, as to first mortgages of record, the lien is effective from and after recording of a claim of lien. The lien shall be recorded in the Public Records in the county in which the condominium parcel is located and shall state the description of the condominium parcel, the name of the record owner, the amount due, the due

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dates, and the name and address of the Association which is Venetian Bay Condominium Association, Inc., 712 Palmetto Avenue, Melbourne, Florida 32901. No such lien shall continue for a longer period than one year after the claim of lien has been recorded unless, within that time, an action to enforce the lien is commenced in a court of competent jurisdiction. The claim of lien shall secure all unpaid assessments, interest, costs and attorney's fees which are due and which may accrue subsequent to the recording of the claim of lien and prior to entry of a final judgment of foreclosure. A claim of lien must be signed and acknowledged by an officer or agent of the association. Upon payment, the person making the payment is entitled to a satisfaction of the lien. By recording a notice in substantially the following form, a unit owner or his agent or attorney may require the Association to enforce a recorded claim of lien against his Condominium parcel:

Notice of Contest of Lien

TO: VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.
712 Palmetto Avenue
Melbourne, FL 32901

You are notified that the undersigned contests the claim of lien filed by you on ________, 20___, and recorded in Official Records Book _____, at Page _____, of the Public Records of Brevard County, Florida, and that the time within which you may file suit to enforce your lien is limited to ninety (90) days from the date of service of this notice.

Executed this ____ day of _________, 20____.

Signed:________________________________
Owner, Agent or Attorney

After service of a copy of the Notice of contest of Lien, the Association shall have ninety (90) days in which to file an action to enforce the lien, and if the action is not filed within that ninety (90) day period, the lien is void.

The Association may bring an action in its name to foreclose a lien for assessments in the manner a mortgage on real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments without waiving any claim of lien. The Association is entitled to recover its reasonable attorney's fees incurred in either a lien foreclosure action or any action to recover a money judgment for unpaid assessments.

No foreclosure judgment may be entered until at least thirty (30) days after the Association gives written notice to the unit owner of its intention to foreclose its lien to collect the unpaid assessments. If this notice is not given at least thirty (30) days before the foreclosure action is filed, and if the unpaid assessments, including those coming due after the claim of lien is recorded, are paid before the entry of a final judgment of foreclosure, the Association shall not recover attorney's fees or costs. The notice must be given by delivery of a copy of it to the unit owner or by certified or registered mail, return receipt requested, addressed to the unit owner at his last known address; and upon such mailing, the notice shall be deemed to have been given, and the court shall proceed with the foreclosure action and may award attorney's fees and costs as permitted by law. The notice requirements of this subsection are satisfied if the unit owner records a Notice of Contest of Lien as provided above. The notice requirements of this subsection do not apply if an action to foreclose a mortgage on the Condominium unit is pending before any court; if the rights of the Association would be affected by such foreclosure; and if actual, constructive, or substitute service of process has been made on the unit owner.

If the unit owner remains in possession of the unit after a foreclosure judgment has been entered, the court, in its discretion, may require the unit owner to pay a reasonable rental for the unit. If the unit is rented or leased during the pendency of the foreclosure action, the Association is entitled to the appointment of a receiver to collect the rent. The expenses of the Receiver shall be paid by the party which does not prevail in the foreclosure action.

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The Association has the power to purchase the Condominium parcel at the foreclosure sale and to hold, lease, mortgage or convey it.

A first mortgagee acquiring title to a Condominium parcel as a result of foreclosure, or a deed in lieu of foreclosure, may not during the period of its ownership of such parcel, whether or not such parcel is unoccupied, be excused from the payment of some or all of the common expenses coming due during the period of such ownership.

Within fifteen (15) days after request by a unit owner or unit mortgagee, the Association shall provide a certificate stating all assessments and other monies owed to the Association by the unit owner with respect to the Condominium parcel. Any person other than the owner who relies upon such certificate shall be protected thereby.

Any unit owner has the right to require from the Association a certificate showing the amount of unpaid assessments against him with respect to his Condominium parcel. The holder of a mortgage or other lien of record has the same right as to any Condominium parcel upon which he has a lien.

Any first mortgagee may make use of any unit acquired as may facilitate its sale including, but not limited to, the showing of the property and the display of "For Sale" signs and neither the other unit owners nor the association shall interfere with the sale of such units.

As to priority between the lien of a recorded mortgage and the lien for any assessment, the lien for assessment shall be subordinate and inferior to any recorded mortgage, unless the assessment is secured by a claim of lien which is recorded prior to the recording date of the mortgage.

Any person purchasing or encumbering a unit shall have the right to rely upon any statement made in writing by an officer of the Association regarding assessments against units which have already been made and which are due and payable to the Association, and the Association and the members shall be bound thereby.

In addition the Association may accelerate assessments of an owner delinquent in payment of common expenses. Accelerated assessments shall be due and payable on the date the claim of lien is filed. Such accelerated assessments shall include the amounts due for the remainder of the budget year in which the claim of lien was filed.

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 the 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 mortgage who acquires title to the unit by foreclosure or by deed in lieu of foreclosure is liable for the unpaid assessments that became due prior to the mortgagee's receipt of the deed. However, the mortgagee's liability is limited to a period not exceeding six months, but in no event does the first mortgagee's liability exceed one percent of the original mortgage debt. The first mortgagee shall pay the amount owned to the Association within 30 days after transfer of title. In no event shall the mortgagee be liable for more than six months of the unit's unpaid common expenses or assessments accrued before the acquisition of the title to the unit by the mortgagee or one percent of the original mortgage debt, whichever amount is less.

VIII.

INSURANCE COVERAGE, USE AND DISTRIBUTION OF PROCEEDS, REPAIR OR RECONSTRUCTION AFTER CASUALTY, CONDEMNATION

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A. Type and Scope of Insurance Coverage Required

1. Insurance for Fire and Other Perils

The Association shall obtain, maintain, and pay the premiums upon, as a common expense, a "master" or "blanket" type policy of property insurance covering all of the common elements and limited common elements, (except land, foundation and excavation costs) including fixtures, to the extent they are part of the common elements of the Condominium, building service equipment and supplies, and other common personal property belonging to the Association. All references herein to a "master" or "blanket" type policy of property insurance shall denote single entity Condominium insurance coverage. Every hazard policy which is issued to protect a condominium building shall provide that the word "building" wherever used in the policy include, but not necessarily be limited to, fixtures, installations, or additions comprising that part of the building within the unfinished interior surfaces of the perimeter walls, floors, and ceilings of the individual units initially installed, or replacements thereof of like kind or quality, in accordance with the original plans and specifications, or as they existed at the time the unit was initially conveyed if the original plans and specifications are not available. The word "building" does not include unit floor coverings, wall coverings, or ceiling coverings, and does not include the following equipment if it is located within a unit and the unit owner is required to repair or replace such equipment: electrical fixtures, appliances, air conditioner or heating equipment, water heaters, or built-in-cabinets. With respect to the coverage provided for by this paragraph, the unit owners shall be considered additional insureds under the policy.

The "master" policy shall be in an amount equal to one hundred (100%) percent of current replacement cost of the Condominium, exclusive of land, foundation, excavation and other items normally excluded from coverage, if available.

The policies may also be issued in the name of an authorized representative of the Association, including any insurance trustee with whom the Association has entered into an insurance trust agreement, or any successor trustee, as insured, for the use and benefit of the individual owners. Loss payable shall be in favor of the Association or insurance trustee, as a trustee, for each unit owner and each such owner's mortgagee. The Association or insurance trustee, if any, shall hold any proceeds of insurance in trust for unit owners and their first mortgage holders, as their interests may appear. Each unit owner and each unit owner's mortgagee, if any, shall be beneficiaries of the policy in the fraction of common ownership set forth in this Declaration. Certificates of insurance shall be issued to each unit owner and mortgagee upon request. Such policies shall contain the standard mortgage clause, or equivalent endorsement (without contribution), which is commonly accepted by private institutional mortgage investors in the Brevard County area and shall name any holder of first mortgages on units within the Condominium. Such policies shall provide that they may not be canceled or substantially modified, without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage listed as a scheduled holder of a first mortgage in the policies.

Policies are unacceptable where: (i) under the terms of the insurance carrier's charter, by-laws, or policy, contributions or assessments may be made against borrowers, FEDERAL HOME LOAN MORTGAGE CORPORATION, hereinafter referred to as FHLMC, FEDERAL NATIONAL MORTGAGE ASSOCIATION, hereinafter referred to as FNMA, or the designee of FHLMC or FNMA; or (ii) by the terms of the carrier's charter, by-laws or policy, loss payments are contingent upon action by the carrier's board of directors, policyholders, or members, or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA, FHLMC, or the borrowers

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from collecting insurance proceeds.

The policies shall also provide for the following: recognition of any insurance trust agreement; a waiver of the right of subrogation against unit owners individually; that the insurance is not prejudiced by any act or neglect of individual unit owners which is not in the control of such owners collectively; and that the policy is primary in the event the unit owner has other insurance covering the same loss.

The insurance policy shall afford, as a minimum, protection against the following:

a. Loss or damage by fire and other perils normally covered by the standard extended coverage endorsement; and

b. In the event the Condominium contains a steam boiler, loss or damage resulting from steam boiler equipment accidents in an amount not less than $50,000.00 per accident per location (or such greater amount as deemed prudent based on the nature of the property); and

c. All other perils which are customarily covered with respect to Condominiums similar in construction, location and use, including all perils normally covered by the standard "all-risk" endorsement.

In addition, such policies shall include an "agreed amount endorsement" and, if available, an "inflation guard endorsement."

The Association shall provide, on an individual case basis, if required by the holder of first mortgages on individual units, construction code endorsements (such as a demolition cost endorsement, a contingent liability from operation of building laws endorsement and an increased cost of construction endorsement) if the Condominium is subject to a construction code provision which would become operative and require changes to undamaged portions of the building(s), thereby imposing significant costs in the event of partial destruction of the Condominium by an insured hazard.

2. <u>Liability Insurance</u>

The Association shall maintain comprehensive general liability insurance coverage covering all of the common elements, commercial space owned and leased by the Association, and public ways of the Condominium Project. Coverage limits shall be for at least $1,000,000.00 for bodily injury, including deaths of persons and property damage arising out of a single occurrence. Coverage under this policy shall include, without limitation, legal liability of the insureds for property damage, bodily injuries and deaths of persons in connection with the operation, maintenance or use of the common elements, and legal liability arising out of lawsuits related to employment contracts of the Association, if available at a reasonable cost. Such policies shall provide that they may not be canceled or substantially modified, by any party, without at least ten (10) days' prior written notice to the Association and to each holder of a first mortgage on any unit in the Condominium which is listed as a scheduled holder of a first mortgage in the insurance policy. The Association shall provide, if required by the holder of first mortgages on individual units, such coverage to include protection against such other risks as are customarily covered with respect to condominiums similar in construction, location and use, including but not limited to, host liquor liability, employers liability insurance, contractual and all written contract insurance, and comprehensive automobile liability insurance.

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3. Flood Insurance

If the Condominium is located within an area which has been officially identified by the Secretary of Housing and Urban Development as having special flood hazards and for which floor insurance has been made available under the National Flood Insurance Program (NFIP), the Association shall obtain and pay the premiums upon, as a common expense, a "master" or "blanket" policy of flood insurance on the buildings and any other property covered by the required form of policy (herein insurable property), in an amount deemed appropriate by the Association, as follows:

The lesser of: (a) the maximum coverage available under the NFIP for all buildings and other insurable property within the Condominium to the extent that such buildings and other insurable property are within an area having special flood hazards; or (b) one hundred (100%) percent of current "replacement cost" of all buildings and other insurable property within such area. Due to circumstances existing in Florida at the present time the Developer believes that the maximum flood insurance coverage that is available is 80% of the full value of the buildings.

Such policy shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

4. Fidelity Bonds

Blanket fidelity bonds shall be maintained by the Association for all officers, directors, and employees of the Association and all other persons who control or disburse funds of the Association. If a management agent has the responsibility for handling or administering funds of the Association, the management agent shall maintain fidelity bond coverage for its officers, employees and agents handling or responsible for funds of, or administered on behalf of, the Association. Such fidelity bonds shall name the Association as an obligee. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions. The premiums of all bonds required herein, except those maintained by the management agent, shall be paid by the Association as a common expense. The bonds shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least ten (10) days' prior written notice to the Association, insurance trustee and the Federal National Mortgage Association, if applicable. Under no circumstances shall the principal sum of the bonds be less than the amount required by Section 718.111(11)(d), Florida Statutes.

5. Insurance Trustees: Power of Attorney

The Association may name as an insured, on behalf of the Association, the Association's authorized representative, including any trustee with whom the Association may enter into any insurance trust agreement or any successor to such trustee (each of whom shall be referred to herein as "insurance trustee"), who shall have exclusive authority to negotiate losses under any policy providing such property or liability insurance and to perform such other functions as are necessary to accomplish this purpose.

Each unit owner by acceptance of a deed conveying a unit in the Condominium to the unit owner hereby appoints the Association, or any insurance trustee or substitute insurance trustee designated by the Association, as attorney-in-fact for the purpose of purchasing and maintaining such insurance, including: the collection and appropriate disposition of the proceeds thereof; the negotiation of losses and execution of releases of liability; the execution of all

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documents; and the performance of all other acts necessary to accomplish such purpose.

6. Qualifications of Insurance Carriers

The Association shall use generally acceptable insurance carriers. Only those carriers meeting the specific requirements regarding the qualifications of insurance carriers as set forth in the Federal National Mortgage Association Conventional Home Mortgage Selling Contract Supplements and the FHLMC Sellers Guide shall be used.

7. Condemnation and Total or Partial Loss or Destruction

The Association shall represent the unit owners in the condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the common elements, or part thereof, by the condemning authority. Each unit owner hereby appoints the Association as attorney-in-fact for such purpose.

The Association may appoint a trustee to act on behalf of the unit owners, in carrying out the above functions, in lieu of the Association.

In the event of a taking or acquisition of part or all of the common elements by a condominium authority, the award or proceeds of settlement shall be payable to the Association, or any trustee, to be held in trust for the unit owners and their first mortgage holders as their interests may appear.

In the event any loss, damage or destruction to the insured premises is not substantial (as such term "substantial" is hereinafter defined), and such loss, damage or destruction is replaced, repaired or restored with the Association's funds, the first mortgagees which are named as payees upon the draft issued by the insurance carrier shall endorse the draft and deliver the same to the Association, provided, however, that any repair and restoration on account of physical damage shall restore the improvements to substantially the same condition as existed prior to the casualty.

Substantial loss, damage or destruction as the term is herein used, shall mean any loss, damage or destruction sustained to the insured improvements which would require an expenditure of sums in excess of ten (10%) percent of the amount of coverage under the Association's casualty insurance policy or policies then existing, in order to restore, repair or reconstruct the loss, damage or destruction sustained.

In the event the Association chooses not to appoint an insurance trustee, any casualty insurance proceeds becoming due by reason of substantial loss, damage or destruction sustained to the Condominium improvements shall be payable to the Association and all first mortgagees which shall have been issued loss payable mortgagee endorsements, and such proceeds shall be made available to the first mortgagee which shall hold the greater number of mortgages encumbering the units in the Condominium, which proceeds shall be held in a construction fund to provide for the payment for all work, labor and materials to be furnished for the reconstruction, restoration and repair of the Condominium improvements. Disbursements from such construction fund shall be by usual and customary construction loan procedures. No fee whatsoever shall be charged by such first mortgagee for its services in the administration of the construction loan fund. Any sums remaining in the construction loan fund after the completion of the restoration, reconstruction and repair of the improvements and full payment therefor, shall be paid over to the Association and held for, and/or distributed to the unit owners in proportion to each unit owner's share of common surplus. If the

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insurance proceeds payable as the result of such casualty are not sufficient to pay the estimated costs of such restoration, repair and reconstruction, which estimate shall be made prior to proceeding with restoration, repair or reconstruction, the Association shall levy a special assessment against the unit owners for the amount of such insufficiency, and shall pay said sum into the aforesaid construction loan fund.

Notwithstanding which first mortgagee holds the greater number of mortgages encumbering the units, such mortgagees may agree between themselves as to which one shall administer the construction loan fund.

If the damage sustained to the improvements is less than substantial, as heretofore defined, the Board of Administration may determine that it is in the best interests of the Association to pay the insurance proceeds into a construction fund to be administered by an institutional first mortgagee as hereinabove provided. No institutional first mortgagee shall be required to cause such insurance proceeds to be made available to the Association prior to completion of any necessary restoration, repairs or reconstruction, unless arrangements are made by the Association to satisfactorily assure that such restoration, repairs and reconstruction shall be completed. Such assurances may consist of, without limitation: (1) obtaining a construction loan from other sources; (2) obtaining a binding contract with a contractor or contractors to perform the necessary restoration, repairs and reconstruction; and (3) the furnishing of performance and payment bonds.

Any restoration, repair or reconstruction made necessary through a casualty shall be commenced and completed as expeditiously as reasonably possible, and must substantially be in accordance with the plans and specifications for the construction of the original building. In no event shall any reconstruction or repair change the relative locations and approximate dimensions of the common elements and of any unit, unless an appropriate amendment be made to this Declaration.

Where physical damage has been sustained to the Condominium improvements and the insurance proceeds have not been paid into a construction loan fund as hereinabove more fully provided, and where restoration, repair or reconstruction has not been commenced, an institutional mortgagee who has commenced foreclosure proceedings upon a mortgage encumbering a unit, shall be entitled to receive that portion of the insurance proceeds apportioned to said unit in the same share as the share in the common elements appurtenant to said unit.

If substantial loss, damage or destruction shall be sustained to the Condominium improvements, and at a special members' meeting called for such purpose, the owners of a majority of the units in the Condominium vote and agree in writing that the damaged property will not be repaired or reconstructed, the Condominium shall be terminated; provided, however, such termination will not be effective without the written consent of all first mortgagees holding mortgages encumbering units.

IX.

RESPONSIBILITY FOR MAINTENANCE AND REPAIRS

A. Each unit owner shall bear the cost and be responsible for the maintenance, repair and replacement, as the case may be, of all air conditioning and heating equipment, electrical and plumbing fixtures, kitchen and bathroom fixtures, and all other appliances or equipment, including any fixtures and/or their connections required to provide water, light, power, telephone, sewage and sanitary service to his unit and which may now or hereafter be affixed or contained within his unit. Such owner shall further be responsible for maintenance, repair and replacement of any air conditioning equipment servicing his unit, although such equipment not be located in the unit, and

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of any and all wall, ceiling and floor surfaces, painting, decorating and furnishings and all other accessories which such owner may desire to place or maintain therein. Unit owners are responsible for the maintenance, including cleaning, repair or replacement of windows and screening thereon and screening on balconies and patios, screen doors, and fixed and sliding glass doors. Air conditioning and heating equipment servicing individual units is a limited common elements appurtenant to such units. The air conditioning cooling tower repair, maintenance and replacement shall be an expense of the Association.

B. The Association, at its expense, shall be responsible for the maintenance, repair and replacement of all the common elements, including those portions thereof which contribute to the support of the building, and all conduits, ducts, plumbing, sprinkler systems, wiring and other facilities located in the common elements, for the furnishing of utility services to the units, and including artesian wells, pumps, piping, and fixtures serving individual air conditioning units. Painting and cleaning of all exterior portions of the building, including all exterior doors opening into walkways, shall also be the Association's responsibility. Sliding glass doors, screen doors, storm shutters on balconies and windows, windows and screens on windows or balconies, shall not be the Association's responsibility, but shall be the responsibility of the unit owner. Should any damage be caused to any unit by reason of any work which may be done by the Association in the maintenance, repair or replacement of the common elements, the Association shall bear the expense of repairing such damage.

C. Where loss, damage or destruction is sustained by casualty to any part of the building, whether interior or exterior, whether inside a unit or not, whether a fixture or equipment attached to the common elements or attached to and completely located inside a unit, and such loss, damage or destruction is insured for such casualty under the terms of the Association's casualty insurance policy or policies, but the insurance proceeds payable on account of such loss, damage or destruction are insufficient for restoration, repair or reconstruction, all the unit owners shall be specially assessed to make up the deficiency, irrespective of a determination as to whether the loss, damage or destruction is to a part of the building, or to fixtures or equipment which it is a unit owner's responsibility to maintain.

No unit owner shall do anything within his unit or on the common elements which would adversely affect the safety or soundness or the common elements or any portion of the Association property or Condominium property which is to be maintained by the Association.

D. In the event owners of a unit make any structural addition or alteration without the required written consent, the Association or an owner with an interest in any unit shall have the right to proceed in a court of equity to seek compliance with the provisions hereof. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or as necessary to prevent damage to the common elements or to a unit or units.

Maintenance of the common elements is the responsibility of the Association. All limited common elements shall be maintained by the Association except for air conditioning and heating equipment servicing individual units and the interior surfaces of the garages. The owner of the unit to which a garage is appurtenant shall pay the expenses of maintaining, repairing or replacing the doors, remove control units and devises, and the interior walls, floor and ceiling of the garage. If the record owner of the unit has been granted permission to install a DS Satellite Dish which has a maximum diameter of 18 inches and can be mounted or affixed to the Condominium building at a location approved by the Association in writing, in advance of the installation, then the record owner of each such unit shall bear the costs and shall be responsible for the maintenance, repair and replacement, as the case may be, of and satellite dish. The unit owner shall maintain the air conditioning and heating equipment servicing his unit, and storage spaces and the DSS satellite dish, at the unit owner's expense.

E. The Board of Administration of the Association may enter into a contract with any firm, person or corporation for the maintenance and repair of the common elements and may join with other condominium corporations in contracting with the same firm, person or corporation for maintenance and repair.

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F. The Association shall determine the exterior color scheme of all buildings and shall be responsible for the maintenance thereof, and no owner shall paint an exterior wall, door, window, patio or any exterior surface, etc., at any time without the written consent of the Association.

X.

USE RESTRICTIONS

A. Each unit is hereby restricted to residential use by the owner or owners thereof, their immediate families, lessees, guests and invitees. Each unit is restricted to no more than six (6) occupants, without the Association's consent. There are no restrictions upon children.

B. The unit may be rented provided the occupancy is only by one (1) lessee and members of his immediate family and guests. The minimum rental period is three (3) months which minimum rental period shall not be amended without the approval of a majority of the unit owners in the Condominium. No rooms may be rented and no transient tenants may be accommodated. No lease of a unit shall release or discharge the owner thereof of compliance with this Section X or any of his other duties as a unit owner. Time sharing of units is prohibited. Ownership of a unit on a monthly or weekly time sharing program is prohibited. Subleasing of units is prohibited. All leases shall be in writing and shall be subject to this Declaration, the Articles of Incorporation, By-Laws, and the Rules and Regulations of the Association and shall be approved by the Association.

C. No nuisances shall be allowed to be committed or maintained upon the Condominium property, 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 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 unit or use of the common elements that will increase the cost of insurance upon the Condominium property.

D. No immoral, improper, or offensive use shall be made of the Condominium property nor any part thereof, and all laws, zoning ordinances and regulations of all governmental authorities having jurisdiction of the Condominium shall be observed.

E. Reasonable rules and regulations concerning the use of the Condominium property may be made and amended from time to time by the Board of Administration of the Association as provided by its Articles of Incorporation and By-Laws.

F. The Association has the irrevocable right of access to each unit during reasonable hours, when necessary for the maintenance, repair, or replacement of any common elements or of any portion of a unit to be maintained by the Association pursuant to the Declaration or as necessary to prevent damage to the common elements or to a unit or units.

G. No sign, advertisement or notice of any type shall be shown on the common elements or any unit. This restriction on signs, advertising and notices shall not apply to the Developer or any institutional lender. No exterior antennas or aerials shall be erected on the Condominium property. The Developer or the Association after transfer of control of the Association to unit owners other than the Developer, may grant permission to record unit owners to install DSS satellite dishes which are approximately 18 inches in diameter. The Developer or the Association after turnover may grant written permission to the record unit owner and, if granted, shall designate the location of the DSS satellite dish in writing prior to the installation of the satellite dish. The record unit owner shall be responsible for all costs related to the installation, maintenance, repair and replacement, of the DSS satellite dish and shall indemnify, defend and hold the Association harmless therefor. Upon the sale of the unit by the record owner of the unit the DSS satellite dish may be removed, at the owner's expense, or it may be transferred to the purchaser as part of the sale and purchase. In the event the DSS satellite dish is not removed by the record unit owner at closing then, by acceptance of the deed of conveyance by the purchaser, the purchaser shall be deemed to have assumed the responsibility for the maintenance, repair and

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replacement of the DSS satellite dish, together with the costs and expenses thereof, including the obligation to indemnify, defend and hold the Association harmless therefor. The installation of the DSS satellite dish does not relieve the unit owner from payment of the fee for the installed cable television connection provided by the Association as part of the Association's common expenses. This provision shall be deemed a covenant running with the land and shall be binding upon each successive owner of any Condominium unit utilizing a DSS satellite dish.

H. An owner shall not place or cause to be placed in the walkways or in or on any other common elements and facilities, stairs, or stairwells, any furniture, packages or objects of any kind. Such areas shall be used for no other reason than for normal transit through them. The Association may permit a unit owner to place small potted plants near the front doors of the unit so long as the potted plants do not protrude into or block access to the common walkways. The Association reserves the right to restrict or prohibit the placement of potted plants on the common elements.

I. It is prohibited to hang garments, rugs, etc., from the windows, patios or balconies from any of the facades of the buildings.

J. It is prohibited to dust rugs, etc., from windows, patios or balconies or to clean rugs, etc., by beating on the exterior of the buildings.

K. There are no special parking or storage facilities located on the Condominium property. No boats, utility trailers, recreational vehicles or special purpose vehicles shall be parked on the Condominium property. No motor home, trailer, camper, watercraft, or commercial vehicle may be parked on the Condominium property. No resident shall park any vehicle on any street. Any vehicle with visible advertising on the vehicle may be deemed a commercial vehicle, in the sole discretion of the Board of Administration. However, trucks with one (1) ton capacity or less and sport utility vehicles will not be deemed to be commercial vehicles unless the Board of Administration deems the vehicle to be a commercial vehicle as set forth above. Any vehicle may be parked on the streets and driveways for loading and unloading or entirely within a garage. Boats and watercraft may not be kept in the enclosed garage parking spaces. Service vehicles are permitted to park on the streets and driveways while repairs are being made. Any prior written approval of the Association to temporarily park a commercial vehicle is required and may not exceed four (4) forty-eight (48) hour periods in any year. No non-operating or non-functioning vehicle of any kind shall be permitted to be parked on the Condominium property. There shall be no repair, except emergency repair, performed on any permitted motor vehicle on the Condominium property. It is acknowledged and agreed by all unit owners that a violation of any of the provisions of this paragraph shall impose irreparable harm to the other owners in this Condominium. No parking space shall be used by any other person other than an occupant of the Condominium who is an actual resident or by a guest or visitor and by such guest or visitor only when such guest or visitor is, in fact, visiting and upon the premises. All owners and resident of the Condominium are restricted to two (2) permitted vehicles without the Association's consent to bring additional vehicles on the premises. All vehicles shall be parked in the open parking spaces or garages except when loading or unloading vehicles.

L. Until the Developer has closed all the sales of the units in the Condominium, neither the other unit owners nor the Association shall interfere with the sale of such units. The Developer may make such use of the unsold units and common elements as may facilitate its sales, including but not limited to maintenance of a sales office, model units, the showing of the property, and the display of signs. The Developer may not be restricted in the use of the other common elements or areas, including but not limited to, lobbies, exercise rooms, or the sales office in the recreation building by anyone until the sale of all units is completed by the Developer.

M. Two (2) pets, not exceeding thirty-five (35) pounds each, shall be allowed to be kept in the owner's unit. All pets must be kept on a leash outside the owner's unit. Each pet owner shall be responsible for cleaning up after his pets in the common elements. Pets shall not create a nuisance.

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N. No unit owner shall allow anything whatsoever to fall from the window, patio, balcony, terrace, porch, or doors of the premises, nor shall he sweep or throw from the premises any dirt or other substance into any of the corridors, halls, patios, balconies, terraces or porches, elevators, ventilators, or elsewhere in the building or upon the grounds. A unit owner shall not place, store or use any item, upon any patio, balcony, terrace or porch without the approval of the Association, other than standard patio chairs, tables and furnishings. Gas or electric grills and potted plants are permitted on balconies but charcoal grills are prohibited. However, any unit owner may display one portable, removable United States flag in a respectful way.

O. When a unit is leased, a tenant shall have all use rights in the Association property and those common elements otherwise readily available for use generally by unit owners and the unit owner shall not have such rights except as a guest. Nothing in this subsection shall interfere with the access rights of the unit owner as a landlord pursuant to Chapter 83, Florida Statutes. The Association shall have the right to adopt rules to prohibit dual usage by a unit owner and a tenant of Association property and common elements otherwise readily available for use generally by unit owners.

P. All electric lights shall be turned off when the garage parking space is not occupied and all garage doors shall be kept closed at all times except when parking or removing cars from the garage.

Q. The Association reserves the right to levy a charge to any unit owner using the enclosed parking garage to store appliances, dehumidifiers, table saws or any other type of devices that use electricity.

R. Carpeting of any type on individual unit balconies or any common walk-ups is prohibited and the Association shall not grant permission to install carpet or tile on the individual unit walk-ups. Tile is permitted on balconies.

XI.

LIMITATIONS UPON RIGHT OF OWNER TO ALTER OR MODIFY UNIT

No owner of a unit shall make any structural modifications or alterations of the unit. Further, no owner shall cause any improvements or changes to be made on or to the exterior of the buildings or enclosed garage parking spaces, including painting or other decoration, the installation of awnings, shutters, electrical wiring, air conditioning units and other things which might protrude through or be attached to the walls of the buildings or enclosed garage parking spaces; further, no owner shall in any manner change the appearance of any portion of the buildings or enclosed garage parking spaces not wholly within the boundaries of the unit or enclosed garage parking spaces subject to Article X (G). The Association has adopted hurricane shutter specifications for each building and will permit the installation of hurricane shutters for any balcony and storm window panels for the windows provided the color of the shutters and storm window panels is the color approved by the Association and the installation of shutters and storm window panels complies with applicable building codes and provided that prior to installation or replacement of the hurricane shutters and storm window panels the Association has approved the installation. The installation, replacement, and maintenance of such shutters in accordance with the procedures set forth herein shall not be deemed material alterations to the common elements within the meaning of the Condominium Act.

XII.

ADDITIONS, ALTERATIONS OR IMPROVEMENTS BY ASSOCIATION

Whenever in the judgment of the Board of Administration the Condominium property shall require additions, alterations or improvements (in the excess of the usual items of maintenance), and the making of such additions, alterations or improvements shall have been

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approved by a majority of the unit owners, the Board of Administration shall proceed with such additions, alterations or improvements and shall specially assess all unit owners for the cost thereof as a common expense.

XIII.

AMENDMENT OF DECLARATION

These restrictions, reservations, covenants, conditions and easements may be modified or amended by recording such modifications in the Public Records of Brevard County, Florida, after approval by the owners of a majority of the units whose votes were cast in person or by proxy at the meeting duly held in accordance with the By-Laws and Articles of Incorporation of the Association. No amendment to this Declaration shall be adopted which would operate to materially affect the validity or priority of any mortgage held by an institutional first mortgagee or which would alter, amend or modify, in any manner whatsoever, the rights, powers, interests or privileges granted and reserved herein in favor of any institutional first mortgagee or in favor of the Developer without the consent of all such mortgagees or the Developer, as the case may be, or as otherwise required by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation which consent may not be unreasonably withheld. There shall be no amendment adopted altering the share of ownership in the common elements or surplus, or altering the share of common expenses, except by the unanimous vote of all members in the Association and by their respective institutional first mortgagees.

Notwithstanding anything to the contrary contained in this Declaration, the Developer expressly reserves the right to amend the Declaration so as to correct any legal description contained herein, which legal description or descriptions may have been incorrect by reason of a scrivener's or surveyor's error. The Developer may amend this Declaration as aforedescribed by filing an amended legal description (or descriptions) as an amendment to the Declaration among the Public Records of Brevard County, Florida, which amendment (or amendments) shall expressly describe that legal description which is being corrected (by reference to the exhibit containing said legal description or otherwise), in addition to the corrected legal description. Such amendments need be executed and acknowledged only by the Developer and need not be approved by the Association, unit owners, lienors or mortgagees of units of the Condominium whether or not elsewhere required for amendments. As part and parcel of any such amendment as provided for in this subparagraph, however. there shall be attached thereto an affidavit of the individual or individuals responsible for the original incorrect legal description, whether he be scrivener or surveyor, which affidavit shall set forth (1) that said individual made an error in the legal description, (2) that the error is corrected by the description contained in the amendment, and (3) that it was the intent at the time of the incorrect original legal description to make that description such as is contained in the new amendment. In the event the party responsible for the original incorrect legal description has died, or is not available, then in that event, any other party having personal knowledge of the incorrect legal description by reason of the scrivener's or surveyor's error may execute the required affidavit for the amendment provided herein. Any amendment subject to Section 718.110(4) shall be approved by a majority of the voting interests of the Condominium and all record owners of liens on the unit.

Article XXXII Mandatory Mediation and Litigation shall not be amended or altered, in whole or in part, without the prior approval of seventy-five (75%) percent of the Board of Directors and seventy-five (75%) percent of the total membership which vote shall be cast at meetings called for the purpose.

Pursuant to Section 718.110(2), Florida Statutes, the Developer may make amendments to this Declaration without consent of the unit owners which shall be limited to matters other than those under Section 718.110(4) and (8), Florida Statutes.

In the event it shall appear that there is an error or omission in this Declaration or exhibits thereto, then and in that event the Association may correct such error and/or omission by an amendment to this Declaration in the manner hereinafter described to effectuate an amendment for the purpose of curing defects, errors or omissions. Such an amendment shall not require a vote of

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approval as provided above but shall require a vote in the following manner:

1. Notice of the subject matter of a proposed amendment to cure a defect, error or omission shall be included in the notice of any meeting at which such proposed amendment is to be considered.

2. A resolution for the adoption of such a proposed amendment may be proposed by either the Board of Administration of the Association or by the members of the Association, and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by:

a. Not less than thirty-three and one-third (33 1/3%) percent of the Board of Directors and by not less than ten (10%) percent of the votes of the entire membership of the Condominium; or

b. Not less than twenty-five (25%) percent of the votes of the entire membership of the Association; or

c. 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, and such amendment shall be effective when recorded in the Public Records of Brevard County, Florida.

3. The foregoing provisions relative to amendments for defects, errors or omissions are in accordance with and pursuant to Section 718.110(1), Florida Statutes.

4. That the amendment made pursuant to this paragraph need only be executed and acknowledged by the Developer or the Association and by no other parties whatsoever.

Notwithstanding anything to the contrary contained in this Declaration, the Developer reserves the right to change the interior designs and arrangement of all units and to alter the boundaries between units, as long as the Developer owns the units so altered; however, no such change shall increase the number of units nor alter the boundaries of the common elements, except the party wall between any units, without amendment of this Declaration in the manner hereinbefore set forth. If the Developer shall make any changes in units, as provided in this paragraph, such changes shall be reflected by an amendment to the declaration with a survey attached reflecting such authorized alteration of units, and said amendment need only be executed and acknowledged by the Developer, any holders of institutional mortgages encumbering the altered units and if the amendment is subject to Section 718.110(4), it shall be approved by a majority of the voting interests of the Condominium.

The survey shall be certified in the manner required by the Condominium Act. If more than one (1) unit is concerned, the Developer shall not apportion between the units the shares in the common elements, common expenses and common surplus of the units concerned and such shares of common elements, common expenses and common surplus shall remain unchanged in the amendment of this Declaration unless all unit owners approve the amendment changing the shares.

No provision of the Declaration shall be revised or amended by reference to its title or number only. Proposals to amend existing provisions of the Declaration shall contain the full text of the provision to be amended; new words shall be inserted in the text underlined; and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language:

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Substantial rewording of Declaration. "See provision... for present text." Non-material errors or omissions in the amendment process shall not invalidate an otherwise properly promulgated amendment.

Invalidation of any one (1) or more of these restrictions, reservations, covenants, conditions and easements, or any provision contained in this Declaration, or in a conveyance of unit by the Developer, by judgment, court order, or law, shall in no way affect any of the other provisions which shall remain in full force and effect.

In the event that any court should hereafter determine that any provision, as originally drafted herein, violates the rule against perpetuities or any other rule of law because of the duration of the period involved, the period specified in this Declaration shall not thereby become invalid, but instead shall be reduced to the maximum period allowed under such rule of law, and for such purpose, the measuring life shall be that of the youngest incorporator of the Association.

These restrictions, reservations, covenants, conditions and easements shall be binding upon and inure to the benefit of all property owners and their grantees, heirs, personal representatives, successors and assigns, and all parties claiming by, through or under any member.

XIV.

TERMINATION OF CONDOMINIUM

Except as otherwise provided in Article VIII of this Declaration, the Condominium created and established hereby may only be terminated upon the vote of members of the Association owning ninety (90%) of the units in the Condominium, provided that the written consent to such termination is obtained from all institutional first mortgagees holding mortgages encumbering the units.

Immediately after the required vote of consent to terminate, each and every unit owner shall immediately convey by warranty deed to the Association all of said unit owners' right, title and interest to any unit and to the common elements, provided the Association's officers and employees handling funds have been adequately bonded and the Association or any member shall have the right to enforce such conveyance by specific performance in a court of equity.

The Board of Administration of the Association shall then sell all of the property at public or private sale upon terms approved in writing by all of the institutional first mortgagees. Upon the sale of said property, the costs, fees and charges for affecting said sale, the cost of liquidation and dissolution of the Association and all obligations incurred by the Association in connection with the management and operation of the property up to and including the time when distribution is made to the unit owners, shall be paid out of the proceeds of said sale, and the remaining balance (hereinafter referred to as "net proceeds of sale") shall be distributed to the unit owners in the manner now about to be set forth.

The distributive share of each unit owner in the net proceeds of sale, though subject to the provisions hereinafter contained, shall be the following portion thereof; to-wit:

A SHARE OF OWNERSHIP AS SHOWN ON EXHIBITS B & C ATTACHED.

The distributive share of each unit owner will change as each Phase is added to the Condominium. Upon the determination of each unit owner's share as above provided for, the Association shall pay out of each unit owner's share all mortgages and other liens encumbering said unit in accordance with their priority, and upon such payment being made, all mortgagees and lienors shall execute and record satisfactions or releases of their liens against said unit or units, regardless of whether the same are paid in full. Thereupon, the directors of the Association shall proceed to liquidate and dissolve the Association, and distribute the remaining portion of each distributive share, if any, to the owner or owners entitled thereto. If more than one person has an interest in a unit, the Association shall pay the remaining distributive share allocable to said unit to the various owners of such unit, excepting that if there is a dispute as to the validity, priority or

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amount of mortgages or liens encumbering a unit, then payment shall be made to the owner and/or owners of such unit and to the owners and holders of the mortgages and liens encumbering said unit.

As evidence of the members' resolution to abandon passed by the required vote or written consent of the members, the President and Secretary of the Association shall effect and place in the Public Records of Brevard County, Florida, an affidavit stating that such resolution was properly passed, so approved by the members, and also shall record the written consents, if any, of institutional first mortgagees to such abandonment. Upon recordation of the instrument evidencing consent of ninety (90%) percent of the unit owners to terminate the Condominium, the Association shall notify the division within 30 working days of the termination and the date the document was recorded, the county where the document was recorded, and the book and page number of the public records where the document was recorded.

After such an affidavit has been recorded and all owners have conveyed their interest in the Condominium parcel to the Association and the Association to the purchaser, the title to said property thereafter shall be free and clear from all restrictions, reservations, covenants, conditions and easements set forth in this Declaration, and the purchaser and subsequent grantees of any of said property shall receive title to said lands free and clear thereof.

XV.

ENCROACHMENTS

If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, or if any encroachment shall hereafter occur as the result of settling of the building, or alteration to the common elements made pursuant to the provisions herein, or as the result of repair and restoration, a valid easement shall exist for the continuance of such encroachment for so long as the same shall exist.

XVI.

ASSOCIATION TO MAINTAIN REGISTER OF OWNERS AND MORTGAGEES

The Association shall at all times maintain a register setting forth the names of all owners of units in the Condominium, and any purchaser or transferee of an unit shall notify the Association of the names of any party holding a mortgage upon any unit and the name of all lessees in order that the Association may keep a record of same.

XVII.

ESCROW FOR INSURANCE PREMIUMS

Any institutional first mortgagee holding a mortgage upon a unit in the Condominium shall have the right to cause the Association to create and maintain an escrow account for the purpose of assuring the availability of funds with which to pay premium or premiums due from time to time on casualty insurance policy or policies which the Association is required to keep in existence, it being understood that the Association shall deposit in an escrow depository satisfactory to such institutional first mortgagee or institutional first mortgagees a monthly sum equal to one-twelfth (1/12) of the annual amount of such insurance expense, and to contribute such other sum as may be required therefor to the end that there shall be on deposit in said escrow account at least one (1) month prior to the due date for payment of such premium or premiums, a sum which will be sufficient to make full payment therefor.

Premiums for insurance required to be placed by the Association shall be a common expense and shall be paid by the Association.

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If two (2) or more institutional mortgagees hold any mortgage or mortgages upon any Condominium parcel, and/or shall be the owner of any Condominium parcel or Condominium parcels, the exercise of the rights above described or manner of exercising said rights shall vest in the institutional mortgagee owning and holding the first recorded mortgage encumbering a Condominium parcel, and the decision of such institutional mortgagee shall be controlling.

XVIII.

REAL PROPERTY TAXES DURING INITIAL YEAR OF CONDOMINIUM

In the event that during the year in which this Condominium is established, real property taxes are assessed against the Condominium property as a whole, and are paid by the Association such taxes will be a common expense.

XIX.

RESPONSIBILITY OF UNIT OWNERS

The owner of each unit shall be governed by and shall comply with the provisions of this Declaration as well as the By-Laws and Articles of Incorporation of the Association. Any unit owner shall be liable for the expense of any maintenance, repair or replacement made necessary by his act, neglect or carelessness, or by that of any members 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. Nothing herein contained, however, shall be construed so as to modify any waiver of rights or subrogation by insurance companies.

In any action brought against a unit owner by the Association for damages, or injunctive relief due to such unit owner's failure to comply with the provisions of this Declaration or By-Laws of the Association, the prevailing party shall be entitled to court costs, reasonable attorney's fees and expenses incurred by it in connection with the prosecution of such action.

XX.

WAIVER

The failure of the Association, a unit owner or institutional first mortgagee to enforce any right, provision, covenant or condition which may be granted herein, or in the By-Laws and Articles of Incorporation of the Association, or the failure to insist upon the compliance with same, shall not constitute a waiver by the Association, such unit owner or institutional first mortgagee to enforce such right, provision, covenant or condition, or insist upon the compliance with same, in the future.

No breach of any of the provisions contained herein shall defeat or adversely affect the lien of any mortgage at any time made in good faith and for a valuable consideration upon said property, or any part thereof, and made by a bank, savings and loan association, or insurance company authorized to transact business in the State of Florida and engage in the business of making loans constituting a first lien upon real property, but the rights and remedies herein granted to the Developer, the Association, and the owner or owners of any part of said Condominium, may be enforced against the owner of said property subject to such mortgage, notwithstanding such mortgage.

XXI.

CONSTRUCTION

The provisions of this Declaration shall be liberally construed so as to effectuate its purposes. The invalidity of any provision herein shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this Declaration.

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XXII.

GENDER

The use of the masculine gender in this Declaration shall be deemed to refer to the feminine or neuter gender, and the use of the singular or plural shall be taken to mean the other whenever the context may require.

XXIII.

CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of this Declaration nor the intent of any provisions hereof.

XXIV.

REMEDIES FOR VIOLATIONS

Each unit owner, each tenant and other invitee, and each association shall be governed by, and shall comply with the provisions of the Florida Condominium Act, the declaration, the documents creating the Association, and the Association By-Laws and the provisions thereof shall be deemed expressly incorporated into any lease of a unit. Actions for damages for injunctive relief, or both, for failure to comply with these provisions may be brought by the Association or by a unit owner against:

1. The Association.

2. A unit owner.

3. Directors designated by the Developer, for actions taken by them prior to the time control of the Association is assumed by unit owners other than the Developer.

4. Any director who willfully and knowingly fails to comply with these provisions.

5. Any tenant leasing a unit, and any other invitee occupying a unit.

The prevailing party in any such action or in any action in which the purchaser claims a right of voidability based upon contractual provisions as required in Section 718.503 (1)(a), Florida Statutes, is entitled to recover reasonable attorney's fees. A unit owner prevailing in an action between the association and the unit owner under this section, in addition to recovering his reasonable attorney's fees, may recover additional amounts as determined by the Court to be necessary to reimburse the unit owner for his share of assessments levied by the Association to fund its expenses of the litigation. This relief does not exclude other remedies provided by law.

XXV.

TIMESHARE RESERVATION

No reservation is made pursuant to Section 718.1045, Florida Statutes, for the creation of timeshare estates. Timeshare estates are prohibited.

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FINES

The Association may levy reasonable fines against a unit for the failure of the owner of the unit, or its occupant, licensee, or invitee, to comply with any provision of the Declaration, the Association By-Laws, or reasonable rules of the Association. No fine may exceed $100.00 per violation. However, a fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, provided that no fine in the aggregate exceed $1,000.00. No fine may be levied except after giving reasonable notice and opportunity for a hearing to the unit owner and, if applicable, its licensee or invitee. The provisions of this Article do not apply to unoccupied units.

XXVII.

SIGNAGE

After the Developer has completed its sales program, the Association, through its Board of Administration, shall have the right to determine the type, style and location of all signage associated with the Condominium property. Prior to completion of its sales program the Developer shall control signage for the Condominium.

XXVIII.

INSTITUTIONAL MORTGAGEE

An institutional mortgagee means the owner and holder of a mortgage encumbering a condominium parcel, which owner and holder of said mortgage is either a bank or life insurance company or a federal or state savings and loan association, or a mortgage ore real estate investment trust, or a pension and profit sharing funds, or a credit union, or a Massachusetts business trust, or an agency of the United States Government, or the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation, or any entity controlling, controlled by or under common control with any of the foregoing, or a lender generally recognized in the community as an institutional lender or the Developer, or assignee, nominee, or designee of the Developer.

An institution mortgage means a mortgage owned or held by an institutional mortgagee.

An insurance trustee means that Florida bank having trust powers, designated by the board to receive proceeds on behalf of the association, which proceeds are paid as a result of casualty or fire loss covered by insurance policies.

XXIX.

RIGHTS RESERVED UNTO INSTITUTIONAL MORTGAGEES

All rights in favor of the Developer reserved in this Declaration of Condominium and exhibits attached hereto, are likewise reserved to any institutional mortgagee.

The rights and privileges in this Declaration of Condominium and the exhibits hereto in favor of the Developer are freely assignable, in whole or in part, by the Developer to any party who may be hereafter designated by the Developer to have and exercise such rights. Such rights may be exercised by the nominee, assignee or designee of the Developer and/or exercised by the successor or successors in trust of the Developer and/or exercised by the successor or successors in interest or the nominees, assignees or designees of the nominees, assignees or designees of the Developer.

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NOTICE TO INSTITUTIONAL MORTGAGEES

The Association shall provide a holder, insurer or guarantor of a first mortgagee, upon written request (such request to state the name and address of such holder, insurer or guarantor and the unit number) timely notice of:

1. Any proposed amendment of the Condominium instruments effecting a change in (i) the boundaries of any unit or the exclusive easement rights appertaining thereto, (ii) the interests in the general or limited common elements appertaining to any unit or the liability for common expenses appertaining thereto, (iii) the number of votes in the owners Association appertaining to any unit; or (iv) the purposes to which any unit or the common elements are restricted;

2. Any proposed termination of the Condominium regime;

3. Any condemnation loss or any casualty loss which affects a material portion of the Condominium or which affects any unit on which there is a first mortgage held, insured or guaranteed by such eligible holder;

4. Any delinquency in the payment of assessments or charges owed by an owner of a unit subject to the mortgage of such eligible holder, insurer or guarantor, where such delinquency has continued for a period of 60 days;

5. Any lapse, cancellation or material modification of any insurance policy maintained by the Association.

XXXI.

CABLE TELEVISION AND SATELLITE DISH

The cost of a master antenna television system or duly franchised cable television service obtained pursuant to a bulk contract shall be deemed a common expense, and if not, such cost shall be considered common expense if it is designated as such in a written contract between the board of administration and the company providing the master television antenna system or the cable television service. The contract shall be for a term of not less than two (2) years.

A. Any contract made by the Board for a community antenna system or duly franchised cable television service may be canceled by a majority of the voting interests present at the next regular or special meting of the Association. Any member may make a motion to cancel said contact, but if no motion is made or if such motion fails to obtain the required majority at the next regular or special meeting, whichever is sooner, following the making of the contract, then such contract shall be deemed ratified for the term therein expressed.

B. Any such contract shall provide, and shall be deemed to provide if not expressly set forth, that any hearing impaired or legally blind unit owner who does not occupy the unit with a non-hearing impaired or sighted person may discontinue the service without incurring disconnect fees, penalties, or subsequent service charges, and as to such units, the owners shall not be required to pay any common expenses charge related to such service. If less than all members of an association share the expenses of cable television, the expense shall be shared equally by all participating unit owners. The Association may use the provisions of Section 718.116, Florida Statutes, to enforce payment of the shares of such costs by the unit owners receiving cable television.

C. The Association has approved the installation of DSS type satellite dishes for the Condominium property. The approved satellite dish is approximately 18 inches in diameter and may be bolted to an exterior wall of the Condominium. Prior to the installation of a DSS type satellite dish the record owner of the Condominium unit shall submit a written request for permission to install the satellite dish to the Association pursuant to rules promulgated by the Association. The Association shall determine the location of the satellite dish, in its sole

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discretion. All costs of installation, maintenance or repair of the satellite dish shall be the responsibility of the record owner of the Condominium unit and the owner shall indemnify and hold the Association harmless therefor.

XXXII.

MEDIATION, ARBITRATION AND LITIGATION

In the event of a dispute between AKE DEVELOPMENT, INC., the Developer, its general contractor, M.H. Williams Construction ("Contractor"), or any of their engineers, consultants, subcontractors or vendors, or any of their employees, agents, shareholders, officers or directors , and the Condominium Association and/or one or more Unit Owners arising from the Declaration of Condominium, the Articles of Incorporation, the By-Laws, the Rules and Regulations of the Association, the Florida Condominium Act, as amended, or rules and regulations implementing the Florida Condominium Act, the Florida Administrative Code, any express or implied warranty, any construction defects, issues involving the adequacy of reserves, or any other matter, of whatever nature, involving Venetian Bay, such dispute shall be submitted to mandatory non-binding mediation or arbitration prior to the institution of any litigation or administrative proceedings by the Association, or any Unit Owner against the parties named above. Any such litigation or administrative proceeding shall be a "Non-Operational Controversy" or "Non-Operational Controversies" as defined below.

The Association, acting through the Board of Administration, shall have the power and duty reasonably to defend the Association (and, in the connection therewith to raise counterclaims) in any pending or potential lawsuit, bankruptcy proceeding, administrative proceeding, arbitration, mediation or governmental proceeding and the Association, shall have the power, but not the duty, reasonably to institute, prosecute, maintain, and/or intervene in any litigation or administrative proceeding ("Proceeding" or "Proceedings"), in its own name, but only with respect to matters affecting or pertaining to the Condominium Documents, the Rules and Regulations, the Common Elements, Association Property, and such other matters as may be expressly provided by the Condominium Act, and as to which the Association is a proper party in interest, and any exercise of such power shall be subject to full compliance with this Section XXXII, as follows:

A. Any proceeding commenced by the Association (1) to enforce the payment of an assessment, or to foreclose a lien for an assessment of other lien, as provided for in the Condominium documents, or (2) otherwise to enforce compliance with the Condominium documents or the Rules and Regulations by, or to obtain other relief from, any owner or occupant who has violated a provision thereof, or (3) to construe or interpret any of the Condominium documents or the Rules and Regulations, or (4) to file any compulsory counterclaim or any permissive counterclaim that would be an Operational Proceeding (hereinafter defined) if commenced by the Association, or (5) against a supplier, vendor, contractor or provider of services, pursuant to a contract or purchase order with the Association, and in the ordinary course of business, or (6) for money damages wherein the total amount in controversy for all matters arising in connection with the action is not likely to exceed ten thousand ($10,000.00) dollars in the aggregate or (7) to protect against any other matter when waiting to obtain the approval of the Owners as hereinafter provided will create a substantial risk of irreparable injury to the Association or its members, shall be referred to herein as an "Operational Proceeding." The Board from time to time may cause an Operational Proceeding reasonably to be commenced and prosecuted, without the need for authorization from the Owners.

B. Any and all pending or potential Proceedings other than Operational Proceedings shall be referred to herein collectively as "Non-Operational Controversies," and individually as a "Non-Operational Controversy." To protect the Association and the Owners from being subjected to potentially costly or prolonged Non-Operational Controversies without full disclosure, analysis and consent, and to protect the Board and individual Directors from charges of negligence, breach of fiduciary duty, conflict of interest or acting in excess of their authority, or in a manner not in the best interests of the Association and the Owners, and to assure voluntary and well-

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informed consent and clear and express authorization by the Owners, strict compliance with the following provisions of this Section XXXII shall be mandatory with regard to any and all Non-Operational Controversies commenced, instituted or maintained by the Association.

1. The Board first shall endeavor to resolve any Non-Operational Controversy by good faith negotiations with the adverse parties. In the event that such good faith negotiations fail reasonably to resolve a Non-Operational Controversy, the Board shall then endeavor in good faith to resolve such Non-Operational Controversy by mandatory non-binding mediation or arbitration. In the event that such mediation or arbitration does not reasonably resolve the Non-Operational Controversy, or if the adverse party refuses to participate in mediation or arbitration, then the Board shall not be authorized to commence, institute or maintain any Proceeding with respect to such Non-Operational Controversy until the Board has fully complied with the following procedures:

a. The Board shall first investigate the legal merit, feasibility and the expense of prosecuting the Non-Operational Controversy, by obtaining a written opinion of a licensed Florida lawyer with a Martindale-Hubbell rating of "bv" or better, expressly stating that such attorney has reviewed the underlying facts, data and law in sufficient, verifiable detail to render the opinion, and express his or her opinion whether or not the Association has a substantial likelihood of prevailing on the merits with regard to the Non-Operational Controversy, without substantial likelihood of incurring any material liability with respect to any counterclaims which may be asserted against the Association. Such attorney's opinion letter (the Opinion Letter") shall also contain the attorney's best, good faith estimate of the aggregate amount of legal fees and costs, including without limitation, court costs, costs of investigation and all further reports of studies, costs of court reports and transcripts, cost of expert witnesses and forensic specialists (collectively the "Estimated Litigation Costs") which may reasonably be expected to be incurred for the prosecution to completion (including appeal) of the Non-Operational controversy. Said Opinion Letter shall also include the attorney's best, good faith estimate for the period of time which it may reasonably be expected to prosecute such Non-Operational Controversy to completion, including any appeal, assuming same does not settle. Such opinion, which shall be a "reasoned opinion," shall fairly disclose the attorney's good faith opinion of the merits of the Association's position and defenses with respect thereto, the range of outcomes that might reasonably be anticipated, and the degree of certainty or uncertainty thereof. Said Opinion Letter shall be accompanied by, or contain an adequate summary of, any investigations, reports, analysis, or other data upon which such opinion is predicated. The Opinion Letter shall likewise address any issue with respect to potential collectability of any judgment that may ultimately be obtained.

i. The Board shall also obtain the written opinion of three (3) licensed real estate brokers who individually, or through their respective firms, have for at least five years preceding such opinion, engaged in the listing and/or sale of residential condominium units in Brevard County, Florida, which represent a significant portion of the total sales in which such broker or brokerage firm have participated during such time. Each such opinion letter shall contain the good faith opinion of such broker as to the effect, if any, that the prosecution of such Non-Operational Controversy, and the imposition of Assessments for fees and costs associated therewith, will have on the marketability and/or market value of the Units within the Condominium.

ii. Upon receipt and review of the Opinion Letter and the broker's letters, if two-thirds or more of the entire Board affirmatively vote to proceed with the institution of prosecution of, and/or intervention in, the Non-Operational Controversy, the Board shall thereupon duly call and

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notice a special meeting of the members. The notice of the meeting shall include a copy of the Opinion Letter and all of the broker's letters, together with a written plan by the Board as to how the Association will fund the fees and costs of such litigation, including the Estimated Litigation Costs. At such special meeting, following review of the Opinion Letter, broker letters and the Board's plan for funding, and a full and open discussion thereof, which shall include balancing the desirability of instituting, prosecuting and/or intervening in the Non-Operational Controversy against the desirability of accepting any settlement proposals from the adversary party or parties, or taking other action, there shall be a vote of the Owners. If more than seventy-five (75%) percent of the total Voting Interests affirmatively vote in favor of pursuing such Non-Operational Controversy, then the Board shall be authorized to proceed to institute, prosecute and/or intervene in the Non-Operational controversy. If, however, seventy-five percent (75%) or fewer of the total Voting Interests do not affirmatively vote in favor of pursuing such Non-Operational Controversy, then the Non-Operational Controversy shall not be pursued further.

iii. In the event of any bonafide settlement offer from the adverse party or parties in a Non-Operational Controversy, if the Association's attorney advises the Board that acceptance of the settlement offer would be reasonable under the circumstances, or would be in the best interests of the Association, or that said attorney no longer believes that the Association has a substantial likelihood of prevailing on the merits without prospect of material liability on a counterclaim, then the Board shall have the authority to accept such settlement offer without consent of the Owners. If the Board is so authorized to accept such a settlement offer, but declines to do so, and in all other cases of a settlement offer, the Board shall submit the settlement offer to the Owners, who shall have a right to accept any such settlement offer on a majority vote of the total Voting Interests.

b. In no event shall any reserves of the Association be used as a source of funds to institute, prosecute, maintain and/or intervene in any Proceeding.

c. Notwithstanding any provision contained in the Condominium Documents to the contrary other than as set forth in this Section XXXII, the Association shall have no power whatsoever to institute, prosecute, maintain, or intervene in any Proceeding, without first strictly complying with, and continuing to comply with, each of the provisions of this Section XXXII and any such institution, prosecution, maintenance or intervention shall be unauthorized and ultra viries to the Association. This Section III shall not be amended or deleted at any time without the express prior written approval of more than seventy-five (75%) percent of the total Voting Interests of the Association, and any purported amendment or deletion of this Section III or any portion hereof without the express prior written approval of more than seventy-five (75%) percent of the total Voting Interests shall be void.

XXXIII.

ST. JOHNS RIVER WATER MANAGEMENT DISTRICT

The rules of the St. Johns River Water Management District require the following provisions to be included in this Declaration of Condominium:

A. Property Description: Property encompassed by the permit granted by the St. Johns River Water Management District (where the surface water management system will be located) is included in the legal description of the parent tract located on Sheets 4 and 11 of Exhibit A attached hereto and made a part hereof.

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B. Definitions: "Surface Water or Stormwater Management System" means a system which is designed and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use or reuse water to prevent or reduce flooding, over drainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

C. Duties of Association: The Association shall be responsible for the maintenance, operation and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices which allow the systems to provide drainage, water storage, conveyance or other surface water or stormwater management capabilities as permitted by the St. Johns River Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

D. Covenant for Maintenance assessments for Association: Assessments shall also be used for the maintenance and repair of the surface water or stormwater management systems including, but not limited to, work within retention areas, drainage structures and drainage easements.

E. Easement for Access and Drainage: The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain or repair the system. By this easement, the Association shall have the right to enter upon any portion of the common elements which is a part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain or repair the surface water or stormwater management system as required by the St. Johns River Water Management District permit. Additionally, the Association shall have a perpetual non-exclusive easement for drainage over the entire surface water or stormwater management system. No person shall alter the drainage flow of the surface water or stormwater management system, including buffer areas or swales, without prior written approval of the St. Johns River Water Management District.

F. Amendment: Any amendment to the Declaration of Condominium which alter any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common elements must have the prior approval of the St. Johns River Water Management District.

G. Enforcement: The St. Johns River Water Management District shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in the Declaration of Condominium which relate to the maintenance, operation and repair of the surface water or stormwater management system.

H. Swale Maintenance: The Developer has constructed a Drainage Swale upon the common elements for the purpose of managing and containing the flow of excess surface water, if any, found upon such common elements from time to time. The Association shall be responsible for the maintenance, operation and repair of the swales on the common elements. Maintenance, operation and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance or other stormwater management capabilities as permitted by the St. Johns River Water Management District. Filling, excavation, construction of fences or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swale shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Association.

IN WITNESS WHEREOF, the above stated Developer has caused these presents to be

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signed and sealed on this _____ day of March, 2004.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Mike Spragins
Witness Signature

Mike Spragins
Print Witness Name

Witness Signature

Doug D. Nguyen
Print Witness Name

DEVELOPER:

AKE DEVELOPMENT, INC., a Florida corporation

By: C. Douglas Engle
C. Douglas Engle, President

STATE OF FLORIDA

COUNTY OF BREVARD

The foregoing instrument was acknowledged before me this 23rd day of March, 2004, by C. DOUGLAS ENGLE, as President of AKE DEVELOPMENT, INC., a Florida corporation, on behalf of the Corporation, who is personally known to me or produced ______________________________ as identification.

MICHAEL W. SPRAGINS
MY COMMISSION # DD 052427
EXPIRES: November 2, 2005
Bonded Thru Notary Public Underwriters

Notary Public Signature

Print Notary Name

My commission expires:

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JOINDER BY CONDOMINIUM ASSOCIATION

VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., a Florida corporation not for profit, hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed the 23rd day of March, 2004.

SIGNED, SEALED AND DELIVERED IN THE PRESENCE OF:

Mike Spragins
Witness Signature

Mike Spragins
Print Witness Name

Witness Signature

Doug D. Nguyen
Print Witness Name

VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., a Florida not for profit corporation

By: ______________________
C. Douglas Engle, President

STATE OF FLORIDA)
) ss:
COUNTY OF BREVARD)

THE FOREGOING INSTRUMENT was acknowledged before me this 23rd day of March, 2004, by C. DOUGLAS ENGLE, as President of VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., a Florida not for profit corporation, who is personally known to me, or who produced ______________________ as identification.

MICHAEL W SPRAGINS
MY COMMISSION # DD 052427
EXPIRES November 2, 2005
Bonded Thru Notary Public Underwriters

Notary Public Signature

Print Notary Public Name

My commission expires:

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JOINDER BY MORTGAGEE

COLONIAL BANK hereby agrees to accept all the benefits and all of the duties, responsibilities, obligations and burdens imposed upon it by the provisions of this Declaration and Exhibits attached hereto.

IN WITNESS WHEREOF, COLONIAL BANK has caused these presents to be signed in its name by its proper officer and its corporate seal to be affixed the 23rd day of March, 2004.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

COLONIAL BANK

Kelly Odaffer
Witness Signature

By: Jim S. Tharpe

Kelly Odaffer
Print Witness Name

Its President

Kim Allen
Witness Signature

Address: 1801 West Hibiscus Blvd.
Melbourne, FL. 32901

Kim Allen
Print Witness Name

STATE OF FLORIDA)
) ss:
COUNTY OF BREVARD)

THE FOREGOING INSTRUMENT was acknowledged before me this 23rd day of March, 2004, by James S. Tharpe, as President of COLONIAL BANK, who is personally known to me, or who produced ______________ as identification.

KIMBERLY A. ALLEN
MY COMMISSION # DD 103030
EXPIRES: May 20, 2006
Bonded Thru Notary Public Underwriters

Kimberly A. Allen
Notary Public Signature

Kimberly A. Allen
Print Notary Public Name

My commission expires:

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OR Book/Page: 5236 / 1444

CONDOMINIUM PLAT

SURVEYOR'S CERTIFICATE

FOR:

VENETIAN BAY

A CONDOMINIUM

I HEREBY CERTIFY THAT THE CONSTRUCTION OF THE IMPROVEMENTS SHOWN AND DESCRIBED ON THE ATTACHED EXHIBIT, CONSISTING OF SHEETS 1 THRU 17, INCLUSIVE, IS NOT COMPLETE, HOWEVER, THESE DRAWINGS ARE SUFFICIENTLY DETAILED SO THAT THE MATERIAL DESCRIBED AND SHOWN IN THE ATTACHED EXHIBITS (BEING SHEETS 1 THRU 17, INCLUSIVE), TOGETHER WITH THE PROVISIONS OF THE DECLARATION OF CONDOMINIUM ESTABLISHING "VENETIAN BAY, A CONDOMINIUM", IS AN ACCURATE REPRESENTATION OF THE PROPOSED IMPROVEMENTS, AND THAT THE IDENTIFICATION AND LOCATION OF UNITS, PARKING, DRIVES, ACCESS AND COMMON AREAS CAN BE DETERMINED FROM THESE MATERIALS.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL ON THE 5TH DAY OF SEPTEMBER, 2002, A.D.

BY: ______________ 9/5/02

ROBERT M. PACKARD, PSM
REG. FLORIDA SURVEYOR & MAPPER #3867

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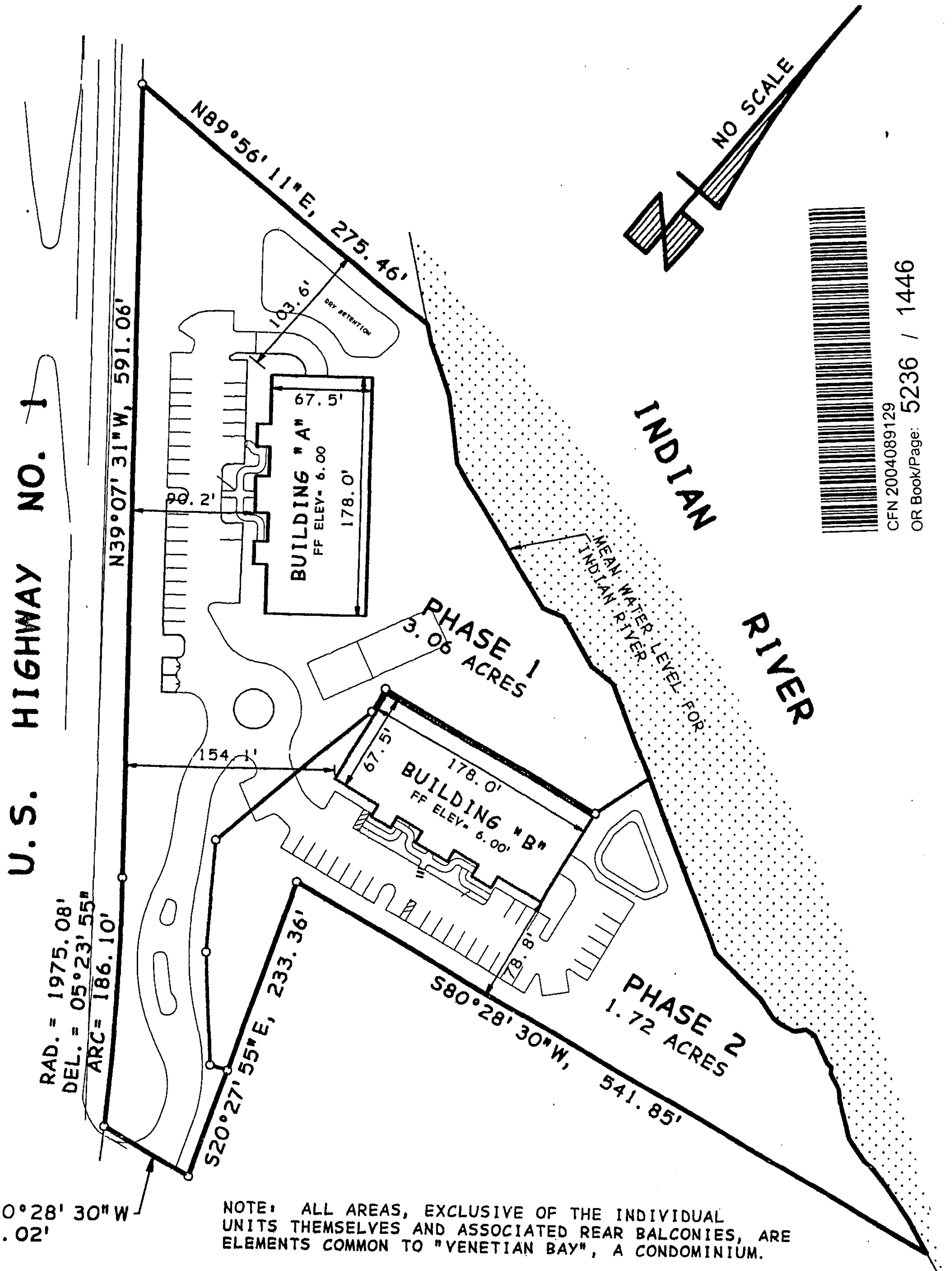
CERTIFICATION

DRAWN BY: STG CHK'D BY: RMP DATE: 6/17/02 JOB #: 02-156	BY "AKE DEVELOPMENT, INC."	r.m. packard & assoc., inc. surveying & mapping
SHEET 1 OF 17	TYPICAL UNITS / 8TH FLOOR VENETIAN BAY A CONDOMINIUM	1007 ROCKLEDGE DRIVE ROCKLEDGE, FLORIDA 32955 TEL.: (321) 632-6335

CONDOMINIUM PLAT



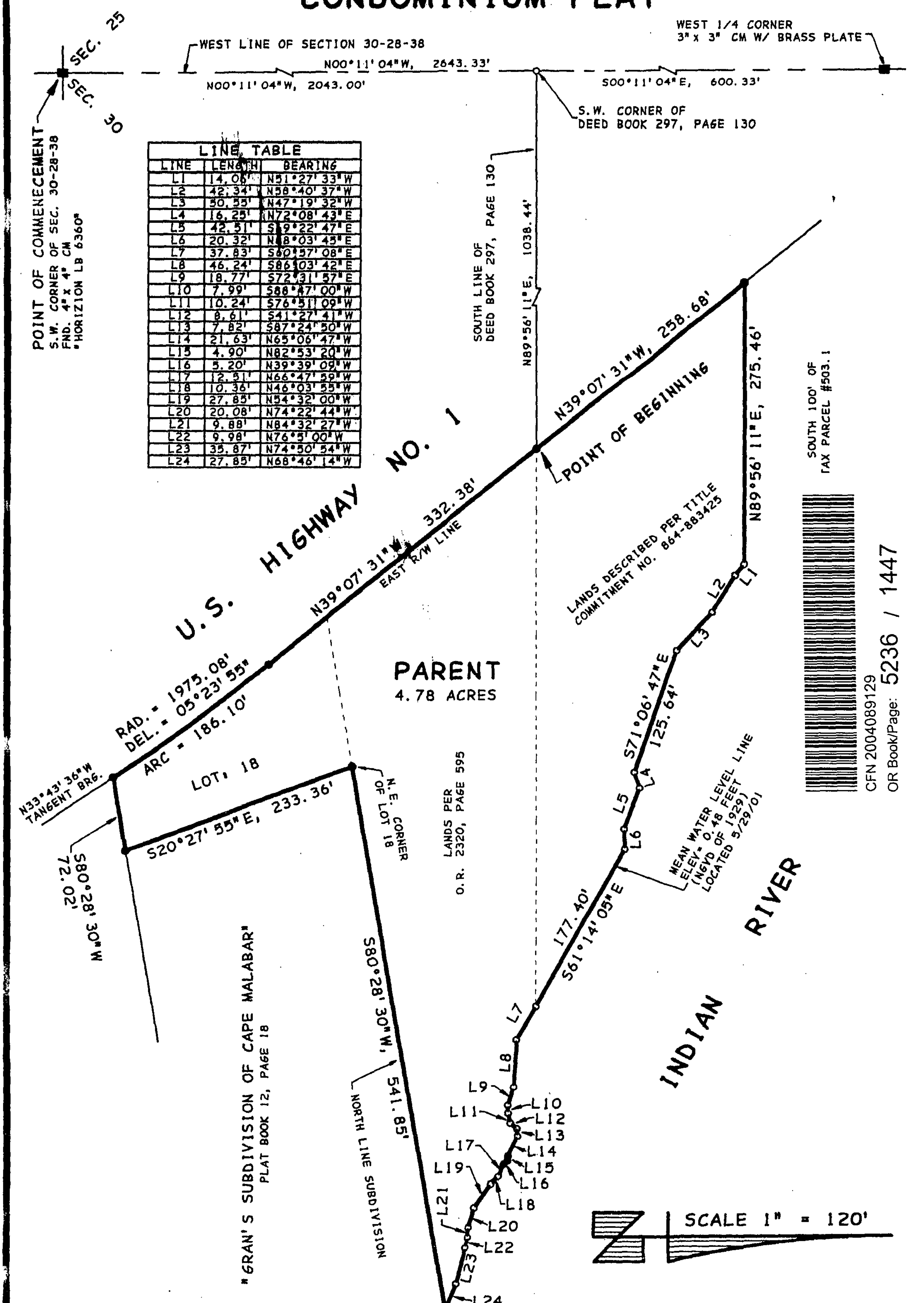
CFN 2004089129
OR Book/Page: 5236 / 1446

NOTE: ALL AREAS, EXCLUSIVE OF THE INDIVIDUAL UNITS THEMSELVES AND ASSOCIATED REAR BALCONIES, ARE ELEMENTS COMMON TO "VENETIAN BAY", A CONDOMINIUM.

SITE PLAN

DRAWN BY: STG CHK'D BY: RMP DATE: 6/17/02 JOB #: 02-156	BY "AKE DEVELOPMENT, INC."	r.m. packard & assoc., inc. surveying & mapping
SHEET 2 OF 17	SITE PLAN OF **VENETIAN BAY** A CONDOMINIUM	1007 ROCKLEDGE DRIVE ROCKLEDGE, FLORIDA 32955 TEL.: (321) 632-6335

CONDOMINIUM PLAT



LINE TABLE		
LINE	LENGTH	BEARING
L1	14.06'	N51°27'33"W
L2	42.34'	N58°40'37"W
L3	50.55'	N47°19'32"W
L4	16.25'	N72°08'43"E
L5	42.51'	S[illegible]9°22'47"E
L6	20.32'	N[illegible]8°03'45"E
L7	37.83'	S60°57'08"E
L8	46.24'	S86°03'42"E
L9	18.77'	S72°31'57"E
L10	7.99'	S88°47'00"W
L11	10.24'	S76°51'09"W
L12	8.61'	S41°27'41"W
L13	7.82'	S87°24'50"W
L14	21.63'	N65°06'47"W
L15	4.90'	N82°53'20"W
L16	5.20'	N39°39'09"W
L17	12.51'	N66°47'59"W
L18	10.36'	N46°03'55"W
L19	27.85'	N54°32'00"W
L20	20.08'	N74°22'44"W
L21	9.88'	N84°32'27"W
L22	9.98'	N76°5'00"W
L23	35.87'	N74°50'54"W
L24	27.85'	N68°46'14"W

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OR Book/Page: 5236 / 1447

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

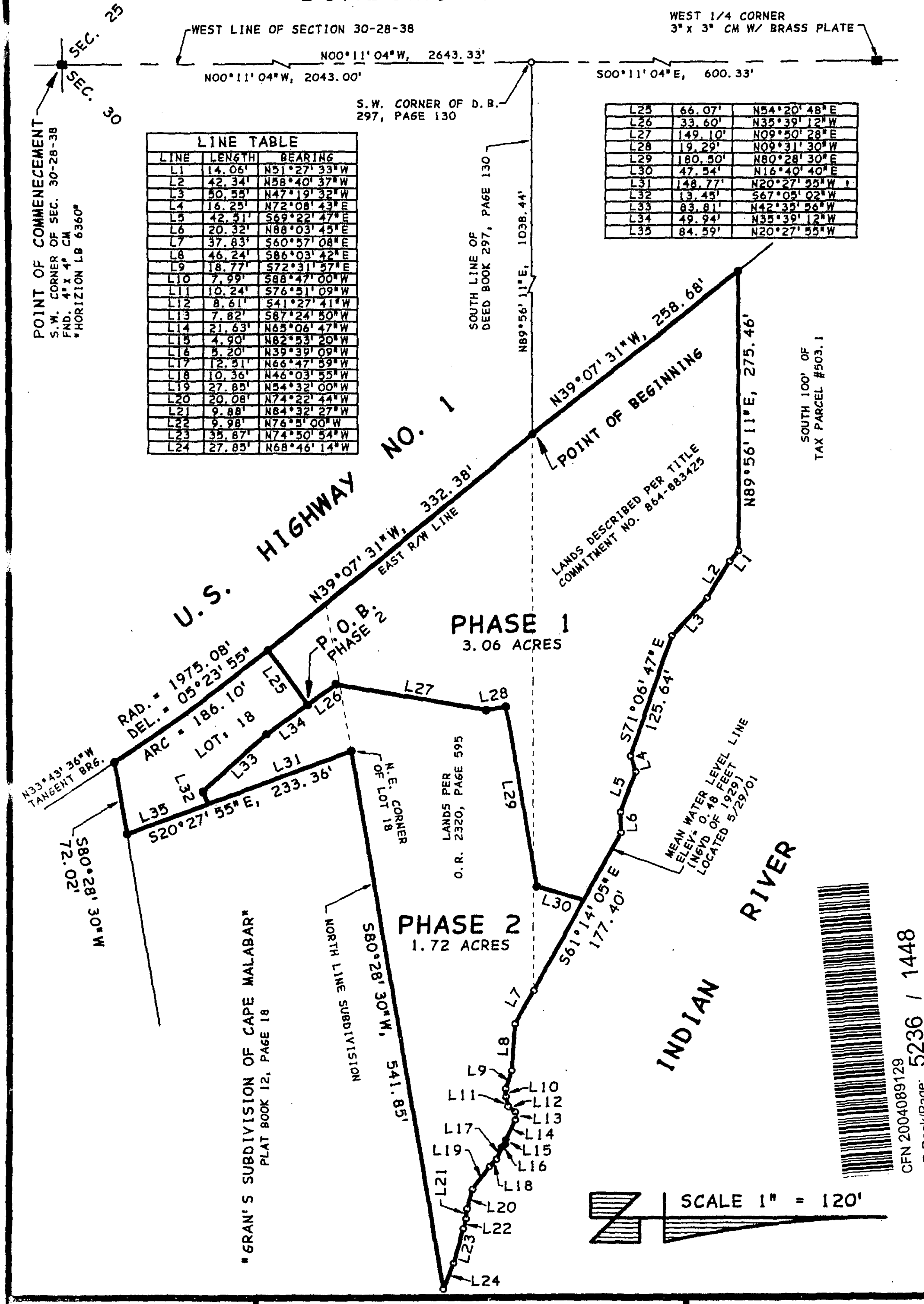
SHEET 3 OF 17

BY "AKE DEVELOPMENT, INC."

BOUNDARY SURVEY OF
VENETIAN BAY
A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT



LINE TABLE		
LINE	LENGTH	BEARING
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L3	50.55'	N47°19'32"W
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L5	42.51'	S69°22'47"E
L6	20.32'	N88°03'45"E
L7	37.83'	S60°57'08"E
L8	46.24'	S86°03'42"E
L9	18.77'	S72°31'57"E
L10	7.99'	S88°47'00"W
L11	10.24'	S76°51'09"W
L12	8.61'	S41°27'41"W
L13	7.82'	S87°24'50"W
L14	21.63'	N65°06'47"W
L15	4.90'	N82°53'20"W
L16	5.20'	N39°39'09"W
L17	12.51'	N66°47'59"W
L18	10.36'	N46°03'55"W
L19	27.85'	N54°32'00"W
L20	20.08'	N74°22'44"W
L21	9.88'	N84°32'27"W
L22	9.98'	N76°5'00"W
L23	35.87'	N74°50'54"W
L24	27.85'	N68°46'14"W

L25	66.07'	N54°20'48"E
L26	33.60'	N35°39'12"W
L27	149.10'	N09°50'28"E
L28	19.29'	N09°31'30"W
L29	180.50'	N80°28'30"E
L30	47.54'	N16°40'40"E
L31	148.77'	N20°27'55"W
L32	13.45'	S67°05'02"W
L33	83.81'	N42°35'56"W
L34	49.94'	N35°39'12"W
L35	84.59'	N20°27'55"W

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OR Book/Page: 5236 / 1448

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

BY "AKE DEVELOPMENT, INC."

PHASE BOUNDARIES OF
VENETIAN BAY
A CONDOMINIUM

r.m. packard
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT

DESCRIPTION OF PARENT (AS FURNISHED):

A PARCEL OF LAND LYING IN SECTION 30, TOWNSHIP 28 SOUTH, RANGE 38 EAST, BREVARD COUNTY, FLORIDA, SAID LAND BEING LANDS DESCRIBED ON EXHIBIT "A" OF TITLE COMMITMENT NO. 864-883425 PER COMMONWEALTH LAND TITLE INSURANCE COMPANY, TOGETHER WITH LANDS DESCRIBED IN O.R.B. 2320, PAGE 595, TOGETHER WITH LOT 18, "GRANS SUBDIVISION OF CAPE MALABAR", PLAT BOOK 12, PAGE 18, AS RECORDED IN THE PUBLIC RECORDS OF SAID BREVARD COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 30 AND RUN N.00°11'04"W., ALONG THE WEST LINE OF SAID SECTION 30, A DISTANCE OF 2043.00 FEET TO THE SOUTHWEST CORNER OF LANDS DESCRIBED IN DEED BOOK 297, PAGE 130 OF THE PUBLIC RECORDS OF SAID BREVARD COUNTY; THENCE N.89°56'11"E., ALONG THE SOUTH LINE OF SAID DEED BOOK 297, PAGE 130, A DISTANCE OF 1038.44 FEET TO THE EAST RIGHT OF WAY OF U.S. HIGHWAY NO. 1 AS SHOWN ON STATE OF FLORIDA, STATE ROAD DEPARTMENT RIGHT OF WAY MAP, SECTION 70010-2277 AND THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE N.39°07'31"W., ALONG THE EAST RIGHT OF WAY, A DISTANCE OF 258.68 FEET; THENCE N.89°56'11"E., A DISTANCE OF 275.46 FEET TO THE "MEAN WATER LEVEL LINE" OF THE INDIAN RIVER; THENCE RUN SOUTHEASTERLY, ALONG SAID "MEAN WATER LEVEL LINE" THE FOLLOWING CALLS: S.51°27'33"E., A DISTANCE OF 14.06 FEET; S.58° 40'37"E., A DISTANCE OF 42.34 FEET; S.47°19'32"E., A DISTANCE OF 50.55 FEET; S.71°06'47"E., A DISTANCE OF 125.64 FEET; S.72°08'43"W., A DISTANCE OF 16.25 FEET; S.69°22'47"E., A DISTANCE OF 42.51 FEET; S.88°03'45"W., A DISTANCE OF 20.32 FEET; S.61°14'05"E., A DISTANCE OF 177.40 FEET; S.60°57'08"E., A DISTANCE OF 37.83 FEET; S.86°03'42"E., A DISTANCE OF 46/24 FEET; S.72°31'57"E., A DISTANCE OF 18.77 FEET; S.88°47'00"W., A DISTANCE OF 7.99 FEET; S.76°56'01"W., A DISTANCE OF 10.24 FEET; S.41°27'41"W., A DISTANCE OF 8.61 FEET; S.87°24'50"W., A DISTANCE OF 7.82 FEET; S.65°06'47"E., A DISTANCE OF 21.63 FEET; S.82°53'20"E., A DISTANCE OF 4.90 FEET; S.39°39'09"E., A DISTANCE OF 5.20 FEET; S.66°47'59"E., A DISTANCE OF 12.51 FEET; S.46°03'55"E., A DISTANCE OF 10.36 FEET; S.54°32' 00"E., A DISTANCE OF 27.85 FEET; S.74°22'44"E., A DISTANCE OF 20.08 FEET; S.84° 32'27"E., A DISTANCE OF 9.88 FEET; S.76°55'00"E., A DISTANCE OF 9.98 FEET; S.74° 50'54"E., A DISTANCE OF 35.87 FEET; S.68°46'14"E., A DISTANCE OF 27.85 FEET TO THE INTERSECTION OF THE SAID "MEAN WATER LEVEL LINE" AND THE NORTH LINE OF "GRANS SUBDIVISIN OF CAPE MALABAR", AS RECORDED IN PLAT BOOK 12, PAGE 18 OF THE SAID PUBLIC RECORDS; THENCE S.80° 28'30"W., ALONG THE NORTH LINE OF SAID "GRANS SUBDIVISION", A DISTANCE OF 541.85 FEET TO THE NORTHEAST CORNER OF LOT 18 PER SAID "GRANS SUBDIVISION"; THENCE S.20°27'55"E., ALONG THE EAST LINE OF SAID LOT 18, A DISTANCE OF 233.36 FEET TO THE NORTH RIGHT OF WAY LINE OF GRAN AVENUE (A 30 FOOT RIGHT OF WAY PER SAID PLAT BOOK 12, PAGE 18); THENCE S.80°28'30"W., ALONG SAID NORTH RIGHT OF WAY, A DISTANCE OF 72.02 FEET TO POINT ON THE EAST RIGHT OF WAY OF SAID U.S. HIGHWAY NO. 1, SAID POINT ALSO BEING ON A CIRCULAR CURVE CONCAVE TO THE WEST HAVING A RADIUS OF 1975.08 FEET AND A CENTRAL ANGLE OF 05°23' 55"; THENCE FROM A TANGENT BEARING OF N.33°43'36"W., RUN NORTHWESTERLY, ALONG SAID CURVE AND SAID EAST RIGHT OF WAY, AN ARC DISTANCE OF 186.10 FEET; THENCE N.39°07'31"W., CONTINUING ALONG SAID EAST RIGHT OF WAY, A DISTANCE OF 332.38 FEET TO THE POINT OF BEGINNING; CONTAINING 4.78 ACRES OF LAND, MORE OR LESS.

NOTES:

1.) THE BEARING STRUCTURE OF THIS PLAT IS BASED ON AN ASSUMED MERIDIAN FOR COMPUTATINAL PURPOSES. SPECIFICALLY, THE EAST LINE OF SECTION 30-28-38 = A BEARING OF N00°11'04"W.

2.) THE TRACT(S) DESCRIBED HEREIN WERE DETERMINED TO LIE WITHIN FLOOD ZONES "AE" AND "X" PURSUANT TO FIRM #12009C0540 E, MAP INDEX DATED 11/19/97.
- ZONE "AE" = "FLOOD HAZARD AREAS INUNDATED BY 100 YEAR FLOODS" WITH A "BASE FLOOD ELEVATION OF 6.0 (NGVD OF 1929)
- ZONE "X" = "THOSE AREAS DETERMINED TO LIE UTSIDE THE 500 YEAR FLOOD PLAIN"

CFN 2004089129
OR Book/Page: 5236 / 1449

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

SHEET 5 OF 17

BY "AKE DEVELOPMENT, INC."

PARENT DESCRIPTION OF
VENETIAN BAY
A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT

DESCRIPTION OF PHASE 1 (AS FURNISHED):

A PARCEL OF LAND LYING IN SECTION 30, TOWNSHIP 28 SOUTH, RANGE 38 EAST, BREVARD COUNTY, FLORIDA, SAID LAND BEING LANDS DESCRIBED ON EXHIBIT "A" OF TITLE COMMITMENT NO. 864-883425 PER COMMONWEALTH LAND TITLE INSURANCE COMPANY, TOGETHER WITH LANDS DESCRIBED IN O.R.B. 2320, PAGE 595, TOGETHER WITH LOT 18, "GRANS SUBDIVISION OF CAPE MALABAR", PLAT BOOK 12, PAGE 18, AS RECORDED IN THE PUBLIC RECORDS OF SAID BREVARD COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 30, AND RUN 00°11'04"W., ALONG THE WEST LINE OF SAID SECTION 30, A DISTANCE OF 2043.00 FEET TO THE SOUTHWEST CORNER OF ALDNS DESCRIBED IN DEED BOOK 297, PAGE 130 OF THE PUBLIC RECORDS OF SAID BREVARD COUNTY; THENCE N.89°56'11"E., ALONG THE SOUTH LINE OF SAID DEED BOOK 297, PAGE 130, A DISTANCE OF 1038.44 FEET TO THE EAST RIGHT OF WAY OF U.S. HIGHWAY NO. 1, AS SHOWN ON STATE OF FLORIDA, STATE ROAD DEPARTMENT, RIGHT OF WAY MAP, SECTION 70010-2277 AND THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE N.39°07'31"W., ALONG SAID EAST RIGHT OF WAY, A DISTANCE OF 258.68 FEET; THENCE N.89°56'11"E., A DISTANCE OF 275.46 FEET TO THE "MEAN WATER LEVEL LINE" OF THE INDIAN RIVER; THENCE RUN SOUTHESTERLY, ALONG SAID "MEAN WATER LEVEL LINE" FOLLOWING CALLS; S.51°27'33"E., A DISTANCE OF 14.06 FEET; S.58°40'37"E., A DISTANCE OF 42.34 FEET; S47°19'32"E., A DISTANCE OF 50.55 FEET; S.71°06'47"E., A DISTANCE OF 125.64 FEET; S72°08'43"W., A DISTANCE OF 16.25 FEET; S.69°22'47"E., A DISTANCE OF 42.51 FEET; S.88°03'45"W., A DISTANCE OF 20.32; S.61°14'05"E., A DISTANCE OF 76.20 FEET; THENCE S.16°40'40"W., LEAVING SAID "MEAN WATER LEVEL LINE", A DISTANCE OF 47.54 FEET; THENCE S.80°28'30"W., A DISTANCE OF 180.50 FEET; THENCE S.09°31'30"E., A DISTANCE OF 19.29 FEET; THENCE S.09°50'28"W., A DISTANCE OF 149.10 FEET; THENCE S.35°39'12"E., A DISTANCE OF 83.54 FEET; THENCE S.42°35'56"E., A DISTANCE OF 83.81 FEET; THENCE N.67°05'02"E., A DISTANCE OF 13.34 FEET TO THE EAST LINE OF SAID LOT 18; THENCE S.20°27'55"E., ALONG THE EAST LINE OF SAID LOT 18, A DISTANCE OF 84.59 FEET TO THE NORTH RIGHT OF WAY LINE OF GRAN AVENUE (A 30 FOOT RIGHT OF WAY PER SAID PLAT BOOK 12, PAGE 18); THENCE S.80°28'30"W., ALONG SAID NORTH RIGHT OF WAY, A DISTANCE OF 72.02 FEET TO POINT ON THE EAST RIGHT OF WAY OF SAID U.S. HIGHWAY NO. 1, SAID POINT ALSO BEING ON A CIRCULAR CURVE CONCAVE TO THE WEST HAVING A RADIUS 1975.08 FEET AND A CENTRAL ANGLE OF 05°23'55"; THENCE FROM A TANGENT BEARING OF N33°43'36"W., RUN NORTHWESTERLY, ALONG SAID CURVE AND SAID EAST RIGHT OF WAY, AN ARC DISTANCE OF 186.10 FEET; THENCE N.39°07'31"W., CONTINUING ALONG SAID EAST RIGHT OF WAY, A DISTANCE OF 332.38 FEET TO THE POINT OF BEGINNING; CONTAINING 3.06 ACRES OF LAND, MORE OR LESS.

CFN 2004089129
OR Book/Page: 5236 / 1450

DRAWN BY: STG CHK'D BY: RMP DATE: 6/17/02 JOB #: 02-156	BY "AKE DEVELOPMENT, INC."	r.m. packard & assoc., inc. surveying & mapping
SHEET 6 OF 17	PHASE 1 DESCRIPTION OF **VENETIAN BAY** A CONDOMINIUM	1007 ROCKLEDGE DRIVE ROCKLEDGE, FLORIDA 32955 TEL.: (321) 632-6335

CONDOMINIUM PLAT

DESCRIPTION OF PHASE 2 (AS FURNISHED):

A PARCEL OF LAND LYING IN SECTION 30, TOWNSHIP 28 SOUTH, RANGE 38 EAST, BREVARD COUNTY, FLORIDA, SAID LAND BEING LANDS DESCRIBED ON EXHIBIT "A" OF TITLE COMMITMENT NO. 864-883425 PER COMMONWEALTH LAND TITLE INSURANCE COMPANY, TOGETHER WITH LANDS DESCRIBED IN O.R.B. 2320, PAGE 595, TOGETHER WITH LOT 18, "GRANS SUBDIVISION OF CAPE MALABAR", PLAT BOOK 12, PAGE 18, AS RECORDED IN THE PUBLIC RECORDS OF SAID BREVARD COUNTY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF SAID SECTION 30, AND RUN N.00°11'04"W., ALONG THE WEST LINE OF SAID SECTION 30, A DISTANCE OF 2043.00 FEET TO THE SOUTHWEST CORNER OF LANDS DESCRIBED IN DEDD BOOK 297, PAGE 130 OF THE PUBLIC RECORDS OF SAID BREVARD COUNTY; THENCE N.89°56'11"E., ALONG THE SOUTH LINE OF SAID DEED BOOK 297, PAGE 130, A DISTANCE OF 1038.44 FEET TO THE EAST RIGHT OF WAY OF U.S. HIGHWAY NO. 1 AS SHOWN ON STATE OF FLORIDA, STATE ROAD DEPARTMENT RIGHT OF WAY MAP, SECTION 70010-2277; THENCE S.39°07'31"E., ALONG THE SAID EAST RIGHT OF WAY, A DISTANCE OF 332.38 FEET; THENCE N54°20'48"E., LEAVING SAID RIGHT OF WAY, A DISTANCE OF 66.07 FEET TO THE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL; THENCE N.35°39'12"W., A DISTANCE OF 33.60 FEET; THENCE N.09°50'28"E., A DISTANCE OF 149.10 FEET; THENCE N.09°31'30"W., A DISTANCE OF 19.29 FEET; THENCE N.80°28'30"E., A DISTANCE OF 180.50 FEET; THENCE N.16°40'40"E., A DISTANCE OF 47.54 FEET TO THE "MEAN WATE LEVEL LINE" OF THE INDIAN RIVER; THENCE RUN SOUTHEASTERLY, ALONG SAID "MEAN WATER LEVEL LINE" THE FOLLOWING CALLS; S.61°14'05"E., A DISTANCE OF 101.19 FEET; S.60°57'08"E., A DISTANCE OF 37.83 FEET; S.86°03'42"E., A DISTANCE OF 46.24 FEET; S.72°31'57"E., A DISTANCE OF 18.77 FEET; S.88°47'00"W., A DISTANCE OF 7.99 FEET; S.76°51'09"W., A DISTANCE OF 10.24 FEET; S.41°27'41"W., A DISTANCE OF 8.61 FEET; S.87°24'50"W., A DISTANCE OF 7.82 FEET; S.65°06'47"E., A DISTANCE OF 21.63 FEET; S.82°53'20"E., A DISTANCE OF 4.90 FEET; S.39°39'09"E., A DISTANCE OF 5.20 FEET; S.66°47'59"E., A DISTANCE OF 12.51 FEET; S.46°03'55"E., A DISTANCE OF 10.36 FEET; S.54°32'00"E., A DISTANCE OF 27.85 FEET; S.74°22'44"E., A DISTANCE OF 20.08 FEET; S.84°32'27"E., A DISTANCE OF 9.88 FEET; S.76°55'00"E., A DISTANCE OF 9.98 FEET; S.74°50'54"E., A DISTANCE OF 35.87 FEET; S.68°46'14"E., A DISTANCE OF 27.85 FEET TO THE INTERSECTION OF THE SAID "MEAN WATER LEVEL LINE" AND THE NORTH LINE OF "GRANS SUBDIVISION OF CAPE MALABAR", AS RECORDED IN PLAT BOOK 12, PAGE 18 OF THE SAID PUBLIC RECORDS; THENCE S.80°28'30"W., ALONG THE NORTH LINE OF SAID "GRANS SUBDIVISION", A DISTANCE OF 541.85 FEET TO THE NORTHEAST CORNER OF LOT 18, PER SAID "GRANS SUBDIVISION"; THENCE S.20°27'55"E., ALONG THE EAST LINE OF SAID LOT 18, A DISTANCE OF 148.77 FEET; THENCE S.67°05'02"W., LEAVING SAID EAST LINE, A DISTANCE OF 13.45 FEET; THENCE 42°35'56"W., A DISTANCE OF 83.81 FEET; THENCE N.35°39'12"W., A DISTANCE OF 49.94 FEET TO POINT OF BEGINNING; CONTAINING 1.72 ACRES OF LAND, MORE OR LESS.

CFN 2004089129
OR Book/Page: 5236 / 1451

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

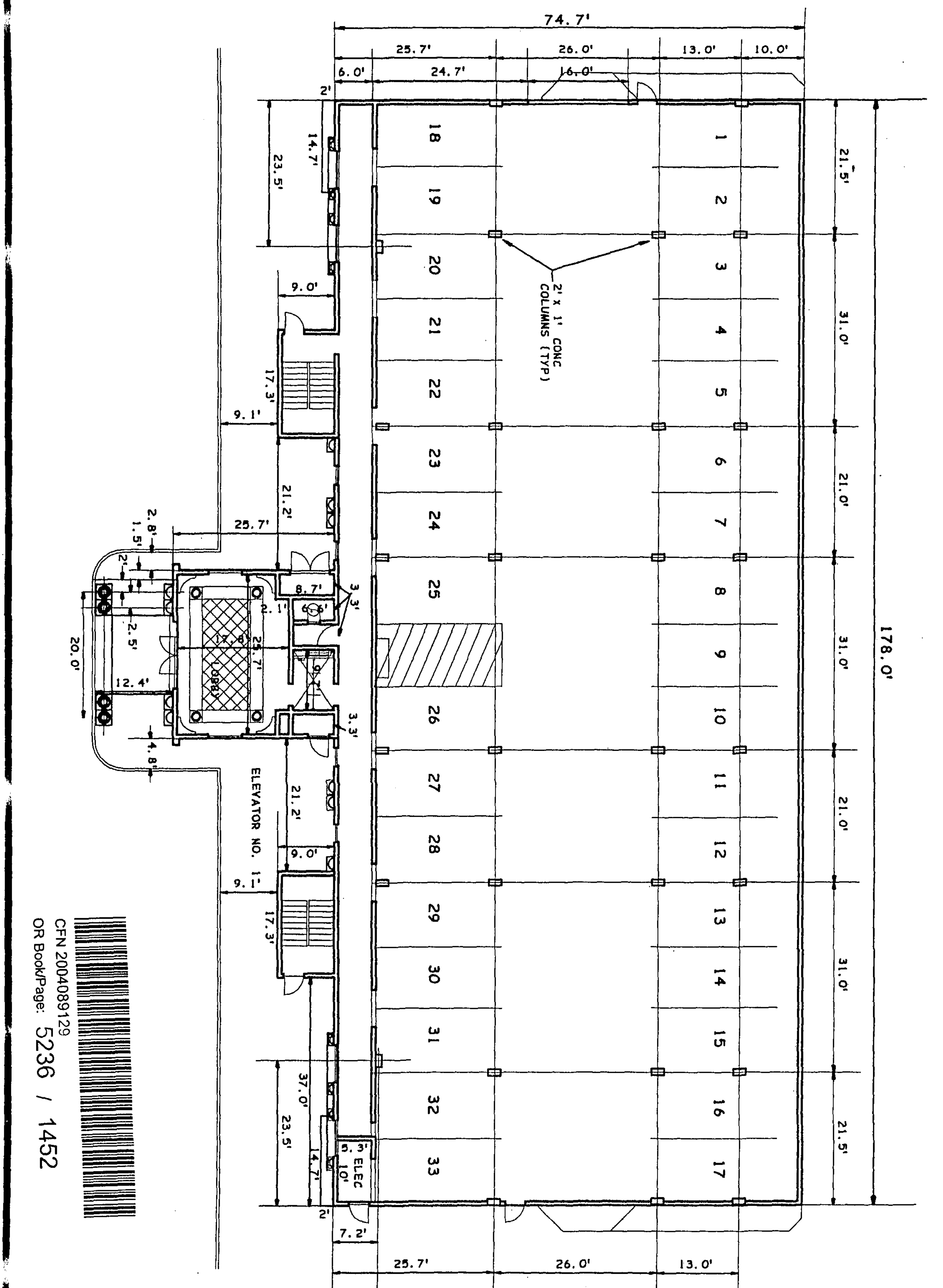
SHEET 7 OF 17

BY "AKE DEVELOPMENT, INC."

PHASE 2 DESCRIPTION OF
VENETIAN BAY
A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1452

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

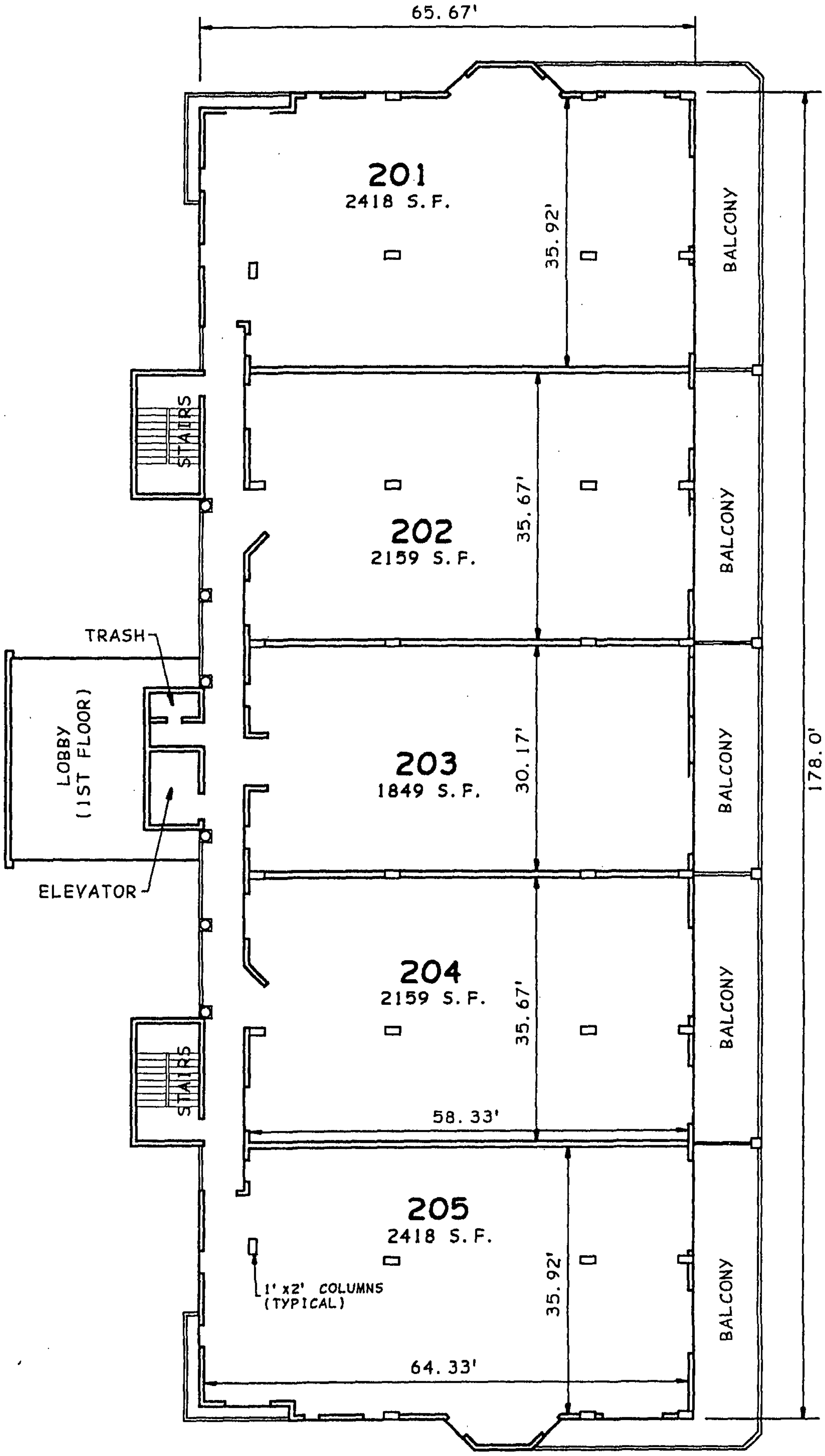
SHEET 8 OF 17

BY "AKE DEVELOPMENT, INC."

PARKING DETAIL (1ST FLOOR) FOR
VENETIAN BAY
A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT

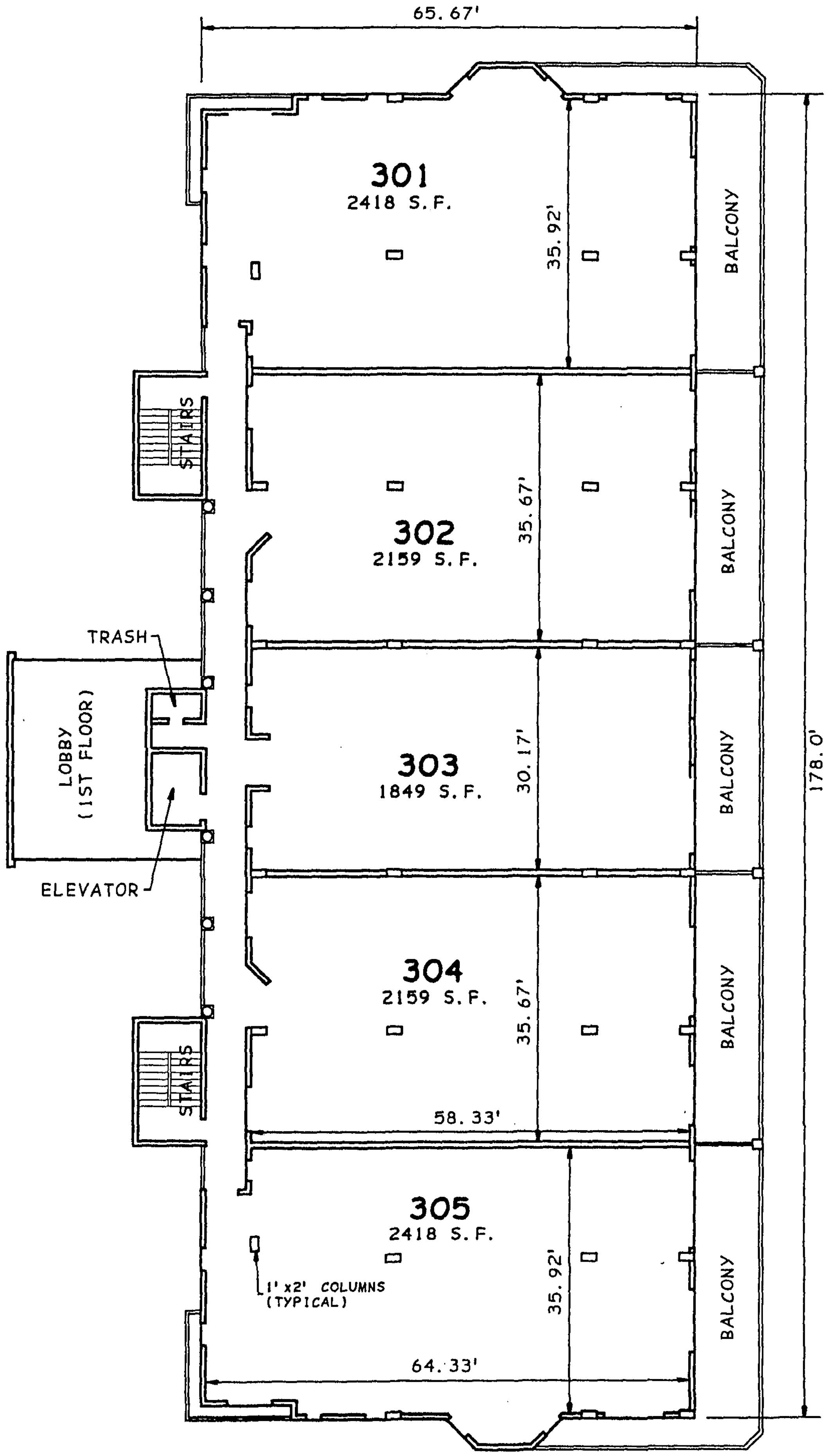


CFN 2004089129
OR Book/Page: 5236 / 1453

BUILDINGS "A" & "B"

DRAWN BY: STG CHK'D BY: RMP DATE: 6/17/02 JOB #: 02-156	BY "AKE DEVELOPMENT, INC."	r.m. packard & assoc., inc. surveying & mapping
SHEET 9 OF 17	TYPICAL UNITS / FLOORS 2 - 7 **VENETIAN BAY** A CONDOMINIUM	1007 ROCKLEDGE DRIVE ROCKLEDGE, FLORIDA 32955 TEL.: (321) 632-6335

CONDOMINIUM PLAT



BUILDINGS "A" & "B"

CFN 2004089129
OR Book/Page: 5236 / 1454

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

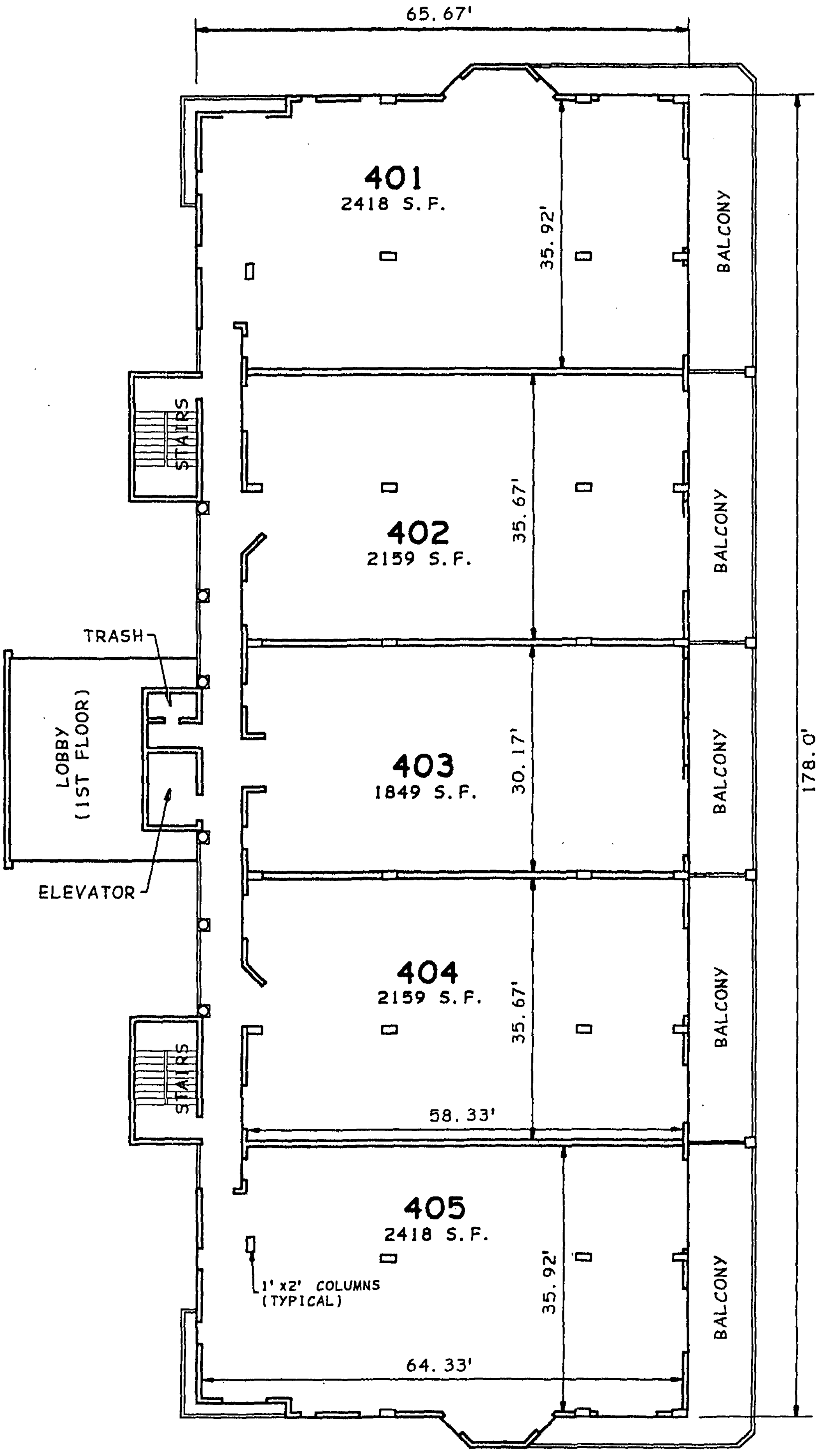
SHEET 10 OF 17

BY "AKE DEVELOPMENT, INC."

TYPICAL UNITS / FLOORS 2 - 7
VENETIAN BAY
A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1455

BUILDINGS "A" & "B"

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

SHEET 11 OF 17

BY "AKE DEVELOPMENT, INC."

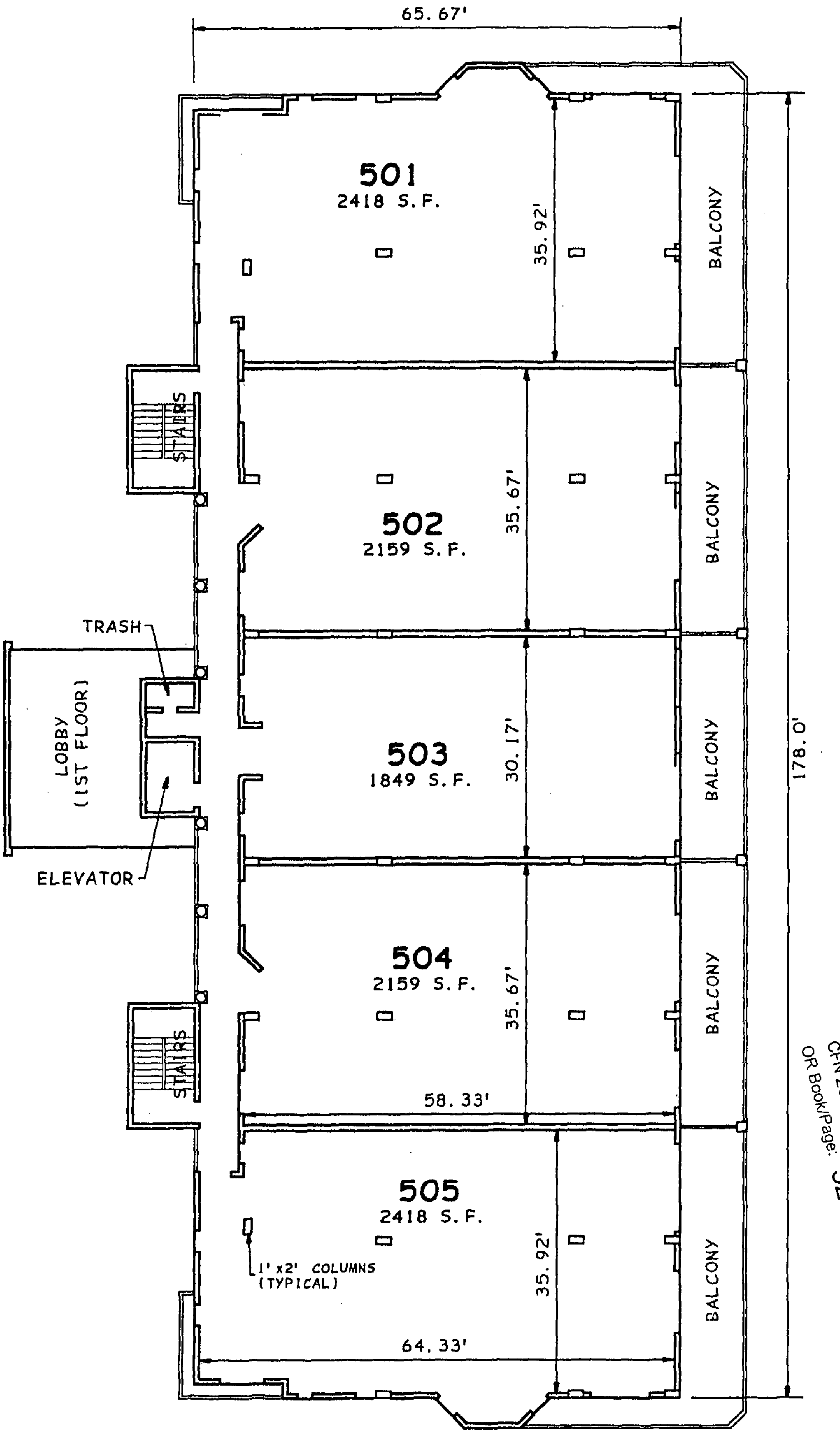
TYPICAL UNITS / FLOORS 2 - 7

VENETIAN BAY

A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1456

BUILDINGS "A" & "B"

DRAWN BY: STG

CHK'D BY: RMP

DATE: 6/17/02

JOB #: 02-156

BY "AKE DEVELOPMENT, INC."

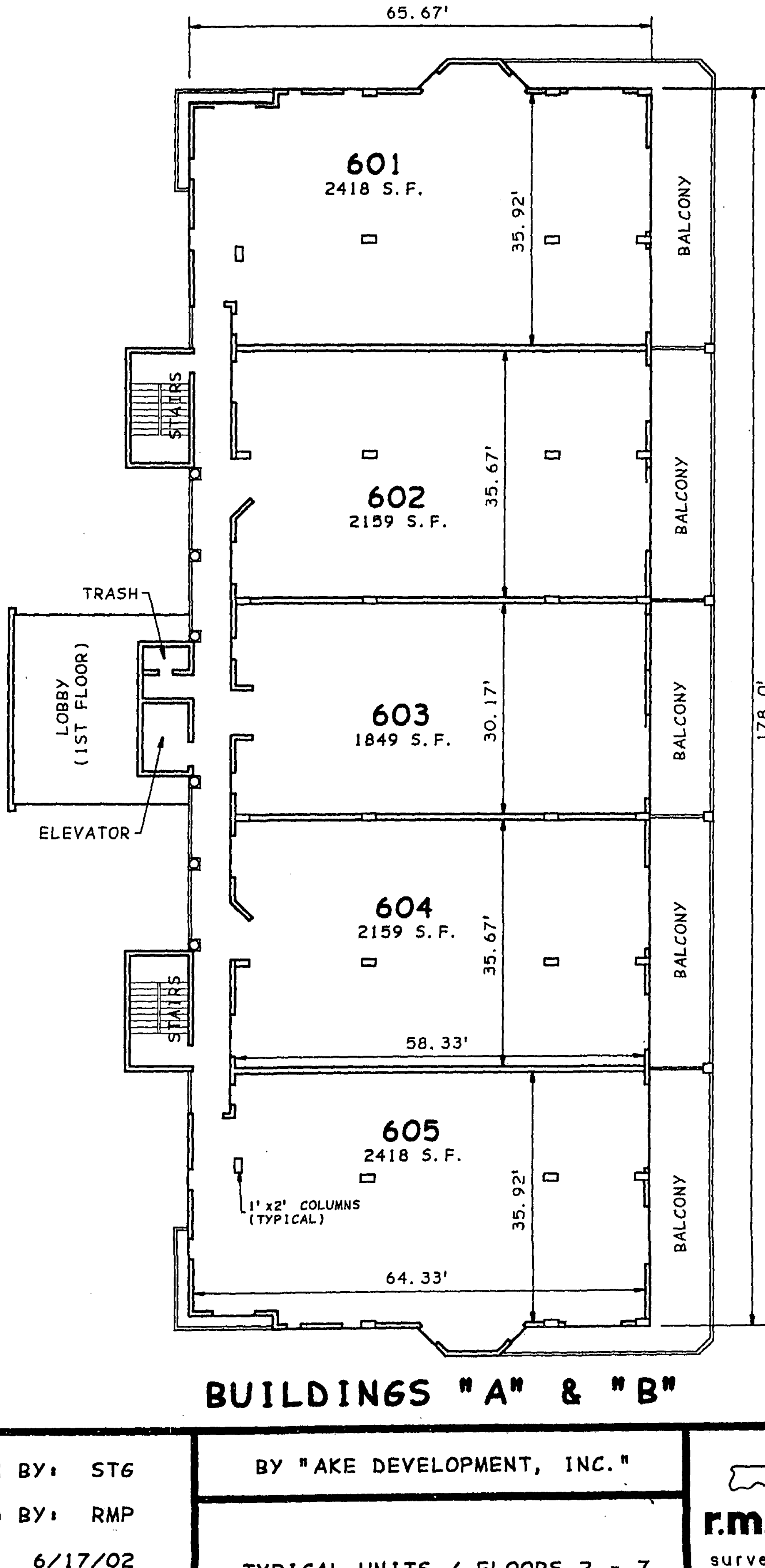
TYPICAL UNITS / FLOORS 2 - 7

VENETIAN BAY

A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT

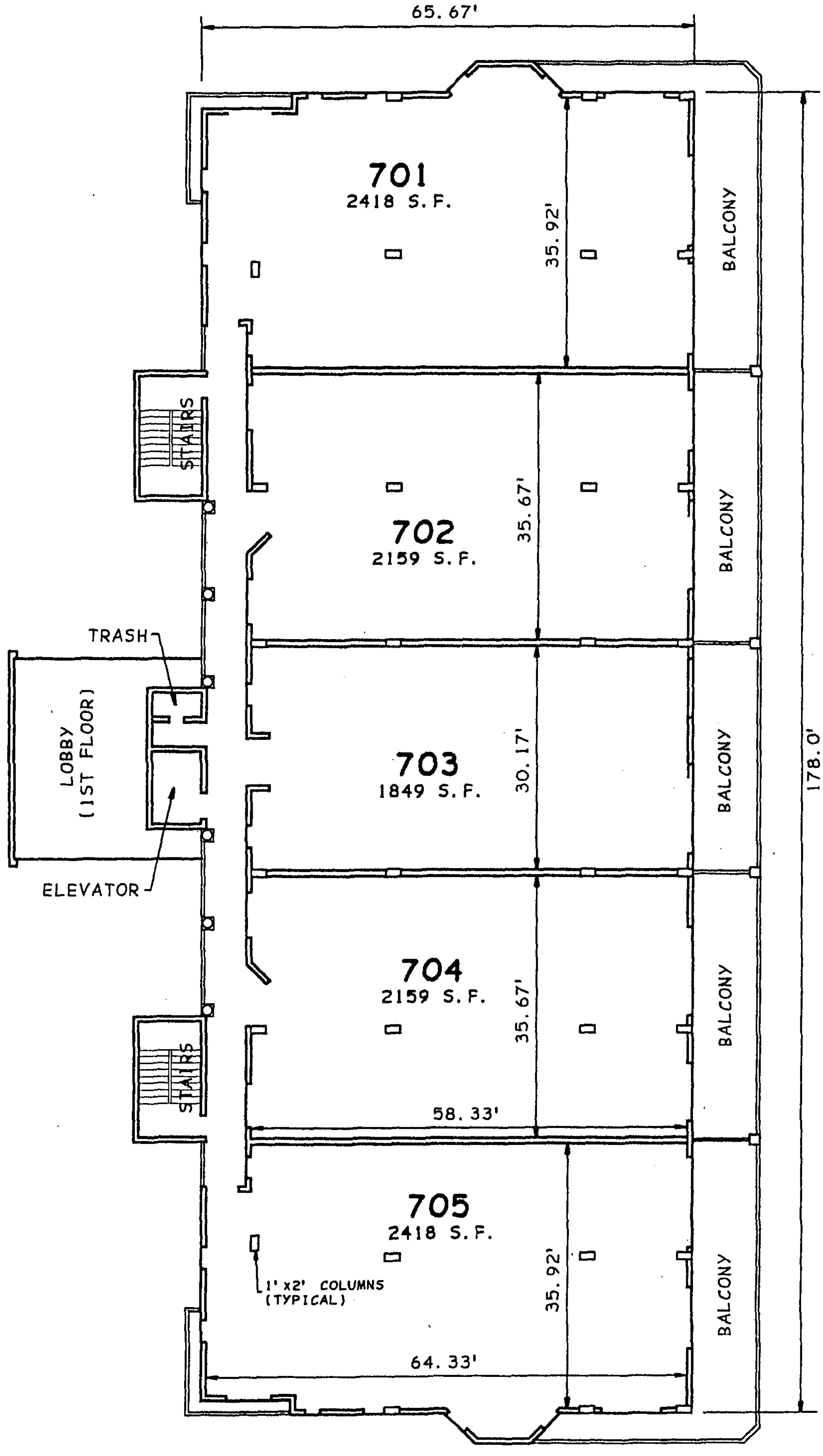


CFN 2004089129
OR Book/Page: 5236 / 1457

BUILDINGS "A" & "B"

DRAWN BY: STG CHK'D BY: RMP DATE: 6/17/02 JOB #: 02-156	BY "AKE DEVELOPMENT, INC."	r.m. packard & assoc., inc. surveying & mapping
SHEET 13 OF 17	TYPICAL UNITS / FLOORS 2 - 7 **VENETIAN BAY** A CONDOMINIUM	1007 ROCKLEDGE DRIVE ROCKLEDGE, FLORIDA 32955 TEL.: (321) 632-6335

CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1458

BUILDINGS "A" & "B"

DRAWN BY: STG
CHK'D BY: RMP
DATE: 6/17/02
JOB #: 02-156

SHEET 14 OF 17

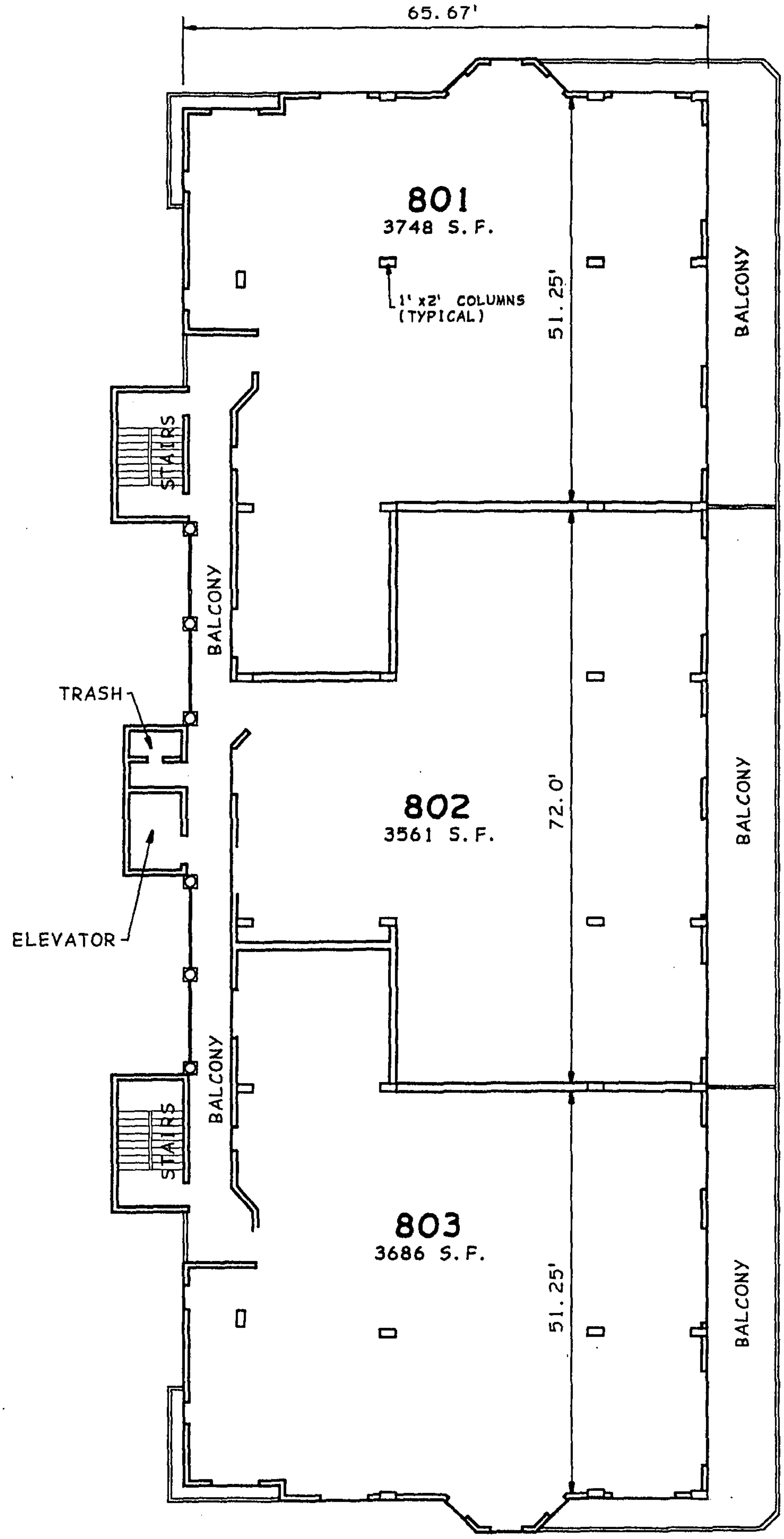
BY "AKE DEVELOPMENT, INC."

TYPICAL UNITS / FLOORS 2 - 7

VENETIAN BAY
A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1459

BUILDINGS "A" & "B"

DRAWN BY: ST6

CHK'D BY: RMP

DATE: 6/17/02

JOB #: 02-156

SHEET 15 OF 17

BY "AKE DEVELOPMENT, INC."

TYPICAL UNITS / 8TH FLOOR

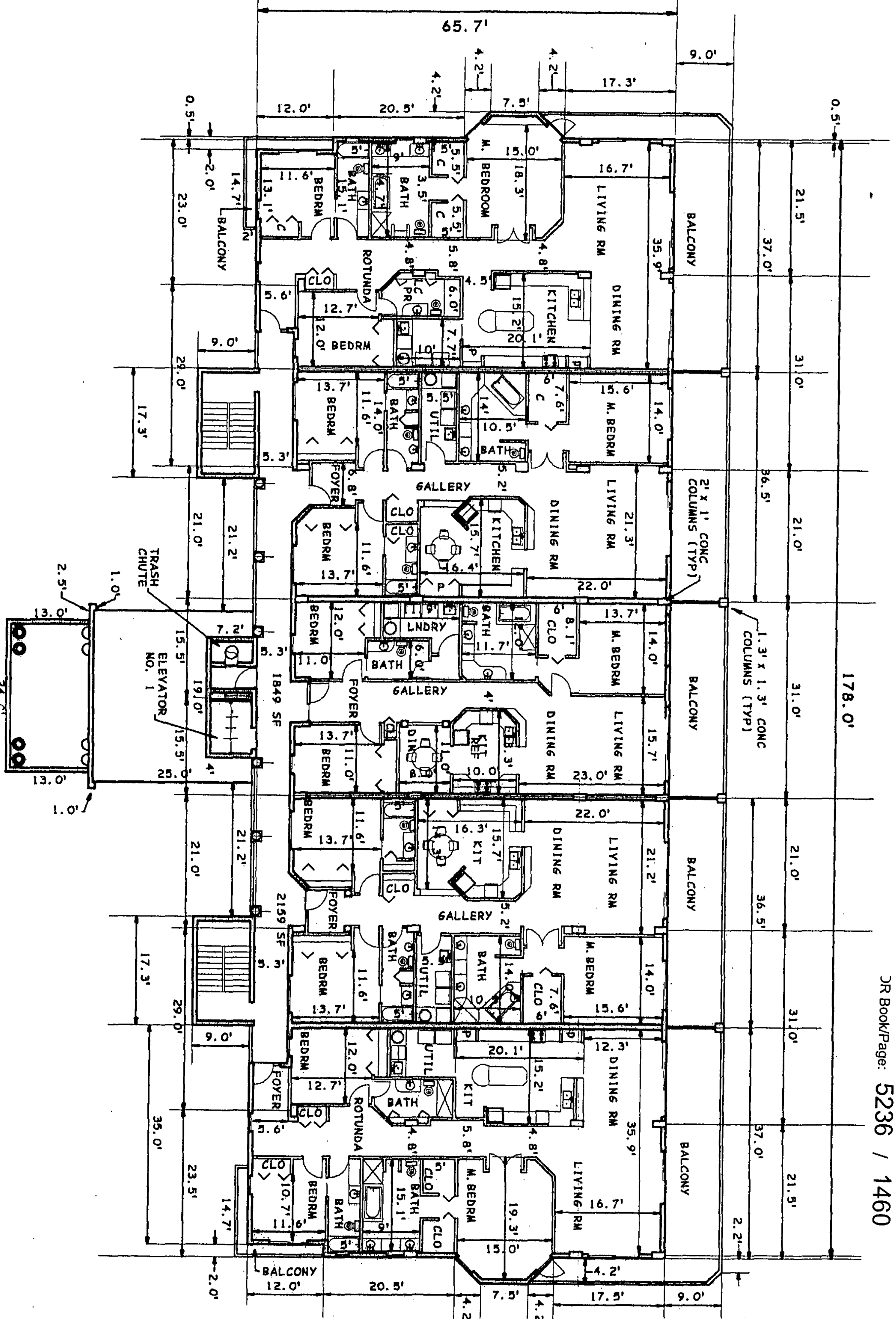
VENETIAN BAY

A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping

1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

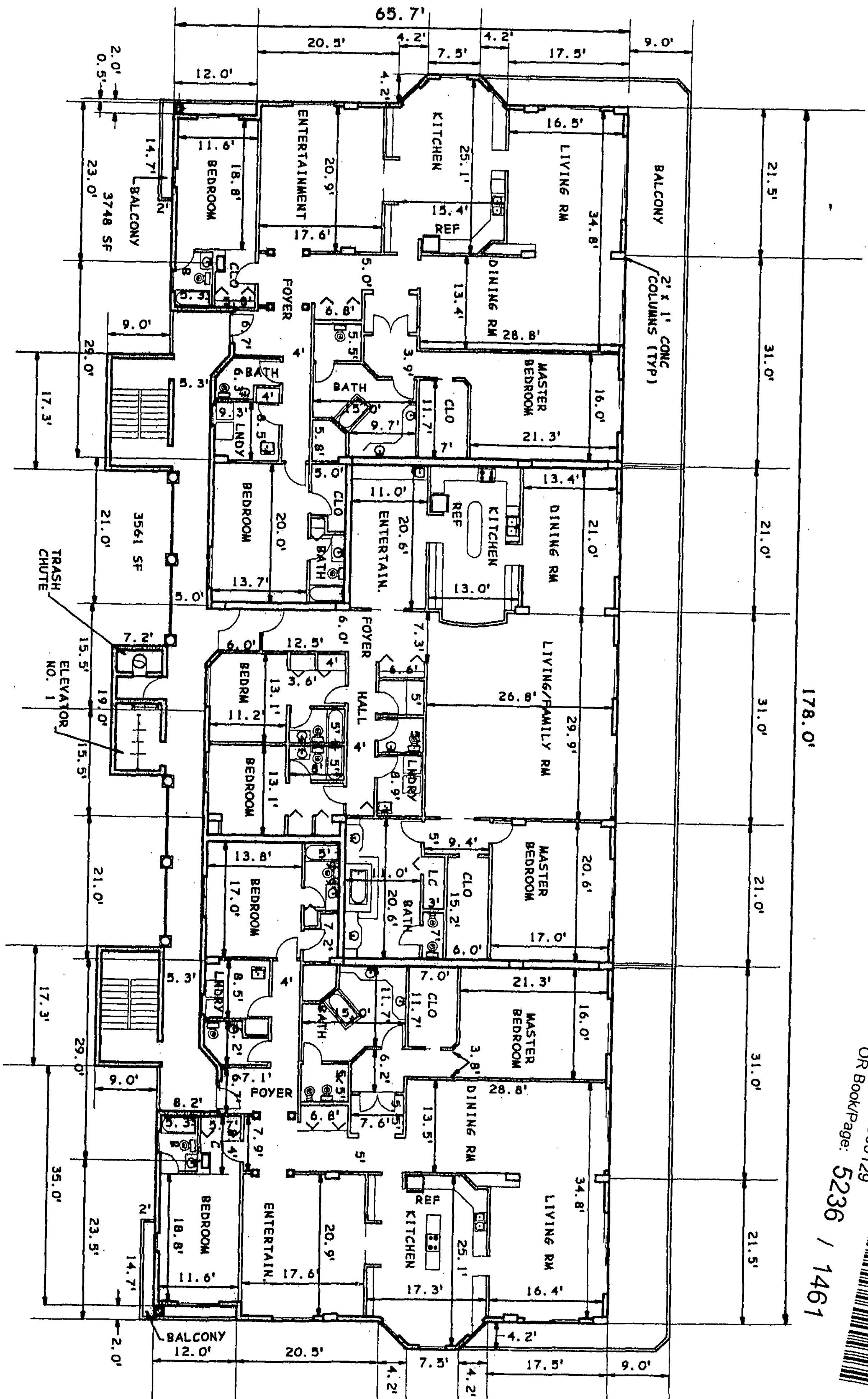
CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1460

DRAWN BY: STG CHK'D BY: RMP DATE: 6/17/02 JOB #: 02-156	BY "AKE DEVELOPMENT, INC."	r.m. packard & assoc., inc. surveying & mapping
SHEET 16 OF 17	DETAILS FOR FLOORS 2 - 7 **VENETIAN BAY** A CONDOMINIUM	1007 ROCKLEDGE DRIVE ROCKLEDGE, FLORIDA 32955 TEL.: (321) 632-6335

CONDOMINIUM PLAT



CFN 2004089129
OR Book/Page: 5236 / 1461

DRAWN BY: STG

CHK'D BY: RMP

DATE: 6/17/02

JOB #: 02-156

SHEET 17 OF 17

BY "AKE DEVELOPMENT, INC."

PENTHOUSE (8TH FLOOR) DETAILS

VENETIAN BAY

A CONDOMINIUM

r.m. packard & assoc., inc.
surveying & mapping
1007 ROCKLEDGE DRIVE
ROCKLEDGE, FLORIDA 32955
TEL.: (321) 632-6335

VENETIAN BAY, A CONDOMINIUM

Ownership of Units and Appurtenant Share in Common Elements
and Common Surplus, and Share of Common Expenses

Phase 1 - 33 Units

Unit No./Unit Type	Approximate Square Feet (Excluding Balconies)	% Share of Common Expenses
201 A	2,418	3.14%
202 B	2,159	2.80%
203 C	1,849	2.41%
204 B	2,159	2.80%
205 A	2,418	3.14%
301 A	2,418	3.14%
302 B	2,159	2.80%
303 C	1,849	2.41%
304 B	2,159	2.80%
305 A	2,418	3.14%
401 A	2,418	3.14%
402 B	2,159	2.80%
403 C	1,849	2.41%
404 B	2,159	2.80%
405 A	2,418	3.14%
501 A	2,418	3.14%
502 B	2,159	2.80%
503 C	1,849	2.41%
504 B	2,159	2.80%
505 A	2,418	3.14%
601 A	2,418	3.14%
602 B	2,159	2.80%
603 C	1,849	2.41%
604 B	2,159	2.80%
605 A	2,418	3.14%
701 A	2,418	3.14%
702 B	2,159	2.80%
703 C	1,849	2.41%
704 B	2,159	2.80%
705 A	2,418	3.14%
801 P2	3,748	4.62%
802 P3	3,561	4.78%
803 P1	3,686	4.86%
Total	77,013	100.00%

A Units	12	3.14%
B Units	12	2.80%
C Units	6	2.41%
P1 Units	1	4.86%
P2 Units	1	4.62%
P3 Units	1	4.78%
Total	33	

CFN 2004089129
OR Book/Page: 5236 / 1462

C:\Program Files\Corel\WordPerfect Office 2000\WPDOCS\1275-1\ownership.phase1.wpd

Exhibit 10 to Prospectus
Exhibit B to Declaration

VENETIAN BAY, A CONDOMINIUM

Ownership of Units and Appurtenant Share in Common Elements
and Common Surplus, and Share of Common Expenses
If the maximum number of units is built - 66 Units

Phases 1 and 2 - 66 Units

Phase 1

Unit No./Unit Type	Approximate Square Feet (Excluding Balconies)	% Share of Common Expenses
201 A	2,418	3.14%
202 B	2,159	2.80%
203 C	1,849	2.41%
204 B	2,159	2.80%
205 A	2,418	3.14%
301 A	2,418	3.14%
302 B	2,159	2.80%
303 C	1,849	2.41%
304 B	2,159	2.80%
305 A	2,418	3.14%
401 A	2,418	3.14%
402 B	2,159	2.80%
403 C	1,849	2.41%
404 B	2,159	2.80%
405 A	2,418	3.14%
501 A	2,418	3.14%
502 B	2,159	2.80%
503 C	1,849	2.41%
504 B	2,159	2.80%
505 A	2,418	3.14%
601 A	2,418	3.14%
602 B	2,159	2.80%
603 C	1,849	2.41%
604 B	2,159	2.80%
605 A	2,418	3.14%
701 A	2,418	3.14%
702 B	2,159	2.80%
703 C	1,849	2.41%
704 B	2,159	2.80%
705 A	2,418	3.14%
801 P2	3,748	4.62%
802 P3	3,561	4.78%
803 P1	3,686	4.86%

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Exhibit 11 to Prospectus
Exhibit C to Declaration

Phase 2

Unit No./Unit Type	Approximate Square Feet (Excluding Balconies)	% Share of Common Expenses
201 A	2,418	1.57%
202 B	2,159	1.40%
203 C	1,849	1.21%
204 B	2,159	1.40%
205 A	2,418	1.57%
301 A	2,418	1.57%
302 B	2,159	1.40%
303 C	1,849	1.21%
304 B	2,159	1.40%
305 A	2,418	1.57%
401 A	2,418	1.57%
402 B	2,159	1.40%
403 C	1,849	1.21%
404 B	2,159	1.40%
405 A	2,418	1.57%
501 A	2,418	1.57%
502 B	2,159	1.40%
503 C	1,849	1.21%
504 B	2,159	1.40%
505 A	2,418	1.57%
601 A	2,418	1.57%
602 B	2,159	1.40%
603 C	1,849	1.21%
604 B	2,159	1.40%
605 A	2,418	1.57%
701 A	2,418	1.57%
702 B	2,159	1.40%
703 C	1,849	1.21%
704 B	2,159	1.40%
705 A	2,418	1.57%
801 P2	3,748	2.31%
802 P3	3,561	2.39%
803 P1	3,686	2.43%
Total	154,026	100.00%

A Units	24	1.57%
B Units	24	1.40%
C Units	12	1.21%
P1 Units	2	2.43%
P2 Units	2	2.31%
P3 Units	2	2.39%
Total	66	

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION OF VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.

For the purpose of forming a corporation not for profit pursuant to the laws of the State of Florida, the undersigned incorporator hereby adopts the following Articles of Incorporation:

ARTICLE 1
NAME

The name of the corporation shall be VENETIAN BAY CONDOMINIUM ASSOCIATION, INC. For convenience, the corporation shall be referred to in this instrument as the "Association," these Articles of Incorporation as the "Articles," and the By-Laws of the Association as the "By-Laws." The principal address and mailing address for the Corporation is 712 Palmetto Avenue, Melbourne, Florida 32901.

ARTICLE 2
PURPOSE

The purpose for which the Association is organized is to provide an entity pursuant to the Florida Condominium Act (the "Act") as it exists on the date hereof for the operation of a condominium located in Brevard County, Florida known as VENETIAN BAY, A CONDOMINIUM.

ARTICLE 3
DEFINITIONS

The terms used in these Articles shall have the same definitions and meaning as those set forth in the Declaration of the Condominium to be recorded in the Public Records of Brevard County, Florida, unless herein provided to the contrary, or unless the context otherwise requires.

ARTICLE 4
POWERS

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

4.1 General. The Association shall have all of the common-law and statutory powers of a corporation not for profit under the Laws of Florida that are not in conflict with the provisions of these Articles, the Declaration, the By-Laws or the Act.

4.2 Enumeration. The Association shall have all of the powers and duties set forth in the Act and all of the powers and duties reasonably necessary to operate the Condominium pursuant to the Declaration and as more particularly described in the By-Laws and these Articles, as they may be amended from time to time, including, but not limited to, the following:

(a) To make and collect Assessments and other charges against members as Unit Owners, and to use the proceeds thereof in the exercise of its powers and duties.

(b) To buy, own, operate, lease, sell, trade and mortgage both real and personal property.

(c) To maintain, repair, replace, reconstruct, add to and operate the Common Elements, and other property acquired or leased by the Association.

(d) To purchase insurance upon the Condominium Property and insurance for the protection of the Association, its officers, directors and Unit Owners.

(e) To make and amend reasonable rules and regulations for the maintenance, conservation and use of the Condominium property and for the health, comfort, safety and welfare of the Unit Owners.

(f) To approve or disapprove the leasing, transfer, ownership and possession of Units as may be provided by the Declaration.

(g) To enforce by legal means the provisions of the Act, the Declaration, these Articles, the By-Laws, and the rules and regulations for the use of the Condominium Property.

(h) To contract for the management and maintenance of the Condominium Property and to authorize a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the Condominium Act, including but not limited to the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

(i) To employ personnel to perform the services required for the proper operation of the Condominium.

(j) To allocate expenses of the Condominium in the manner contemplated by the By-Laws.

(k) To levy and collect adequate assessments against members of the corporation for the costs of maintenance and operation of the Surface Water or Stormwater Management System. The assessments shall be used for the maintenance and repair of the

Surface Water or Stormwater Management Systems, including but not limited to work within retention areas, drainage structures and drainage easements.

4.3 Condominium Property. All funds and the titles to all properties acquired by the Association and their proceeds shall be held for the benefit and use of the members or the Condominium for which the funds and/or properties are held in accordance with the provisions of the Declaration, these Articles and the By-Laws.

4.4 Distribution of Income; Dissolution. The Association shall make no distribution of income to its members, directors or officers, and upon dissolution, all assets of the Association shall be transferred only to another non-profit corporation or a public agency, except in the event of a termination of the Condominium.

4.5 Limitation. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions hereof and of the Declaration, the By-Laws and the Act.

ARTICLE 5
MEMBERS

5.1 Membership. The members of the Association shall consist of all of the record title owners of Units in the Condominium from time to time, and their successors and assigns.

5.2 Assignment. 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 for which that share is held.

5.3 Voting. On all matters upon which the membership, or any appropriate constituency thereof, shall be entitled to vote, there shall be only one vote for each Unit, which vote shall be exercised or cast in the manner provided by the Declaration and By-Laws. Any person or entity owning more than one Unit shall be entitled to one vote for each Unit owned.

5.4 Meetings. The By-Laws shall provide for an annual meeting of members, and may make provision for regular and special meetings of members other than the annual meeting.

ARTICLE 6
TERM OF EXISTENCE

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Secretary of State, Tallahassee, Florida. The Association shall have perpetual existence.

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ARTICLE 7
INCORPORATOR

The name and address of the incorporator of the Association is as follows:

NAME	ADDRESS
C. Douglas Engle	712 Palmetto Avenue Melbourne, FL 32901

ARTICLE 8
OFFICERS

The affairs of the Association shall be administered by the officers holding the offices designated in the By-Laws. The officers shall be elected by the Board of Directors of the Association 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 By-Laws may provide for the removal from office of officers, for filling vacancies and for the duties of the officers. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President:	C. Douglas Engle 712 Palmetto Avenue Melbourne, FL 32901
Vice President:	James C. Albright, Jr. P.O. Box 644 Melbourne, FL 32902
Secretary/Treasurer:	Kirk W. Kessel 1332 DeSoto Street Melbourne, FL 32935

ARTICLE 9
DIRECTORS

9.1 Number and Qualification. The property, business and affairs of the Association shall be managed by a board consisting of the number of directors determined in the manner provided by the By-Laws, but which shall consist of not less than three (3) directors. Directors need not be members of the Association or residents of units in the Condominium.

9.2 Duties and Powers. All of the duties and powers of the Association existing under the Act, the Declaration, these Articles and the By-Laws shall be exercised exclusively by the Board of Directors, its agents, contractors or employees, subject only to approval by all or appropriate portions of the Unit Owners when such approval is specifically required and except as provided in the Declaration.

9.3 Election; Removal. Directors of the Association shall be elected at their annual meeting of the members in the manner determined by and subject to the qualifications set forth in the By-Laws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the By-Laws.

9.4 Term of Developer's Directors. The Developer of the Condominium shall appoint the members of the first Board of Directors and their replacements who shall hold office for the periods described in the By-Laws.

9.5 First Directors. 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, as provided in the By-Laws, are as follows:

C. DOUGLAS ENGLE
712 Palmetto Avenue
Melbourne, FL 32901

JAMES C. ALBRIGHT, JR.
P.O. Box 644
Melbourne, FL 32902

KIRK W. KESSEL
1332 DeSoto Street
Melbourne, FL 32935

ARTICLE 10
INDEMNIFICATION

10.1 Indemnity. The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, employee, officer or agent of the Association, against expenses (including attorneys' fees and appellate attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, unless (a) a court of competent jurisdiction finally determines, after all appeals have been exhausted or

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not pursued by the proposed indemnitee, that he did not act in good faith or in a manner he reasonably believed to be in or not opposed to the best interest of the Association, and, with respect to any criminal action or proceeding, that he had reasonable cause to believe his conduct was unlawful, and (b) such court also determines specifically that indemnification should be denied. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the Association, and with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

10.2 Expenses. To the extent that a director, officer, employee or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 10.1 above, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees and appellate attorneys' fees) actually and reasonably incurred by him in connection therewith.

10.3 Advances. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Association in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the affected director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association as authorized in this Article 10.

10.4 Miscellaneous. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking may be entitled under any by-law, agreement, vote of members or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such person.

10.5 Insurance. The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving, at the request of the Association, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of this Article.

10.6 Amendment. Anything to the contrary herein notwithstanding, the provisions of this Article 10 may not be amended without the approval in writing of all persons whose interest would be adversely affected by such amendment.

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ARTICLE 11
BY-LAWS

The first By-Laws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the By-Laws and the Declaration.

ARTICLE 12
AMENDMENTS

Amendments to these Articles shall be proposed and adopted in the following manner:

12.1 Notice and Adoption. Amendments to those Articles shall be proposed by the Board of Directors and, after notice to members within the time and in the manner provided for in Chapters 617 and 718 of the Florida Statutes setting forth the proposed amendment or a summary of the changes to be effected thereby, thereafter shall be submitted to a meeting of the membership of the Association. The proposed amendment shall be adopted upon receiving the affirmative vote of a majority of the votes of members entitled to vote thereon.

12.2 Recording. A copy of each amendment shall be filed with the Secretary of State pursuant to the provisions of applicable Florida law, and a copy certified by the Secretary of State shall be recorded in the public records of Brevard County, Florida.

ARTICLE 13
TERMINATION

In the event of termination, dissolution or final liquidation of the corporation, the responsibility for the operation and maintenance of the Surface Water or Stormwater Management System shall be transferred to and accepted by an entity which would comply with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE 14
INITIAL REGISTERED OFFICE; ADDRESS AND NAME OF REGISTERED AGENT

The initial registered office of this corporation shall be at 712 Palmetto Avenue, Melbourne, Florida 32901, with the privilege of having its office and branch offices at other places within or without the State of Florida. The initial registered agent at that address shall be C. Douglas Engle.

IN WITNESS WHEREOF, the incorporator has affixed his signature the day and year

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set forth below.

C. DOUGLAS ENGLE

STATE OF FLORIDA)
) ss:
COUNTY OF BREVARD)

THE FOREGOING INSTRUMENT ~~was acknowledged~~ before me this 15th day of March 2002, by C. DOUGLAS ENGLE, who is personally known to me, or who produced ______________________________ as identification, and who did take an oath.

Notary Public Signature

Linda L Applin
Print Notary Public Name

Linda L Applin
My Commission DD045574
Expires August 27 2006

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CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED

In compliance with the laws of Florida, the following is submitted:

First -- That desiring to organize under the laws of the State of Florida with its principal office, located in the City of Melbourne, County of Brevard, State of Florida, the corporation named in the foregoing articles has named C. DOUGLAS ENGLE, whose office address is 712 Palmetto Avenue, Melbourne, Florida 32901, as its statutory Registered Agent.

Having been named the statutory agent of said corporation at the place designated in this certificate, I hereby accept the same and agree to act in this capacity, and agree to comply with the provisions of Florida law relative to keeping the registered office open.

C. DOUGLAS ENGLE,
Registered Agent

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SECRETARY OF STATE
TALLAHASSEE, FLORIDA

DATED this 15th day of March, 2002.

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BY-LAWS OF
VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.

1. Identity. These are the By-Laws of VENETIAN BAY CONDOMINIUM ASSOCIATION, INC. (the "Association"), a corporation not for profit, incorporated under the laws of the State of Florida, and organized for the purpose of administering a condominium located in Brevard County, Florida known as VENETIAN BAY, A CONDOMINIUM.

1.1 Principal Office. The principal office of the Association shall be at 712 Palmetto Avenue, Melbourne, Florida 32901, or at such other place as may be subsequently designated by the Board of Directors. All books and records of the Association shall be kept at its principal office.

1.2 Fiscal Year. The fiscal year of the Association shall be the calendar year.

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

2. Definitions. For convenience, these By-Laws shall be referred to as the "By-Laws" and the Articles of Incorporation of the Association as the "Articles." The other terms used in these By-Laws shall have the same definition and meaning as those set forth in the Declaration of Condominium, unless herein provided to the contrary, or unless the context otherwise requires.

3. Members.

3.1 Annual Meeting. The annual members' meeting of all the Unit Owners of the Condominium shall be held on the first Monday of December, at the place and at the time determined by the Board of Directors from time to time, provided that there shall be an annual meeting every calendar year and, to the extent possible, no later than twelve (12) months after the last preceding annual meeting. The purpose of the meeting shall be, except as provided herein to the contrary, to elect Directors and to transact any other business affecting the Condominium authorized to be transacted by the members, or as stated in the notice of the meeting sent to Unit Owners in advance thereof. Unless changed by the Board, the first annual meeting shall be held on the fifth day of December following the year in which the Declaration is recorded.

3.2 Special Meetings. Special members' meetings may be called for the entire membership, for those matters affecting the Condominium or the members thereof, and shall be held at such places as provided herein for annual meetings, and may be called by the President or by a majority of the Board of Directors of the Association, and must be called by the President or Secretary upon receipt of a written request from a majority of the members of the Association, or as provided elsewhere herein or in the Act. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.

3.3 Notice of Meeting; Waiver of Notice. Notice of all meetings of Unit Owners, including both special and annual meetings, shall be given by written notice. The written notice must include an agenda and shall be mailed or delivered to each Unit Owner at least fourteen (14) days prior to any annual or special meeting and shall be posted in a conspicuous place on the Condominium Property at least fourteen

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(14) continuous days preceding the annual or special meeting. Upon notice to the Unit Owners, the Board of Directors shall by duly adopted rule designate a special location on the Condominium Property, upon which all notices of Unit Owner meetings shall be posted.

Unless a Unit Owner waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meeting shall be sent by mail to each Unit Owner.

An officer of the Condominium Association, or the manager, or other person providing the notice of any Unit Owner meeting, shall provide an affidavit or United States postal certificate of mailing, to be included in the official records of the Condominium Association, affirming that the notice was mailed or hand-delivered in accordance with this provision, to each Unit Owner at the address last furnished to the Association.

Notice of special meetings may be waived before or after the meeting and the attendance of any member (or person authorized to vote for such member) shall constitute such member's waiver of notice of such meeting, except when their (or his authorized representative's) attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

3.4 Quorum. A quorum at members' meeting shall be attained by the presence, either in person or by proxy, of persons entitled to cast a majority of the votes of the entire membership.

3.5 Voting.

(a) Number of Votes. Except as provided in paragraph 3.10 hereof, in any meeting of members, the Owners of Units shall be entitled to cast one vote for each Unit owned. The vote of a Unit shall not be divisible.

(b) Majority Vote. The acts approved by a majority of the votes present in person or by proxy at a meeting at which a quorum shall have been attained shall be binding upon all Unit Owners of the particular constituency for which the action was taken for all purposes except where otherwise provided by law, the Declaration, the Articles or these By-Laws. As used in these By-Laws, the Articles or the Declaration, the terms "majority of the Unit Owners" and "majority of the members" shall mean a majority of the votes of members and not a majority of the members themselves and shall further mean more than 50% of the then total authorized votes present in person or by proxy and voting at any meeting of the Unit Owners at which a quorum shall have been attained. Similarly, if some greater percentage of members is required herein or in the appropriate Declaration or Articles, it shall mean such greater percentage of the votes of members and not of the members themselves.

(c) Voting Member. If a Unit is owned by one person, his right to vote shall be established by the roster of members. If a Unit is owned by more than one person, the person entitled to cast the vote for the Unit shall be designated by a certificate signed by all of the record owners of the Unit according to the roster of Unit Owners and filed with the Secretary of the Association. Such person must be one of the joint owners. 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 an appropriate officer of the corporation and filed with the Secretary of the Association. Such person need not be a Unit Owner. Those certificates shall be valid until revoked or until superseded by a subsequent certificate or until a change in the

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ownership of the Unit concerned. A certificate designating the person entitled to cast the vote for a Unit may be revoked by any record owner of an undivided interest in the Unit. If a certificate designating the person entitled to cast the vote for a Unit for which such certificate is required is not on file or has been revoked, the vote of the Owner(s) of such Unit shall not be considered in determining whether a quorum is present, nor for any other purpose, and the total number of authorized votes in the Association or the appropriate voting constituency shall be reduced accordingly until such certificate is filed, except if the Unit is owned jointly by a husband and wife. If a Unit is owned jointly by a husband and wife, they may, without being required to do so, designate a voting member in the manner provided above. Such designee must be a Unit Owner. In the event a husband and wife do not designate a voting member, the following provisions shall apply:

(i) If both are present at a meeting and are unable to concur in their decision upon any subject requiring a vote, they shall lose their right to vote on that subject at that meeting, and their vote shall not be considered in determining whether a quorum is present on that subject at the meeting (and the total number of authorized votes in the Association shall be reduced accordingly for such subject only).

(ii) If only one is present at a meeting, the person present shall be counted for purposes of a quorum and may cast the Unit vote just as though he or she owned the Unit individually, and without establishing the concurrence of the absent person.

(iii) If both are present at a meeting and concur, either one may cast the Unit vote.

3.6 Proxies. Except as specifically otherwise provided herein, the Unit Owners may not vote by general proxy, but may only vote by limited proxies. Limited proxies and general proxies may be used to establish a quorum. Limited proxies shall be used for votes concerning the following matters:

(a) Votes taken to waive or reduce reserves.

(b) Votes taken to waive financial statement requirements.

(c) Votes taken to amend the Declaration.

(d) Votes taken to amend the Articles of Incorporation and the By-Laws.

(e) Votes taken for any other matter for which the Act requires or permits vote of the Unit Owners.

No proxy, limited or general, shall be used in any other election of members of the Board of Directors.

General proxies may be used for establishing a quorum and any other matter for which limited proxies are not required, and may also be used in voting for non-substantive changes to items for which a limited proxy is required and given. Notwithstanding any of the provisions of this section, Unit Owners may vote in person at Unit Owner meetings.
Any proxy given shall be effective only for the specific meeting for which it was originally given and any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than ninety (90) days from the date of the first meeting for which it was given. Each proxy is revocable at any time at the pleasure of the Unit Owner executing it.

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3.7 Adjourned Meetings. If any proposed meeting cannot be organized because a quorum has not been attained, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present, provided notice of the newly scheduled meeting is given in the manner required for the giving of notice of a meeting. Except as provided by law, proxies given for the adjourned meeting shall be valid for the newly scheduled meeting unless revoked for reasons other than the new date of the meeting.

3.8 Order of Business. If a quorum has been attained, the order of business at annual members' meetings, and, if applicable, at other members' meetings, shall be:

(a) Collection of election ballots;

(b) Call to order by President;

(c) Appointment by the President of a chairman of the meeting (who need not be a member or a director);

(d) Proof of notice of the meeting or waiver of notice;

(e) Reading of minutes;

(f) Reports of officers;

(g) Reports of committees;

(h) Determination of number of Directors;

(i) Election of Directors;

(j) Unfinished business;

(k) New business;

(l) Adjournment.

Such order may be waived in whole or in part by direction of the chairman.

3.9 Minutes of Meeting. The minutes of all meetings of Unit Owners shall be kept in a book available for inspection by Unit Owners or their authorized representatives and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

3.10 Action Without A Meeting. Anything to the contrary herein notwithstanding, to the extent lawful, any action required to be taken at any annual or special meeting of members, or any action which may be taken at any annual or special meeting of such members, may be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, shall be signed by the members (or persons authorized to cast the vote of any such member as elsewhere herein set forth) of the appropriate voting constituency having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting of such members at which an appropriate quorum of such members (or authorized persons) entitled to vote thereon were present and voted. Within ten (10) days after obtaining such authorization by written consent, notice must be given to the appropriate members who have not consented in writing. The notice shall fairly summarized the material features of the authorized action.

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4. Directors.

4.1 Membership. The affairs of the Association shall be governed by a Board of not less than three (3), nor more than nine (9) Directors, the exact number to be determined in the first instance in the Articles, and thereafter, except as provided herein, from time to time upon majority vote of the membership.

4.2 Election of Condominium Directors. Election of Directors shall be conducted in the following manner:

(a) The members of the Board of Directors shall be elected by written ballot.

(b) Proxies shall in no event be used in electing the members of the Board of Directors, either in general elections or in elections to fill vacancies caused by resignation or otherwise, unless otherwise provided in this section. However, limited proxies may be used in elections to fill vacancies caused by recall.

(c) Not less than sixty (60) days before a scheduled election, the Association shall mail or deliver, whether by separate Association mailing, or by mailing included in another Association mailing, or delivering regularly published newsletters, to each Unit Owner entitled to vote, a first notice of the date of the election.

(d) Any Unit Owner or other eligible person desiring to be a candidate of the Board of Directors must give written notice to the Association not less than forty (40) days before a scheduled election.

(e) The Association shall mail or deliver a second notice of the election to all Unit Owners entitled to vote, together with a ballot which shall list all candidates. The costs of mailing and delivering the notice shall be borne by the Association.

(f) Upon request of a candidate, the Association shall include an information sheet no larger than 8 ½" by 11", which information sheet must be furnished by the candidate to the Board of Directors not less than thirty-five (35) days before the election, to be included with the mailing of the ballot, with the costs of the mailing or delivery and copying to be borne by the Association. However, the Association has no liability for the contents of the information sheets prepared by the candidates. In order to reduce costs, the Association may print or duplicate the information sheets on both sides of the paper.

(g) Elections shall be decided by a plurality of those ballots cast. There shall be no quorum requirements; however at least twenty (20%) percent of the eligible voters must cast a ballot in order to have a ballot election of the members of the Board of Directors.

(h) No Unit Owner shall permit any other person to cast their ballot. Any Unit Owner who needs assistance in casting the ballot may obtain assistance in casting the ballot.

(i) The regular election shall occur on the day of the annual meeting.

(j) Notwithstanding the provisions of this subparagraph, an election and balloting are not required unless more candidates file notices of intent to run or are nominated than vacancies exist on the Board.

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4.3 Vacancies and Removal.

(a) Vacancies in the Board of Directors occurring between annual meetings of members shall be filled in accordance with the election procedures provided in Paragraph 4.2, provided that all vacancies in directorships to which Directors were appointed by the Developer pursuant to the provisions of paragraph 4.15 hereof, shall be filled by the Developer without the necessity of any election. However, if both the Developer and the members other than the Developer are entitled to representation on the Board, then the vacancy on the Board previously occupied by a board member elected by members other than the Developer shall be filled in accordance with the election procedures provided in Paragraph 4.2.

(b) Any Director elected by the members may be removed by concurrence of a majority of the votes of the constituency electing such Director at a special meeting of such constituency called for that purpose. Such a meeting may be called by 10% of the Unit Owners giving notice of the meeting as required for a meeting of Unit Owners. The vacancy in the Board of Directors so created shall be filled by a majority vote of the remaining members, unless the Director was appointed by the Developer, in which case the Developer shall appoint another Director without the necessity of any meeting. However, in the event that the removal of the Director or Directors results in the inability to obtain a quorum of Directors in accordance with these By-Laws, the vacancies on the Board shall be filled in accordance with the rules promulgated by the Bureau of Condominiums. However, any Director elected in this manner shall only serve until such time as en election can be held in accordance with Paragraph 4.2 The conveyance of all Units owned by a Director in the Condominium (other than appointees of the Developer) shall constitute the resignation of such Director.

(c) Until a majority of the Directors are elected by the members other than the Developer of the Condominium, neither the first Directors of the Association, nor any Directors replacing them, nor any Directors named by the Developer, shall be subject to removal by members other than the Developer. The first Directors and Directors replacing them may be removed and replaced by the Developer without the necessity of any meeting.

(d) If a vacancy on the Board of Directors results in the inability to obtain a quorum of Directors in accordance with these By-Laws, other than due to the removal of a Director as provided in Paragraph 4.3(b), any Owner may apply to the Circuit Court within whose jurisdiction the Condominium lies for the appointment of a receiver to manage the affairs of the Association. At least thirty (30) days prior to applying to the Circuit Court, the Unit Owner shall mail to the Association and post in a conspicuous place on the Condominium Property a notice describing the intended action and giving the Association an opportunity to fill the vacancy(ies) in accordance with these By-Laws. If, during such time, the Association fails to fill the vacancy(ies), the Unit Owner may proceed with the petition. If a receiver is appointed, the Association shall be responsible for the salary of the receiver, court costs and attorneys' fees. The receiver shall have all powers and duties of a duly constituted Board of Directors, and shall serve until the Association fills the vacancy(ies) on the Board sufficient to constitute a quorum in accordance with these By-Laws.

4.4 Term. Except as provided herein to the contrary, the term of each Director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified, or until he is removed in the

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manner elsewhere provided.

4.5 Organizational Meeting. The organizational meeting of newly-elected or appointed members of the Board of Directors shall be held at the conclusion of the Annual Meeting.

4.6 Regular Meetings. Regular meetings 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, and shall be transmitted at least three (3) days prior to the meeting. The notice must include an agenda. Regular meetings of the Board of Directors shall be open to all Unit Owners and notice of such meetings shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency. Any meeting of the Board of Directors shall be open to all Unit Owners. Any Unit Owner may tape record or video tape meetings of the Board of Directors. The right to attend such meetings includes the right to speak at such meetings with reference to all designated agenda items. The Board may adopt reasonable rules and regulations governing the tape recording and video taping of any meeting. The Board may also adopt reasonable rules governing the frequency, duration and manner of Unit Owner statements. Any item not included on the notice may be taken up on an emergency basis by at least a majority plus one of the members of the Board. Such emergency action shall be noticed and ratified at the next regular meeting of the Board. However, written notice of any meeting at which non-emergency special assessments or at which amendment to the rules regarding unit use will be considered shall be mailed or delivered to the Unit Owners and posted conspicuously on the condominium property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day requirement shall be made by an affidavit executed by the person who provides the notice and filed among the official records of the Association. Upon notice to the Unit Owners, the Board shall by duly adopted rule designate a specific location on the condominium property upon which all notices shall thereafter be posted. A notice of any meeting in which regular 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.

4.7 Special Meetings. Special meetings of the Directors may be called by the President, and must be called by the President or Secretary at the written request of one-third (1/3) of the Directors. Notice of the meeting shall be given to the Directors personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting, and shall be transmitted not less than three (3) days prior to the meeting. Special meetings of the Board of Directors shall be open to all Unit Owners and notice of a special meeting shall be posted conspicuously on the Condominium Property at least forty-eight (48) continuous hours in advance for the attention of the members of the Association, except in the event of an emergency.

4.8 Waiver of Notice. Any Directors may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to the due receipt by said Director of notice. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting, except when his attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

4.9 Quorum. 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

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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 specifically required by the Declarations, the Articles or these By-Laws.

4.10 Adjourned Meetings. If, at any proposed meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present, provided notice of such newly scheduled meeting is given as required hereunder.

4.11 Presiding Officer. The presiding officer at the Directors' meetings shall be the president (who may, however, designate any other person to preside).

4.12 Order of Business. If a quorum has been attained, the order of business at Directors' meetings shall be:

(a) Proof of due notice of meeting;

(b) Reading and disposal of any unapproved minutes;

(c) Reports of officers and committees;

(d) Election of officers;

(e) Unfinished business;

(f) New business;

(g) Adjournment.

Such order may be waived in whole or in part by direction of the presiding officer.

4.13 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by Unit Owners, or their authorized representatives, and Board members at any reasonable time. The Association shall retain these minutes for a period of not less than seven years.

4.14 Executive Committee; Other Committees. The Board of Directors may, by resolution duly adopted, appoint an Executive Committee to consist of members of the Board of Directors (but less than a quorum of the Board). Such Executive Committee shall have and may exercise all of the powers of the Board of Directors in management of the business and affairs of the Condominium during the period between the meetings of the Board of Directors insofar as may be permitted by law, except that the Executive Committee shall not have the power (a) to determine the Common Expenses required for the affairs of the Condominium, (b) to determine the Assessments payable by the Unit Owners to meet the Common Expenses of the Condominium, (c) to adopt or amend any rules and regulations covering the details of the operation and use of the Condominium Property, or (d) to exercise any of the powers set forth in paragraph (g) and (p) of Section 5 below.

The Board may by resolution also create other committees and appoint persons to such committees and invest in such committees such powers and responsibilities as the Board shall deem advisable.

4.15 Proviso. Notwithstanding anything to the contrary contained in this Section 4 or otherwise, the Board shall consist of three (3) Directors during the period that the Developer is entitled to appoint a majority of the Directors, as hereinafter provided. The Developer shall have the right to appoint all of the members of the Board of Directors until Unit Owners other than the Developer own fifteen (15%)

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percent or more of the Units in the Condominium that will be operated ultimately by the Association. When Unit Owners other than the Developer own fifteen (15%) percent or more of the Units that will be operated ultimately by the Association, the Unit Owners other than the Developer shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors. Unit Owners other than the Developer are entitled to elect not less than a majority of the members of the Board of Directors:

(a) Three (3) years after fifty (50%) percent of the Units that will be operated ultimately by the Association have been conveyed to the 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 of the Units that will be operated ultimately by the Association have been completed, some of 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 recordation of the Declaration of Condominium,

whichever occurs first. The Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the Units in the Condominium. Following the time the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned Units in the same manner as any other Unit Owner except for purposes of reacquiring control of the Association or selecting the majority members of the Board.

Within seventy-five (75) days after the Unit Owners other than the Developer are entitled to elect a member or members of the Board of Directors, the Association shall call, and give not less than sixty (60) days' notice of a meeting of the Unit Owners to elect members of the Board. The meeting may be called and the notice given by any Unit Owner if the Association fails to do so. Upon election of the first Unit Owner other than the Developer to the Board, the Developer shall forward to the Division of Florida Land Sales the name and mailing address of the Unit Owner Board member.

If the Developer holds units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the Developer: (1) assessment of the Developer as a Unit owner for capital improvements; or (2) any action by the Association that would be detrimental to the sales of Units by the Developer; however, an increase in assessments for Common Expenses without discrimination against the Developer shall not be deemed to be detrimental to the sales of Units.

At the time that Unit Owners other than the Developer elect a majority of the members of the Board of Directors, the Developer shall relinquish control of the Association, and the Unit Owners shall accept control. Simultaneously, or for the purposes of Paragraph (g) below, not more than ninety (90) days thereafter, the Developer shall deliver to the Association, at the Developer's expense, all property of the Unit Owners and of the Association which is held or controlled by the Developer, including, but not limited to, the following items:

(a) The original or a photocopy of the recorded Declaration of Condominium, and all amendments thereto. If a photocopy is provided, the Developer must certify by affidavit that it is a complete copy of the actual recorded

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Declaration and all amendments;

(b) A certified copy of the Articles of Incorporation for the Association;

(c) A copy of the By-Laws of the Association;

(d) The minute books, including all minutes, and other books and records of the Association;

(e) Any rules and regulations which have been adopted;

(f) Resignations of resigning officers and Board members who were appointed by the Developer;

(g) The financial records, including financial statements, of the Association, and source documents since the incorporation of the Association to the date of turnover. The records shall be audited for the period from the incorporation of the Association or from the period covered by the last audit, if an audit has been performed for each fiscal year since incorporation, by an independent certified public accountant. All financial statements shall be prepared in accordance with generally accepted accounting principles and shall be audited in accordance with generally accepted auditing standards, as prescribed by the Florida Board of Accountancy, pursuant to Chapter 473, Florida Statutes. The accountant performing the audit shall examine to the extent necessary supporting documents and records, including the cash disbursements and related paid invoices, to determine if expenditures were for Association purposes, and billings, cash receipts and related records to determine that the Developer was charged and paid the proper amounts of Assessments;

(h) Association Funds or the control thereof;

(i) All tangible personal property that is the property of the Association or is or was represented by the Developer in writing to be part of the Common Elements or is ostensibly part of the Common Elements, and an inventory of such property;

(j) A copy of the plans and specifications utilized in the construction or remodeling of the improvements and the supplying of equipment, and for the construction and installation of all mechanical components servicing the Improvements and the Condominium Property, with a Certificate, in affidavit form, of an officer of the Developer or an architect or engineer authorized to practice in Florida, that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the Condominium Property and the construction and installation of the mechanical components serving the Improvements and the Condominium Property;

(k) A list of names and addresses, of which the Developer had knowledge at any time in the development of the Condominium, of all contractors, subcontractors, and suppliers utilized in the construction or remodeling of the improvements and landscaping of the Condominium Property.

(l) Insurance policies;

(m) Copies of any Certificates of Occupancy which may have been issued for the Condominium Property;

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(n) Any other permits issued by governmental bodies applicable to the Condominium Property in force or issued within one (1) year prior to the date the Unit Owners take control of the Association;

(o) All written warranties of contractors, subcontractors, suppliers and manufacturers, if any, that are still effective;

(p) A roster of Unit Owners and their addresses and telephone numbers, if known, as shown on the Developer's records;

(q) Leases of the Common Elements and other Leases to which the Association is a party, if applicable;

(r) Employment contracts or service contracts in which the Association is one of the contracting parties, or service contracts in which the Association or Unit Owners have an obligation or responsibility, directly or indirectly, to pay some or all of the fee or charge of the person or persons performing the service; and

(s) All other contracts to which the Association is a party.

If, during the period prior to the time that the Developer relinquishes control of the Association pursuant to the provisions hereof, any provision of the Condominium Act or any rule promulgated thereunder is violated by the Association, the Developer is responsible for such violation and is subject to the administrative action provided in Chapter 718, Florida Statutes, for such violation or violations and is liable for such violation or violations to third parties.

5. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Condominium and may take all acts, through the proper officers of the Association, in executing such powers, except such acts which by law, the Declaration, the Articles or these By-Laws may not be delegated to the Board of Directors by the Unit Owners. Such powers and duties of the Board of Directors shall include, without limitation (except as limited elsewhere herein), the following:

(a) Operating and maintaining all of the Common Elements.

(b) Determining the expenses required for the operation of the Condominium and the Association.

(c) Collecting the Assessments for Common Expenses from Unit Owners.

(d) Employing and dismissing the personnel necessary for the maintenance and operation of the Common Elements.

(e) Adopting and amending rules and regulations concerning the details of the operation and use of the Condominium Property, subject to a right of the Unit Owners of the Condominium to overrule the Board as provided in Section 13 hereof.

(f) Maintaining bank accounts on behalf of the Association and designating the signatories required therefor.

(g) Purchasing, leasing or otherwise acquiring Units or other property in the name of the Association, or its designee.

(h) Purchasing Units at foreclosure or other judicial sales, in the name of the Association, or its designee.

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(i) Selling, leasing, mortgaging or otherwise dealing with Units acquired by, and subleasing Units leased by, the Association, or its designee.

(j) Organizing corporations and appointing persons to act as designees of the Association in acquiring title to or leasing Units or other property.

(k) Obtaining and reviewing insurance for the Condominium Property.

(l) Making repairs, additions and improvements to, or alterations of, the Condominium Property, and repairs to and restoration of the Condominium Property, in accordance with the provisions of the Declaration after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings or otherwise.

(m) Enforcing obligations of the Unit Owners, allocating profits and expenses and taking such other actions as shall be deemed necessary and proper for the sound management of the Condominium.

(n) Levying reasonable fines against a Unit Owner for violations of the rules and regulations established by the Association to govern the conduct of such Unit Owners.

(o) Purchasing or leasing Units for use as housing by resident employees for the Condominium.

(p) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep and maintenance of the Common Elements or the acquisition of property, and granting mortgages on and/or security interests in Association owned property; provided, however, that the consent of the Owners of at least two-thirds (2/3rds) of the Units in the Condominium represented at meeting at which quorum thereof has been attained in accordance with the provisions of these By-Laws shall be required for the borrowing of any sum with respect to the Condominium in excess of $50,000.00; provided further that the Board of Directors may not borrow money to pay for anticipated current operating expenses or for unpaid operating expenses previously incurred. If any sum borrowed by the Board of Directors on behalf of the Condominium pursuant to the authority contained in this subparagraph (p) is not repaid by the Association, a Unit Owner of the Condominium who pays to the creditor such portion thereof as his interest in his Common Elements bears to the interest of all the Unit Owners in their Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against, or which will affect, such Unit Owner's Unit.

(q) Contracting for the management and maintenance of the Condominium Property and authorizing a management agent (who may be an affiliate of the Developer) to assist the Association in carrying out its powers and duties by performing such functions as the submission of proposals, collection of Assessments, preparation of records, enforcement of rules and maintenance, repair, and replacement of the Common Elements with funds as shall be made available by the Association for such purposes. The Association and its officers shall, however, retain at all times the powers and duties granted by the condominium documents and the Condominium Act, including, but not limited to, the making of Assessments, promulgation of rules and execution of contracts on behalf of the Association.

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(r) At its discretion, authorizing Unit Owners or other persons to use portions of the Common Elements for private parties and gatherings and imposing reasonable charges for such private use.

(s) Granting easements and licenses over the Condominium Property as permitted by the Declaration or the Florida Condominium Act.

(t) Imposing a lawful fee in connection with the approval of the transfer, lease, sale or sublease of Units, not to exceed the maximum amount permitted by law in any one case.

(u) Exercising (i) all powers specifically set forth in the Declaration, the Articles, these By-Laws, and in the Florida Condominium Act, and (ii) all powers of a Florida corporation not for profit.

(v) Contracting with and creating special taxing districts.

6. Officers.

6.1 Executive Officers. The executive officers of the Association shall be a President, a Vice-President, a Treasurer, and a Secretary (all of whom need be Directors), all of whom shall be elected by the Board of Directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the Directors. A person may hold more than one office, except that the President may not also be the Secretary. No person shall sign an instrument or perform an act in the capacity of more than one office. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall deem necessary or appropriate to manage the affairs of the Association. Officers need not be Unit Owners.

6.2 President. The President shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association.

6.3 Vice-President. The Vice-President shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as are incident to the office of the vice president of an association and as shall otherwise be prescribed by the Directors.

6.4 Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and shall affix it to instruments requiring the seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of the secretary of an association and as may be required by the Directors or the President.

6.5 Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices, which, together with substantiating papers, shall be made available to the Board of Directors for examination at reasonable times. He shall submit a treasurer's report to the Board of Directors at reasonable intervals and shall perform all other duties incident to the office of treasurer. All monies and other valuable effects shall be kept for the benefit of the Association in such depositories as may be designated by a majority of the Board of Directors.

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6.6. Developer Appointees. No officer appointed by the Developer may be removed except as provided in Section 4.15 hereof and by law.

7. Compensation. Neither Directors nor officers shall receive compensation for their services as such, but this provision shall not preclude the Board of Directors from employing a Director or officer as an employee of the Association, nor preclude contracting with a Director or officer for the management of the Condominium or for any other service to be supplied by such Director or officer. Directors and officers shall be compensated for all actual and proper out-of-pocket expenses relating to the proper discharge of their respective duties.

8. Resignations. Any Director or officer may resign his post at any time by written resignation, delivered to the President or Secretary, which shall take effect upon the election of a successor. The acceptance of a resignation shall not be required to make it effective. The conveyance of all Units owned by any Director or other Directors or officer (other than appointees of the Developer or other Directors or officers who are not Unit Owners) shall constitute a written resignation of such Director or officer.

9. Fiscal Management. The provisions for fiscal management of the Association, set forth in the Declaration and Articles shall be supplemented by the following provisions:

9.1 Budget.

(a) Adoption by Board; Items. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Condominium (which shall detail all accounts and items of expenses and contain at least all items set forth in the Act, if applicable), determine the amount of Assessments payable by the Unit Owners to meet the expenses of the Condominium and allocate and assess such expenses among the appropriate Unit Owners in accordance with the provisions of the Declaration. In addition to annual operating expenses, each budget shall include reserve accounts for roof replacement, building painting and pavement resurfacing and for any other item for which the deferred maintenance expense or replacement cost exceeds $10,000.00. The amount of reserves shall be computed by means of a formula which is based upon the estimated remaining life and estimated replacement cost of each reserve item. Although reserve accounts must be included in the budget, funding thereof may be reduced or waived by a majority vote in person or by limited proxy at a duly called meeting of the members.

The adoption of a budget for each Condominium shall comply with the requirements hereinafter set forth:

(i) Notice of Meeting. A copy of the proposed budget for the Condominium shall be mailed or hand delivered to each Unit Owner in the Condominium at the address last furnished to the Association not less than fourteen (14) days prior to the meeting of the Unit Owners or the Board of Directors at which the budget will be considered, together with a notice of that meeting indicating the time and place of such meeting. Evidence of compliance with this 14-day notice must be made by an affidavit executed by an officer of the Association or the manager or other person providing notice of the meeting and filed among the official records of the Association. The meeting must be open to the Unit Owners.

(ii) Special Membership Meeting. If a Board adopts in any fiscal year an annual budget which requires assessments against unit owners which exceed one hundred fifteen percent (115%) of assessments

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for the preceding fiscal year, the Board shall conduct a special meeting of the unit owners to consider a substitute budget if the Board receives, within twenty-one (21) days after adoption of the annual budget, a written request for a special meeting from at least ten percent (10%) of all voting interests. The special meeting shall be conducted within sixty (60) days after adoption of the annual budget. At least fourteen (14) days prior to such special meeting, the Board shall hand deliver to each unit owner, or mail to each unit owner at the address last furnished to the Association, a notice of the meeting. An officer or manager of the Association, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. Unit owners may consider and adopt a substitute budget at the special meeting. A substitute budget is adopted if approved by a majority of all voting interests unless the bylaws require adoption by a greater percentage of voting interests. If there is not a quorum at the special meeting or a substitute budget is not adopted, the annual budget previously adopted by the Board shall take effect as scheduled.

(iii) Determination of Budget Amount. In determining whether a budget requires Assessments against Unit Owners in any year exceeding one hundred fifteen (115%) percent of Assessments for the preceding year, there must be excluded in the computations any authorized provisions for reasonable reserves made by the Board of Directors in respect of repair or replacement of the Condominium Property or in respect of anticipated expenses of the Association in respect of the Condominium which are not anticipated to be incurred on a regular or annual basis, and there shall be excluded from such computation Assessments for improvements to the Condominium Property, all Assessments imposed for the benefit of the Community Services Association and all special Assessments (including surcharges) against specific Unit Owner(s).

(b) Adoption by Membership. In the event that the Board of Directors shall be unable to adopt a budget for the Condominium in accordance with the requirements of Subsection 9.1(a) above, the Board of Directors may call a special meeting of Unit Owners in the Condominium for the purpose of considering and adopting such budget, which meeting shall be called and held in the manner provided for such special meetings in said subsection, or propose a budget in writing to the members of the Condominium, and if such budget is adopted by the members, upon ratification by a majority of the Board of Directors, it shall become the budget of the Condominium for such year.

9.2 Assessments. Assessments against the Unit Owners for their share of the items of the budget shall be made for the applicable fiscal year annually, if possible, at least ten (10) days preceding the year for which the Assessments are made. Such Assessments shall be due in equal installments, payable in advance on the first day of each month of the year for which the Assessments are made. 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 monthly installments on such Assessment shall be due upon each installment payment date until changed by an amended Assessment. In the event the annual Assessment proves to be insufficient, the budget and Assessment may be amended at any time by the Board of Directors, subject to the provisions of Section 9.1 hereof, if applicable. Unpaid Assessments for the remaining portion of the fiscal year for which an amended Assessment is made shall be payable in as many equal installments as there are full

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months of the fiscal year left as of the date of such amended Assessment, each such monthly installment to be paid on the first day of the month, commencing the first day of the next ensuing month. If only a partial month remains, the amended Assessment shall be paid with the next regular installment in the following year, unless otherwise directed by the Board in its resolution. Regular monthly installments shall be due one full month in advance.

9.3 Other Charges. Charges by the Association against members for other than Common Expenses shall be payable in advance. Charges for other than Common Expenses may be made only after approval of a member or when expressly provided for in the Declaration or the exhibits annexed thereto, as the same may be amended from time to time, which charges may include, without limitation, charges for the use of portions of the Condominium Property, maintenance services furnished for the benefit of an Owner and fines and damages and other sums due from such Owner.

9.4 Assessments for Emergencies. Assessments for Common Expenses for emergencies that cannot be paid from the annual Assessments for Common Expenses shall be due immediately upon notice given to the Unit Owners concerned, and shall be paid in such manner as the Board of Directors of the Association may require in the notice of Assessment.

9.5 Depository. The depository of the Association shall be such bank or banks in the State 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 those accounts shall be made only by checks signed by such person or persons as are authorized by the Directors. All sums collected by the Association from Assessments or contributions to working capital or otherwise may not be commingled.

9.6 Acceleration of Assessment Installments Upon Default. If a Unit Owner shall be in default in the payment of an installment upon an Assessment, the Board of Directors or its agent may accelerate the remaining installments of the annual Assessment upon notice to the Unit Owner, and the then unpaid balance of the Assessment shall be due on the date the claim of lien is filed as provided in Article 12 of the Declaration and Section 718.116, Florida Statutes.

9.7 Fidelity Bonds. Fidelity bonds shall be required by the Board of Directors for all persons who control or disburse funds of the Association, including any person authorized to sign checks, the President, Secretary and Treasurer of the Association. The amount of such bonds shall be in accordance with the Florida Condominium Act as amended from time to time, but in no event shall the amount of the bond be less than FIFTY THOUSAND ($50,000.00) DOLLARS for each such person so bonded. The premiums on such bonds shall be paid by the Association as a Common Expense.

9.8 Accounting Records and Report. Within ninety (90) days following the end of the fiscal or calendar year or annually on such date as is otherwise provided in the By-Laws of the Association, the Association shall prepare and complete, or contract for the preparation and completion of, a financial report for the preceding fiscal year. Within twenty-one (21) days after the final financial report is completed by the Association or received from the third party, but not later than one hundred twenty (120) days after the end of the fiscal year or other date as provided in the By-Laws, the Association shall mail to each unit owner at the address last furnished to the Association by the unit owner, or hand deliver to each unit owner, a copy of the financial report or a notice that a copy of the financial report will be mailed or hand delivered to the unit owner, without charge, upon receipt of a written request from the unit owner. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of

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expenses by accounts and expense classifications, including, if applicable, but not limited to, the following:

(a) Costs for security;

(b) Professional and management fees and expenses;

(c) Taxes;

(d) Costs for recreation facilities;

(e) Expenses for refuse collection and utility services;

(f) Expenses for lawn care;

(g) Costs for building maintenance and repair;

(h) Insurance costs;

(i) Administration and salary expenses; and

(j) Reserves for capital expenditures, deferred maintenance, and any other category for which the Association maintains a reserve account or accounts.

9.9 Application of Payment. All payments made by a Unit Owner shall be applied as provided in these By-Laws and in the Declaration or as determined by the Board.

9.10 Notice of Meetings. 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.

10. Roster of Unit Owners. Each Unit Owner shall file with the Association a copy of the deed or other document showing his ownership. The Association may rely upon the accuracy of such information, for all purposes until notified in writing of changes therein as provided above. Only Unit Owners of record on the date notice of any meeting requiring their vote is given shall be entitled to notice of and to vote at such meeting, unless prior to such meeting other Owners shall produce adequate evidence, as provided above, of their interest and shall waive in writing notice of such meeting.

11. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of the Association meetings when not in conflict with the Declaration, the Articles or these By-Laws.

12. Amendments. Except where the Declaration provides otherwise, these By-Laws may be amended in the following manner:

12.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of a meeting at which a proposed amendment is to be considered and shall comply with the provisions of Section 718.112(2)(h), Florida Statutes.

12.2 Adoption. A resolution for the adoption of a proposed amendment may be proposed either by a majority of the Board of Directors or by not less than one-third (1/3) of the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided that such approval is delivered to the Secretary at or prior to the meeting. The approval must be:

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(a) Prior to the time that Unit Owners other than the Developer elect a majority of the Board of Directors, Unit Owners owning a majority of the Units represented at any meeting at which a quorum has been attained and by not less than two-thirds (2/3rds) of the Board of Directors of the Association; or

(b) After such time that Unit Owners other than the Developer elect a majority of the Board of Directors, Unit Owners owning not less than 75% of the Units represented at any meeting at which a quorum has been attained.

12.3 Proviso. No amendment may be adopted which would eliminate, modify, prejudice, abridge or otherwise adversely affect any rights, benefits, privileges or priorities granted or reserved to the Developer or mortgagees of Units without the consent of said Developer and mortgagees in each instance.

12.4 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 By-Laws, which certificate shall be executed by the President or Vice-President and attested by the Secretary or Assistant Secretary of the Association with the formalities of a deed, or by the Developer alone if the amendment has been adopted consistent with the provisions of the Declaration allowing such action by the Developer. The amendment shall be effective when the certificate and a copy of the amendment is recorded in the Public Records of the County.

13. Rules and Regulations. Attached hereto as Schedule A and made a part hereof are rules and regulations concerning the use of portions of the Condominium. The Board of Directors may, from time to time, modify, amend or add to such rules and regulations, except that subsequent to the date control of the Board is turned over by the Developer to Unit Owners other than the Developer, Owners of a majority of the Units of each Condominium represented at a meeting at which a quorum thereof is present may overrule the Board with respect to any such modifications, amendments or additions relating to the Condominium, and a majority of the members represented at a meeting of the entire membership at which a quorum is present may overrule the Board with respect to any such modifications, amendments or additions relating to the Condominium. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Directors to each affected Unit Owner not less than thirty (30) days prior to the effective date thereof. At no time may any rule or regulation be adopted which would prejudice the rights reserved to the Developer.

14. Mandatory Nonbinding Arbitration. Prior to the institution of court litigation with regard to any dispute between two or more parties that involves the authority of the Board of Directors under any law or Association document to require any Unit Owner to take any action, or not to take any action, involving that Unit Owner's Unit; to alter or add to a common area or element; or the failure of the Association to properly conduct elections, give adequate notice of meetings or other actions, properly conduct meetings, or allow inspection of books and records, the parties to such dispute shall petition the Division of Florida Land Sales, Condominiums, and Mobiles Homes of the Department of Business and Professional Regulation for mandatory nonbinding arbitration. Arbitration shall be conducted according to rules promulgated by the Division. The decision of an arbitrator shall be final; however, such a decision shall not be deemed final agency action. Nothing in this provision shall be construed to foreclose parties from proceeding in a trial de novo. If such judicial proceedings are initiated, the final decision of the arbitrator shall be admissible in evidence. The filing of a petition for arbitration shall toll the applicable statute of limitations.

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At the request of any party to the arbitration, such arbitrator shall issue subpoenas for the attendance of witnesses and the production of books, records, documents, and other evidence and any party on whose behalf a subpoena is issued may apply to the court for orders compelling such attendance and production. Subpoenas shall be served and shall be enforceable in the manner provided by law. The arbitration decision shall be presented to the parties in writing. An arbitration decision shall be final if a complaint for a trial de novo is not filed in a court of competent jurisdiction within 30 days. The right to file for a trial de novo entitles the parties to file a compliant in the appropriate trial court for a judicial resolution of the dispute. The prevailing party may be awarded reasonable attorney's fees. The party who files a complaint for a trial de novo shall be assessed the other party's arbitration costs, court costs, and other reasonable costs, including attorney's fees, investigation expenses and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the arbitration decision. If the judgment is more favorable, the party who filed a complaint for trial de novo shall be awarded reasonable court costs and attorney's fees. Any party to an arbitration proceeding may enforce an arbitration award by filing a petition in the Circuit Court in the circuit in which the arbitration took place. A petition may not be granted unless the time for appeal by the filing of a complaint for trial de novo has expired. If a complaint for a trial de novo has been filed, a petition may not be granted with respect to an arbitration award that has been stayed.

15. <u>Construction</u>. Wherever the context so permits, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall be deemed to include all genders.

16. <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference, and in no way define or limit the scope of these By-Laws or the intent of any provision hereof.

THE FOREGOING were adopted as the By-Laws of VENETIAN BAY CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the State of Florida, on the _____ day of _____________, 20___.

APPROVED:

____
President

____
Secretary

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SCHEDULE A TO BY-LAWS

RULES AND REGULATIONS
FOR
VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.

The following Rules and Regulations supplement those contained in the Declaration of Condominium of VENETIAN BAY CONDOMINIUM ASSOCIATION, INC. They are applicable to all occupants of Units as well as to Unit Owners.

1. The entrance ways, passages, vestibules, lobbies, halls and similar portions of the Common Elements shall be used only for ingress and egress to and from the Condominium Property. No personal property shall be stored in them.

2. Each Unit Owner's personal property must be stored within his Unit or within storage lockers or spaces, if any, appurtenant to his Unit as Limited Common Elements.

3. The Common Elements shall not be obstructed, littered, defaced, or misused in any manner.

4. No articles shall be placed in the hallways.

5. No articles except suitable furniture, plants and planters shall be placed on balconies, terraces or similar areas.

6. Neither rugs, laundry nor any other articles shall be shaken or hung from windows, doors, balconies, terraces or exterior walls.

7. Garbage and other refuse shall be placed only in designated areas.

8. Employees of the Association are not to be engaged by Unit Owners for personal errands. The Board of Directors shall be solely responsible for directing and supervising the Association's employees.

9. No Unit Owner shall make disturbing noises in the Building or permit his family, servants, employees, agents, visitors, or licensees to do so. In particular, no Unit Owner shall play (or permit to be played in his Unit or the Common Elements appurtenant to it) any musical instrument, phonograph, television, radio or the like in a way that unreasonably disturbs or annoys other Unit Owners or Occupants.

10. No radio or television installation or other electronic equipment shall be permitted in any Unit if it interferes with the television or radio reception of another Unit.

11. With the exception of signs used or approved by the Developer, no signs, advertisements, notices or lettering may be exhibited, displayed, inscribed, painted or affixed in, on or upon any part of the Common Elements or any part of a Unit so as to be visible outside the Unit. Additionally, other than those originally installed by the Developer, no awning, canopy, air-conditioning unit or other projection shall be attached to, hung, displayed or placed upon the outside walls, doors, balconies, windows, roof or other portions of the Building or on the Common Elements. However, any unit owner may display one portable, removable United States flag in a respectful way. Hurricane shutters are subject to Board approval.

12. No flammable, combustible or explosive fluids, chemicals or other substances may be kept in any Unit or on the Common Elements, except such as are normally used in small barbecues or for normal household purposes. In addition, gas or electric grills are permitted on patios or balconies, but charcoal grills are prohibited.

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13. A Unit Owner who plans to be absent must prepare his Unit prior to his departure by designating a responsible firm or individual to care for his Unit should the Unit suffer damage and by furnishing the Association with the name(s) of that firm or individual.

14. Beverages in glass containers may not be consumed on the Common Elements.

15. No exterior antennae shall be permitted on the Condominium Property, provided that the Developer shall have the right (but not the obligation) to install and maintain community antennae, radio and television lines and security systems, as well as temporary communications systems, subject to Article X (G) of the Declaration.

16. Visiting children shall be the direct responsibility of their parents or legal guardians, and unit owners who must supervise them while they are within the Condominium Property. Full compliance with these Rules and Regulations and all other rules and regulations of the Association shall be required of children. Playing shall not be permitted in any of the lobbies, hallways, stairways, elevators and lobby areas, and loud noises will not be tolerated.

17. Pets are not permitted on any part of the Common Elements (except a balcony or terrace appurtenant to the Unit of the animal's owner) except when they are leashed and being walked in pet designated areas or transported directly off the Condominium Property or directly to their owner's Unit. It will be the responsibility of pet owners to clean up after their pets.

18. No solicitation of any kind shall be permitted on the Condominium Property.

19. Every Unit Owner and occupant shall comply with these rules and regulations as set forth herein, any and all rules and regulations which from time to time may be adopted, and the provisions of the Declaration, By-Laws and Articles of Incorporation of the Association (all as amended from time to time), to the extent applicable. Failure of an Owner or occupant to comply shall be grounds for legal actions which may include, without limitation, an action to recover sums due for damages, an action for injunctive relief, and any combination of such actions.

In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a fine not exceeding $100.00 per violation may be levied. Fines may be levied on the basis of each day of a continuing violation with a single notice and opportunity for hearing, provided no such fine shall exceed $1,000.00 in the aggregate. Fines may be levied against an Owner, occupant, family, guest, invitee, lessee or employee for failure of an Owner, his family, guests, invitees, lessees or employees, to comply with any covenant, restriction, rule or regulation herein or in the Declaration, or Articles of Incorporation or By-Laws, provided the following procedures are adhered to:

(a) Notice. The Association shall notify the Owner or occupant of the infraction or infractions. Included in the notice shall be a date, time and location of the next meeting of the Infractions Committee.

(b) Hearing. The non-compliance shall be presented to the Infractions Committee, at which time the Owner or Occupant shall present reasons why the fine should not be levied. The Owner or Occupant may be represented by counsel and may cross-examine witnesses. A written decision of the Infractions Committee shall be submitted to the Owner or Occupant by not later than twenty-one (21) days after the Infraction Committee's meeting. If the Infractions Committee does not agree with the fine, then the fine may not be levied. If the Infractions Committee agrees with the fine, or changes the amount of the fine, then the Unit Owner shall pay the fine within thirty (30) days after written decision of the Infractions Committee is mailed to the Unit Owner.

(c) Members of Infractions Committee. The Infractions Committee shall consist of three (3) Unit Owners, who are not on the Board of Directors. The Board of Directors may select the members of the Infractions Committee.

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(d) Application of Fines. All monies received from fines shall be allocated as directed by the Board of Directors.

(e) Non-exclusive Remedy. These fines shall be construed to be non-exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

21. Except for rules, regulations and requirements regarding (a) leases or lessees which must be approved by the Association (b) the presence of pets or (c) parking restrictions, these rules and regulations shall not apply to the Developer, to the Developer's agents, employees or contractors, to the Primary Institutional First Mortgagee, or to Units owned by the Developer or the Primary Institutional First Mortgagee until they are conveyed. They shall apply, however, to all other Owners and occupants of Units.

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VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.
ESTIMATED OPERATING BUDGET
33 UNITS, PHASE ONE
JANUARY 1, 2003-DECEMBER 31, 2003

		MONTHLY		ANNUALLY
A. ADMINISTRATIVE FEES				
	ACCOUNTING	$ 120.00		$ 1,440.00
	LEGAL	$ 100.00		$ 1,200.00
B. MANAGEMENT FEES	MANAGEMENT	$ 600.00		$ 7,200.00
				$ -
C. MAINTENANCE	MAINTENANCE PERSONNEL	$ 1,200.00		$ 14,400.00
	PEST CONTROL	$ 660.00		$ 7,920.00
	GROUND MAINTENANCE	$ 1,000.00		$ 12,000.00
	FIRE SPRINKLER MAINT.	$ 75.00		$ 900.00
	ELEVATOR MAINTENANCE	$ 120.00		$ 1,440.00
	POOL MAINTENANCE	$ 250.00		$ 3,000.00
	DUMPSTER RENTAL & PICKUP	$ 150.00		$ 1,800.00
	BUILDING MAINTENANCE	$ 475.00		$ 5,700.00
	GATE/SECURITY MAINT.	$ 175.00		$ 2,100.00
D. RENT FOR RECREATION FACILITIES			N/A	
E. TAXES - ASSOCIATION PROPERTY		$ 10.00		$ 120.00
F. LEASED AREAS			N/A	
G.INSURANCE		$ 2,500.00		$ 30,000.00
H. SECURITY PROVISIONS			N/A	
I. OTHER EXPENSES	ELECTRIC - COMMON AREAS	$ 400.00		$ 4,800.00
	WATER AND SEWER	$ 900.00		$ 10,800.00
	TELEPHONE - GATE/ELEVATOR	$ 50.00		$ 600.00
	TV CABLE	$ 450.00		$ 5,400.00
	AIR CONDITIONING (UNITS)	$ 2,450.00		$ 29,400.00
J. OPERATING CAPITAL			N/A	
K. RESERVES	DEFERRED MAINTENANCE		N/A	
	DEPRECIATION		N/A	
	ROOF REPLACEMENT	$ 333.00		$ 3,996.00
	EST. LIFE 15 YEARS			
	EST COST $60,000			
	EST REMAINING LIFE 15 YRS.			
	CURRENT RESERVE BALANCE	$ -		$ -
	BUILDING REPAINTING	$ 900.00		$ 10,800.00
	EST LIFE 5 YEARS			
	EST COST $55,000			
	EST REMAINING LIFE 5 YRS.			
	CURRENT RESERVE BALANCE	$ -		$ -
	PAVEMENT RESURFACING	$ 105.00		$ 1,260.00
	EST LIFE 20 YRS			
	EST COST $25,000			
	EST REMAINING LIFE 20 YRS			
	CURRENT RESERVE BALANCE	$ -		$ -
	POOL & DECK RESURFACING			
	EST LIFE 10 YRS			
	EST COST $8,000	$ 66.67		$ 800.04
	CURRENT RESERVE BALANCE	$ -		$ -
L. FEES PAYABLE TO DIVISION		$ 11.00		$ 132.00
M. FL SECRETARY OF STATE/AN REPORT		$ 5.13		$ 61.56
EXPENSES FOR UNIT OWNERS:				
A. RENT FOR UNIT, IF SUBJECT TO LEASE			N/A	
B. RENT PAYABLE BY UNIT OWNER UNDER ANY RECREATIONAL LEASE FOR THE USE OF THE COMMON FACILITIES			N/A	
TOTALS:		$13,105.80		$157,269.60

PROJECTED OPERATING BUDGET PER UNIT - 33 UNITS

A UNITS	12	3.14%	$ 411.52
B UNITS	12	2.80%	$ 366.96
C UNITS	6	2.41%	$ 315.85
P-1 UNITS	1	4.86%	$ 636.94
P-2 UNITS	1	4.62%	$ 605.49
P-3 UNITS	1	4.78%	$ 626.46

Exhibit 4 to Prospectus

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VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.
ESTIMATED OPERATING BUDGET
66 UNITS, PHASE ONE & TWO
ASSUMING MAXIMUM 66 UNITS CONSTRUCTED PHASE ONE AND TWO
JANUARY 1, 2003-DECEMBER 31, 2003

		MONTHLY		ANNUALLY
A. ADMINISTRATIVE FEES				
	ACCOUNTING	$ 120.00		$ 1,440.00
	LEGAL	$ 100.00		$ 1,200.00
B. MANAGEMENT FEES	MANAGEMENT	$ 900.00		$ 10,800.00
				$ -
C. MAINTENANCE	MAINTENANCE PERSONNEL	$ 1,200.00		$ 14,400.00
	PEST CONTROL	$ 1,320.00		$ 15,840.00
	GROUND MAINTENANCE	$ 1,300.00		$ 15,600.00
	FIRE SPRINKLER MAINT.	$ 150.00		$ 1,800.00
	ELEVATOR MAINTENANCE	$ 240.00		$ 2,880.00
	POOL MAINTENANCE	$ 250.00		$ 3,000.00
	DUMPSTER RENTAL & PICKUP	$ 300.00		$ 3,600.00
	BUILDING MAINTENANCE	$ 950.00		$ 11,400.00
	GATE/SECURITY MAINT.	$ 175.00		$ 2,100.00
D. RENT FOR RECREATION FACILITIES			N/A	
E. TAXES - ASSOCIATION PROPERTY		$ 10.00		$ 120.00
F. LEASED AREAS			N/A	
G. INSURANCE		$ 5,000.00		$ 60,000.00
H. SECURITY PROVISIONS			N/A	
I. OTHER EXPENSES	ELECTRIC - COMMON AREAS	$ 500.00		$ 6,000.00
	WATER AND SEWER	$ 1,800.00		$ 21,600.00
	TELEPHONE - GATE/ELEVATOR	$ 75.00		$ 900.00
	TV CABLE	$ 900.00		$ 10,800.00
	AIR CONDITIONING (UNITS)	$ 5,000.00		$ 60,000.00
J. OPERATING CAPITAL			N/A	
K. RESERVES	DEFERRED MAINTENANCE		N/A	
	DEPRECIATION		N/A	
	ROOF REPLACEMENT	$ 666.00		$ 7,992.00
	EST. LIFE 15 YEARS			
	EST COST $60,000			
	EST REMAINING LIFE 15 YRS.			
	CURRENT RESERVE BALANCE	$ -		$ -
	BUILDING REPAINTING	$ 1,800.00		$ 21,600.00
	EST LIFE 5 YEARS			
	EST COST $55,000			
	EST REMAINING LIFE 5 YRS.			
	CURRENT RESERVE BALANCE	$ -		$ -
	PAVEMENT RESURFACING	$ 200.00		$ 2,400.00
	EST LIFE 20 YRS			
	EST COST $25,000			
	EST REMAINING LIFE 20 YRS			
	CURRENT RESERVE BALANCE	$ -		$ -
	POOL & DECK RESURFACING			
	EST LIFE 10 YRS			
	EST COST $8,000	$ 66.67		$ 800.04
	CURRENT RESERVE BALANCE	$ -		$ -
L. FEES PAYABLE TO DIVISION		$ 22.00		$ 264.00
M. FL SECRETARY OF STATE/AN REPORT		$ 10.26		$ 123.12
EXPENSES FOR UNIT OWNERS:				
A. RENT FOR UNIT, IF SUBJECT TO LEASE			N/A	
B. RENT PAYABLE BY UNIT OWNER UNDER ANY RECREATIONAL LEASE FOR THE USE OF THE COMMON FACILITIES			N/A	
TOTALS:		$23,054.93		$276,659.16

PROJECTED OPERATING BUDGET PER UNIT - 66 Units

A UNITS	24	1.57%	$ 361.96
B UNITS	24	1.40%	$ 322.77
C UNITS	12	1.21%	$ 278.96
P-1 UNITS	2	2.43%	$ 560.23
P-2 UNITS	2	2.31%	$ 532.57
P-3 UNITS	2	2.39%	$ 551.01

Exhibit 4 to Prospectus

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CONTRACT FOR SALE AND PURCHASE

FOR

VENETIAN BAY, A CONDOMINIUM

SELLER, hereinafter referred to as "Developer":

AKE DEVELOPMENT, INC., a Florida corporation

whose address is: 712 Palmetto Avenue
Melbourne, FL 32901
Telephone Number: (321) 725-1800

BUYER: ______________________________
[Name]

____
[Local Address and Telephone Number]

____
[Out-of Town Address and Telephone Number]

______________ ______________
[Social Security No.] [Social Security No.]

OFFER TO PURCHASE

DATE OF OFFER: ____________, 200__.

The undersigned Buyer(s) offers to purchase from the Developer the following described property located in Brevard County, Florida, to-wit:

Unit No. ______ and Garage Space(s) No. ______, in accordance with and subject to the covenants, conditions, restrictions, terms and other provisions of the Declaration of Condominium of VENETIAN BAY, A CONDOMINIUM, (the "Property").

Property Address: _____ Gran Avenue
Palm Bay, FL 32905

ANY PAYMENT IN EXCESS OF TEN (10%) PERCENT OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

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

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ITEMS OF PERSONAL PROPERTY INCLUDED IN PURCHASE PRICE:

A. Appliances:

1. Range with self-cleaning oven
2. Dishwasher
3. Garbage Disposal
4. Microwave Oven

B. Floor Covering:

Carpeting in living room, bedrooms, hallways, dens, media rooms, ceramic tile in all other areas.

upon the following terms and conditions:

1. PURCHASE PRICE AND TERMS OF PAYMENT.

A. Purchase Price of Unit: $______________

B. Terms of Payment:

1.	Earnest money deposit made upon the execution of this offer, receipt of which is hereby acknowledged	$______________
2.	Additional money deposit due and payable on or before __________, 200__	$______________
3.	Balance of purchase price, payable in CASH, CERTIFIED OR LOCAL CASHIER'S CHECK at the time of closing (subject to adjustments and prorations)	$______________
4.	Buyer agrees to contribute up to but not exceeding 1 1/2% of selling price toward Developer's Closing Costs (hereinafter defined)	$______________
5.	Buyer's contribution to Association working capital	$ 400.00

C. Extras may be ordered by the Buyer but all such extras shall be paid in cash in advance at the time the extras are ordered.

2. FINANCING: Please indicate with an "X" which of the following is applicable to this offer.

This offer IS ____ /IS NOT _____ (check one) conditioned upon the Buyer obtaining approval of a mortgage loan on the subject Parcel.

3. ESCROW AGENT. All payments made to the Escrow Agent, ALLIANCE TITLE OF BREVARD, LLC under this Contract shall be deposited into the ALLIANCE TITLE OF BREVARD ESCROW ACCOUNT, and shall be disbursed pursuant to the terms of this contract. Deposits up to ten percent (10%) shall be placed in a separate escrow account from those payments in excess of ten percent (10%) of the purchase price and shall bear interest for the Buyer at the rate of interest paid by the financial institution at which the deposit is made. The excess deposits over ten (10%) percent of the purchase price shall not bear interest for the Buyer and may be used by the Seller as permitted under the Florida Condominium Act. ALLIANCE TITLE OF BREVARD, LLC, whose address is 201 North Riverside Drive, Suite C, Indialantic, FL 32903, is the Escrow Agent and the Buyer may obtain a receipt for his deposit(s) from the Escrow Agent upon request. Upon delivery by Developer to Buyer of the deed, all those monies aforesaid held in the separate escrow account for deposits up to ten percent (10%) escrow deposit account shall be released to the Developer.

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4. USE OF DEPOSITS. Any and all deposits or payments against the purchase price of the unit made hereunder by Buyer shall be held in a special account by the Escrow Agent as set forth in Paragraph 3 above and shall not be commingled with the general funds of the Escrow Agent. Such funds, however, may be commingled with similar deposits from other purchasers purchasing condominium units in the subject condominium. Once work, as "work" is hereinafter defined, has begun upon the condominium property, the Developer may in the exercise of its discretion withdraw escrow funds in excess of ten (10%) percent of the purchase price and use such funds in and about the actual construction and development of the condominium property and/or the condominium association property. In no event, however, shall any part of those funds so withdrawn be used for salaries, commissions, expenses of salesmen or for advertising purposes. To effectuate the use of the funds which Developer is entitled to withdraw for construction and development purposes, the Developer may cause said deposits to be paid over to a construction loan account and/or any other account for the payment of actual construction and development of the condominium property and the condominium association property, and such account or accounts need not be then a separate account or accounts. For the purposes of this Paragraph 4, construction of the condominium project known as VENETIAN BAY, A CONDOMINIUM, shall include, but not be limited to, improvement of any part of the real property which is the site of the buildings or any part of the condominium property, or any part of the real property which becomes part of the condominium association property, whether or not such improvements include units, the common elements of the limited common elements or any of them. For the purposes of this Paragraph 4, and the determination of which construction and development costs deposits may be used for, the word "construction" and the word "improvements" shall be deemed to include, but not be limited to, activity to make a building site ready for construction, including excavation, the installation of utilities, the driving of pile and the like. For the purposes of this Paragraph 4, "work" shall be deemed to have begun upon the commencing of the clearing of the land which is the site of the subject condominium and the commencement of any site work.

5. TITLE INSURANCE. The Buyer at closing will receive owner's title insurance at Developer's expense covering both his unit and his interest in the common areas and facilities.

6. EXPENSES.

A. CLOSING COSTS. The Developer shall designate the closing agent and pay for the owner's title insurance policy, the cost of recording any corrective instruments, recording the deed, documentary stamps which are required to be affixed to the deed and any settlement fee. Buyer agrees to pay for all costs required to be paid by the mortgagee, including but not limited to, mortgagee title insurance, loan commitment fee, PMI insurance, charges for prepaid interest, escrows for taxes and insurance and points and discounts, if Buyer's unit is to be mortgaged. Property taxes, insurance and assessments shall be prorated between the parties as of the day of closing. Buyer agrees to contribute up to but not to exceed 1 1/2% of the purchase price toward Developer's closing costs. Developer's closing costs are documentary stamp tax, recording the deed, the cost of a title search and examination and an owner's policy of title insurance at Florida Department of Insurance promulgated rate.

B. COMMON EXPENSES. The Buyer's contribution to the common expenses for maintaining and operating the condominium is estimated at $411.52 per month for type "A" units; $366.96 for type "B" units; $315.85 per month for type "C" units; $636.94 per month for type "P1" units; $605.49 for type "P2" units; and $626.46 for type "P3" units is due on the first day of each month payable in advance.

C. WORKING CAPITAL. At closing, the Buyer shall pay a fee to the Developer for deposit in the condominium working capital fund in the sum of $400.00. This fee is not to be considered as advance maintenance payments. A Buyer's share of the initial expenses of the condominium itself (for example: advance insurance premiums, utility deposits, permits, licenses, additional equipment, and capital improvements) will be paid for by his fee to the condominium working capital fund. In addition to the above, the condominium working capital fund may be used for the purposes of capital improvements, emergency

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needs, initial items and non-recurring capital expenses. Although a fee to the condominium working capital fund shall be paid by each Buyer to the Developer, all condominium working capital fund fees not previously expended by the Developer for any of the foregoing items, or reimbursed to the Developer for previous expenditures for any of the foregoing items, shall be turned over to the Association at such time as unit owners other than the Developer elect a majority of the members of the Board of Directors of the Association. During the term of the guaranty of the budget by the Developer the working capital fees shall not be used to pay the common expenses of the Association or for any other purpose other than utility deposits, prepayment of insurance, purchasing additional equipment for the condominium, and capital improvements other than the capital improvements which the Developer is committed to provide, but shall be retained in the condominium working capital fund.

7. CONVEYANCE. Developer agrees, subject to the terms of this contract, to convey the fee simple title to the condominium unit by statutory warranty deed and to convey said personal property by bill of sale within twenty-one (21) days of the issuance of the Certificate of Occupancy for the unit. The Buyer agrees to take title subject to standard exceptions and those usual and common to the area and the property location, and to the provisions of the Declaration of Condominium and related documents. If the Developer shall be unable to convey title in accordance with this paragraph at the time of closing, then the Developer may extend the closing for a maximum of sixty (60) days in order to perfect the title. If the Developer is unable to perfect title during the sixty (60) day period, then, at Buyer's option, this contract may be canceled and all sums paid by Buyer shall be immediately returned to Buyer or Buyer may accept the title and proceed to close the purchase of the unit.

8. POSSESSION. The Developer agrees to deliver possession of the property to Buyer at closing.

9. DELIVERY AND RECEIPT OF CERTAIN DOCUMENTS. Buyer acknowledges receipt from the Developer of the following:

A. A copy of the PROSPECTUS with all exhibits thereto.
B. A copy of the DECLARATION OF CONDOMINIUM, as proposed.
C. A copy of the ARTICLES OF INCORPORATION of the Association.
D. A copy of the BY-LAWS of the Association.
E. A copy of the ESTIMATED OPERATING BUDGET for the condominium unit or apartment to be sold to the Buyer.
F. A copy of the executed ESCROW AGREEMENT.
G. A copy of the FLOOR PLAN of the unit and the PLOT PLAN showing the location of the condominium buildings and the recreation and other common areas.

THIS CONTRACT IS VOIDABLE BY THE BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THIS CONTRACT BY THE BUYER, AND RECEIPT BY THE BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO THE BUYER BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THIS CONTRACT IS ALSO VOIDABLE BY BUYER BY 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 PURPORTED 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 CONTRACT SHALL TERMINATE AT CLOSING.

10. ASSIGNABILITY. This Contract may not be assigned without approval of the Developer, which approval may be withheld by Developer in the exercise of its absolute and

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uncontrolled discretion. If Developer grants approval, and as a condition of its approval, the Developer may require a transfer fee not to exceed $1,000.00. Any and all of Developer's interests in this Contract shall be freely assignable by Developer. The transfers which are approved by the Developer shall be processed through attorneys for the Developer in order to insure compliance with law, proper substitution of parties and transfers of escrows. Transfers must be accomplished on forms approved by Developer's attorneys. Legal fees to Developer's attorneys shall be paid by transferor or the transferee as they shall agree among themselves and, in the absence of such agreement, shall be the obligation of the transferor. It is estimated that the legal fees to be charged for such transfers will be approximately $300.00 per transaction.

11. NOTICE. The delivery of any item and the giving of notice in compliance with this contract shall be accomplished by delivery of the item of notice to the party intended to receive it, or by mailing it within the continental United States by certified mail to the address of the party stated in this contract. Notice or delivery by mail shall be effective when mailed.

12. THE CONDOMINIUM.

A. The Developer will construct and equip the condominium building in accordance with the plans and specifications, subject, however, to reasonable modifications approved by the Developer that do not change the size of the floor plan of Buyer's unit, or Buyer's interest in the common elements to the detriment of the Buyer. Such plans and specifications are available for inspection by Buyer at the office of Developer. The Developer agrees that the condominium shall be ready for occupancy by the Buyer within twenty-four (24) months from the date of acceptance of this offer, with the provision, however, that the time set for completion and occupancy herein provided for shall be extended for delays and other events that would be sufficient to support a defense under Florida law based upon impossibility of performance for reasons beyond the Developer's control.

B. The Developer hereby reserves the exclusive right to make substitution of facilities, materials and/or appliances of at least equal value in the condominium for those contained in any plans and specifications referred to herein.

C. This contract and all rights hereunder are subordinate and inferior to any construction or other mortgage placed by the Developer or its nominee upon the condominium and its appurtenant lands, whether such construction or other mortgage shall be executed before or after the date of this contract. The subordination herein contained is automatic and shall not require nor be deemed to require any writing; however, in the event any mortgagee contemplated in this paragraph shall require it, Buyer shall execute a subordination agreement suitable in the mortgagee's opinion, to effectuate the provisions of this paragraph. The Buyer agrees and acknowledges that the construction lender is not guaranteeing or warranting the completion of the project, nor is the construction lender guaranteeing or warranting the fitness, merchantability or other quality of any unit or of the project. Buyer acknowledges and agrees that any periodic inspections of the construction at the project, and any review or approval of any of Developer's requests for disbursement of escrow deposits or any other funds, made by, through, or for the construction lender, are for the construction lender's loan administration purposes only and that neither the construction lender nor any of its representatives, agents, nor contractors assumes any responsibility or liability due the Buyer or any other person by reason of any such actions and that the Buyer may not rely upon any of such actions for any purpose whatsoever, including, but not limited to matters of design, adequacy of workmanship or materials, compliance with law, engineering detail, and conformance to any approved plans and specifications. Further, Buyer acknowledges that the construction lender shall assume no responsibility for the proper application of the security of all or any portion of any deposit made hereunder by Buyer. Buyer agrees that the construction lender shall have no responsibility whatsoever to Buyer for assuring the Developer's compliance with the terms of this contract or with any escrow agreement between the Developer and the Buyer.

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13. CLOSING.

A. The closing will be held at the offices of ALLIANCE TITLE OF BREVARD, LLC, 201 North Riverside Drive, Suite C, Indialantic, Florida 32903, or at such other place as the Developer may designate.

B. The balance of the purchase price, plus the sum for initial working capital to the Association, will be paid to Developer by a CERTIFIED OR LOCAL BANK CASHIER'S CHECK.

C. This sale shall be closed within twenty-one (21) days after the issuance of the certificate of occupancy for the unit, or at such time and place as the Developer may designate. At least ten (10) days prior to the closing of the sale of the unit to the Buyer, the Developer shall notify the Buyer of the date, time and place of the closing of this transaction. The Buyer shall inspect his unit, with the Developer's representative, and furnish the Developer with an inspection punch list prior to closing. The Buyer acknowledges that the issuance of a certificate of occupancy and the requirements to close as set forth herein, does not indicate nor is it intended to be a representation by the Developer that all "punch list" items are complete with regard to the individual unit, nor that all finish work is completed in the common elements provided all planned improvements, including but not limited to, landscaping, utility services and access to the unit and common element facilities serving the building as set forth in the Declarations are first completed as required by Section 718.104(4)(e), Florida Statutes. Buyer acknowledges that completion of the "punch list" work in both his individual unit and the common elements may occur after closing, and that Buyer has no right to delay closing pending completion of these items.

D. Risk of loss pertaining to the Parcel covered by this contract, prior to closing, shall be borne by the Developer or its insurer.

14. DEFAULT. Failure of the Buyer to close title to the unit pursuant to the provisions of this contract, make payments within the time provided above, or to comply with the provisions of this Contract within the time provided herein, shall be considered defaults by Buyer hereunder. In such event, the parties hereto have considered the matter and have agreed that the amount of liquidated damages suffered by the Developer because of Buyer's default, shall be liquidated and paid in the following manner: The liquidated sum to be due to Developer shall be all sums heretofore paid by Buyer to Developer pursuant to the terms of this contract, but in no event shall such liquidated sum exceed ten (10%) percent of the purchase price or $10,000.00, whichever is greater, together with the retention of any monies to cover the costs of any items specially ordered by the Buyer for his unit. All sums paid by Buyer to Developer in excess of such liquidated sum shall be paid forthwith to the Buyer, together with a statement of the Seller's election to terminate this contract and describing the Buyer's default hereunder. The Buyer shall be liable for reasonable attorney's fees and costs incurred by the Seller in enforcing its rights under this contract. In the event of default by the Developer, the Buyer shall be entitled to those remedies provided in law and equity.

15. PERSONS BOUND. This contract is binding upon the parties hereto, their heirs, legal representatives, successors and assigns, but nothing contained in this sentence is intended to constitute a consent to an assignment by the Buyer of this contract. All pronouns and variations thereof shall be construed so as to refer to the masculine, feminine, neuter, singular or plural thereof, as the identity of the person or persons or as the situation may require.

16. CONTRACT NOT RECORDABLE. This contract shall not be recorded in the office of the Clerk of any Circuit Court of the State of Florida, unless the Buyer obtains prior written consent from the Developer. Any recording of this contract without said written consent from the Developer shall constitute a breach of this contract and shall terminate this contract, at the Developer's option.

17. ENFORCEABILITY. If any provision of this contract is invalid or unenforceable, all the other terms and provisions thereof shall remain in full force and effect.

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18. TIME FOR ACCEPTANCE. If this Contract is not executed by both parties, and a copy hereof delivered to each party, on or before __________, 200___, this Contract shall be null and void.

19. TIME. Time is of the essence of this contract.

20. DATE OF CONTRACT. The date of this contract, for all purposes, shall be the date of execution by the Developer, which is the _____ day of __________, 200___.

21. INSULATION. The unit has radiant barriger foil insulation in the exterior walls which has an R-Value of R5.8. The roof has either rigid or built-up sprayed foam insulation which has an R-Value of R 19. There is no insulation in the internal walls, unit ceilings or unit floors. The R-Values are taken from information provided by the manufacturer.

22. COLOR AND APPLIANCE PACKAGE. In the event the Buyer is unavailable to select his choice of appliances, colors, carpeting, etc., when requested by Developer, then Developer upon two (2) weeks written notice to Buyer shall select the Developer's standard color and appliance package to be installed.

23. RADON GAS. Radon gas 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.

24. DEVELOPER'S RIGHT TO AMEND CONDOMINIUM DOCUMENTS. The Developer reserves the right and Buyer hereby authorizes Developer to make changes in any of the condominium documents as the Developer, Governmental Authorities having jurisdiction over the condominium property, the Veterans Administration, FHA, FNMA, FHLMC, title insurance companies and mortgage lenders require or deem necessary, provided the changes do not materially change the configuration or size of the units or materially alter or modify the appurtenances to the units in which case a majority of the voting interests in the condominium shall approve the change, or change the proportion or percentage by which the owner of the unit shares the common expenses and owns the common surplus in which case the record owners of all units and the record owners of liens on the unit shall approve the change or amendment.

25. COASTAL CONSTRUCTION CONTROL LINE ("CCCL") RIDER. As provided by Section 161.57, F.S., (1985), as amended, if the Real Property is located either partially or totally seaward of the CCCL, then Seller at or prior to the closing, unless waived in writing by the Buyer, shall provide to Buyer, an affidavit, or a survey meeting the requirements of Chapter 472, F.S., delineating the location of the CCCL on the Real Property.

26. SECURITY NOT REPRESENTED. Buyer hereby acknowledges that Developer has not made and does not make any representations or warranties whatsoever relating to security services to be provided to the Buyer, to the project, or to the Buyer's individual unit. Developer shall have absolutely no responsibility for providing any security services for the Buyer, for the project, or the Buyer's individual unit. Buyer assumes responsibility for providing security services for Buyer and Buyer's guests and invitees, and Buyer shall not hold Developer liable with respect to failure to provide such security services. Buyer is not purchasing said unit based upon any representations or warranties by the Developer with respect to any security or safety measures, procedures or actions to be undertaken by the Developer. The Developer specifically disclaims any warranty, of any type, with regard to any security system that may be installed in individual units of the condominium.

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27. SPECIAL CLAUSES.

A. Financing Agreement attached hereto as Exhibit A and made a part hereof.

Yes _____ No _____

ANY PAYMENT IN EXCESS OF TEN PERCENT (10%) OF THE PURCHASE PRICE MADE TO DEVELOPER PRIOR TO CLOSING PURSUANT TO THIS CONTRACT MAY BE USED FOR CONSTRUCTION PURPOSES BY THE DEVELOPER.

WITNESSES:

______________________________	______________________________
Witness Signature	Buyer
______________________________	______________________________
Witness Signature	Buyer

ACCEPTANCE OF OFFER

DATE OF ACCEPTANCE: _________________, 200__

The undersigned, referred to as "DEVELOPER" in the foregoing offer, accepts the said offer to purchase and agrees to sell the described Parcel to the Buyer at the price and on the terms and conditions set forth in the offer.

WITNESSES:	DEVELOPER
______________________________	AKE DEVELOPMENT, INC., a Florida corporation
Witness Signature	
______________________________	By:______________________________
Witness Signature	Authorized Representative

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EXHIBIT A

FINANCING AGREEMENT

FINANCING. Please indicate with an "X" which of the following paragraphs is applicable to this offer.

______ This offer IS NOT conditioned upon the Buyer obtaining approval of a mortgage loan on the subject Parcel.

______ This offer IS conditioned upon the Buyer obtaining or Developer obtaining on the Buyer's behalf, a mortgage loan on the subject Parcel in the amount of $________ for a term of __**__ years, with interest not exceeding ___***___% per annum, excluding points or discount.

Within ten (10) calendar days of the execution of this Contract, the Buyer agrees to apply to an institutional lender of the Buyer's choice for a mortgage loan, in the amount set forth above. The Developer will be supplied with a copy of the initial application within that period. Failure of the Buyer to make said application within the time period stated above or supply a copy to the Developer in a timely fashion will be an event of default hereunder.

If the Buyer has not received a mortgage commitment within fifteen (15) days of the date of initial application, or has been denied a mortgage loan during the fifteen (15) day period, on the basis of the initial or any other application, the Buyer will so notify the Developer in writing within five (5) days of this expiration of the application period. Failure of the Buyer to so notify the Developer will constitute a waiver of this contingency by the Buyer.

Upon receipt of such notice, the Developer will notify the Buyer of the Developer's option either: (a) to extend the application period for up to forty-five (45) additional days; or (b) to terminate this Contract; or (c) to require the Buyer to apply for a mortgage loan from a lender designated by the Developer. If the Buyer receives notice that alternative (c) applies, the Buyer will apply to the designated lender for a loan at prevailing rates upon such repayment terms as the Buyer will qualify for within five (5) days of receipt of such notice and will provide the Developer with a copy of the application within that period.

If the Buyer has not received a commitment within the extended application period from the lender designated by the Developer, the Buyer will so notify the Developer in writing within five (5) days of the expiration of the application period. The notice will specify whether the Buyer elects to terminate this Contract or waives this contingency. Failure of the Buyer to so notify the Developer of the Buyer's election to terminate will constitute a waiver of this contingency by the Buyer.

The Buyer will make best efforts to obtain a mortgage loan and will fully cooperate with any applicable lender and promptly provide any requested documents and financial information necessary to approve Buyer's mortgage loan. The Buyer will be solely responsible for any fees, charges or deposits of any kind or description imposed by a lender as a condition of considering an application, issuing or extending a commitment or closing a loan. If a lender issues a commitment, the Buyer will accept the commitment and will promptly sign all documents, fulfill all conditions and otherwise comply with any discretions issued by the lender. If the Buyer fails to accept a commitment or fulfill any conditions contained in a commitment or comply with the lender's directions, the Buyer will be in default hereunder. Upon the Buyer's receipt of a commitment, conditional or unconditional, this contingency will be deemed fully satisfied. The Buyer will be solely responsible to ensure that the commitment is in effect on the closing date and will pay any additional fees or charges and consent to any modification of the terms of the commitment if required by the lender as a condition of permitting any necessary extension of the commitment.

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If this contract is properly terminated as provided in Paragraph 2, the Developer will promptly refund all deposit monies paid, whereupon neither party will be under any further obligation to one another pursuant to this contract.

The Buyer understands that the Buyer must satisfy the applicable lender's criteria as to creditworthiness and the Developer will have no liability if the Buyer does not qualify for a mortgage loan. If a commitment is issued, this contingency will be deemed satisfied notwithstanding subsequent withdrawal of the commitment because the Buyer's creditworthiness becomes unacceptable to the lender.

The Buyer has no other rights or obligations of waiver implied in this Contract except as expressly stated herein or as may be agreed to in writing by Developer.

Buyer represents that he has sufficient cash available (together with the mortgage or mortgages referred to) to consummate the within transaction.

Should Buyer fail to make payment of any additional monies as herein mentioned, or furnish false or incomplete information to the Developer, the Developer's agent, or the mortgage lender, concerning the Buyer's legal or financial status, or fail to cooperate in the processing of the mortgage loan application, which acts would result in the failure to obtain the approval of a mortgage commitment, or fail to comply with any of the terms of this Contract, then the Buyer shall be in default under this Contract.

** Term as required by lender. (Maximum Term ____ years)

*** Prevailing interest rate at time of closing. (Maximum rate ____%). The amount, term and interest rate shall be the prevailing rates in Brevard County, Florida on the date of application.

____
Buyer

____
Buyer

AKE DEVELOPMENT, INC., a Florida corporation

By:______________________________
Authorized Representative

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CONTRACT ESCROW AGREEMENT

THIS IS A CONTRACT ESCROW AGREEMENT made the ___ day of July, 2002, between AKE DEVELOPMENT, INC., a Florida corporation, whose address is 712 Palmetto Avenue, Melbourne, FL 32901, hereinafter referred to as the "DEVELOPER," and ALLIANCE TITLE OF BREVARD, LLC, a Florida limited liability company, whose address is 201 North Riverside Drive, Suite C, Indialantic, Florida 32903, hereinafter referred to as the "ESCROW AGENT."

WITNESSETH:

WHEREAS, the DEVELOPER is entering into agreements with various persons as purchasers of condominium parcels in a proposed condominium to be known as VENETIAN BAY, A CONDOMINIUM, hereinafter referred to as the "CONDOMINIUM"; and

WHEREAS, the purchasers shall make earnest money deposits to be held in escrow pending the closings of the individual sales; and

WHEREAS, the DEVELOPER has requested the ESCROW AGENT to act as ESCROW AGENT for the holding of said funds in accordance with the provisions of the Florida Condominium Act; and

WHEREAS, the ESCROW AGENT has agreed to act as the ESCROW AGENT for said funds to be deposited with it and to distribute the same under certain conditions as hereinafter set forth:

NOW, THEREFORE, it is agreed as follows:

1. The DEVELOPER shall cause to be delivered to the ESCROW AGENT those funds paid to the DEVELOPER as earnest money deposits pursuant to the individual sales agreements with the various purchasers of condominium parcels in the CONDOMINIUM. The ESCROW AGENT shall provide the purchaser with a receipt for the deposit(s) upon request.

2. The ESCROW AGENT, shall deposit these funds into an escrow account under its control.

3. The ESCROW AGENT shall release these funds from escrow as follows:

A. If a purchaser properly terminates the sales agreement pursuant to its terms or pursuant to the Florida Condominium Act, the funds shall be paid to the purchaser, together with any interest earned, if the contract provides for payment of interest to the purchaser.

B. If the purchaser defaults in the performance of his obligations under the sales agreement, the funds shall be paid to the DEVELOPER, together with any interest earned.

C. If the sales agreement does not provide for the payment of any interest earned on the escrowed funds, interest shall be paid to the DEVELOPER at the closing of the transaction.

D. If the funds of a purchaser have not been previously disbursed in accordance with the provision of Section 718.202, Florida Statutes, they may be disbursed to the DEVELOPER by the ESCROW AGENT at the closing of the transaction, unless prior to the disbursement, the ESCROW AGENT receives from the purchaser written notice of a dispute between the purchaser and the DEVELOPER.

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4. In the event of any dispute with respect to the disposition of all or part of the escrow funds, the ESCROW AGENT shall not be obligated to disburse the disputed portion thereof. In its sole discretion, the ESCROW AGENT may, in the event of a dispute as to the disposition of all or part of the escrow funds, commence an action in the nature of interpleader and seek to deposit the disputed portion in a court of competent jurisdiction. The DEVELOPER shall bear any costs and attorney's fees that may be accrued by the ESCROW AGENT involving any dispute with regard to the escrow funds, regardless of who may prevail.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the day and year set forth adjacent to their respective signatures.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

DEVELOPER:

AKE DEVELOPMENT, INC., a Florida corporation

By:______________________
C. Douglas Engle, President

Dated: July 12, 2002

ESCROW AGENT:

ALLIANCE TITLE OF BREVARD, LLC
a Florida limited liability company

By: ALLIANCE OF BREVARD, INC., a Florida corporation

By:______________________
Lizabeth Cassella, President

Dated: July 12, 2002

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FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

VENETIAN BAY CONDOMINIUM ASSOCIATION, INC.
July 1, 2002

Q: What are my voting rights in the condominium association?
A: The owner of each condominium unit shall be entitled to cast one (1) vote per unit as provided in Article VI of the Declaration of Condominium.

Q: What restrictions exist on my right to use my unit.
A: Each unit is restricted to residential use by the owner or owners thereof, their immediate families, guests, servants and invitees. Each unit is hereby restricted to no more than six (6) occupants There are no restrictions upon children. Pets must be kept on a leash on the condominium grounds and shall not create a nuisance. No exterior antennas and aerials shall be erected except as provided under uniform regulations promulgated by the Association.
See Use Restrictions, Article X, of the Declaration of Condominium.

Q: What restrictions exist on the leasing of my unit?
A: The minimum rental period is three (3) months.

Q: How much are my assessments to the Condominium Association for my unit type and when are they due?
A: An assessment of $411.52 per month for type "A" units; an assessment of $366.96 for type "B" units; an assessment of $315.85 per month for type "C" units; an assessment of $636.94 per month for type "P1" units; an assessment of $605.49 per month for type "P2" units; and an assessment of $626.46 per month for type "P3" units is due on the first day of each month. These amounts are for Phase I only. If and when Phase II is completed, an assessment of $361.96 per month for type "A" units; $322.77 per month for type "B" units; $278.96 per month for type "C" units, an assessment of $560.23 per month for type "P1" units; an assessment of $532.57 per month for type "P2" units; and an assessment of $551.01 per month for type "P3" units is due on the first day of each month.

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 $100,000.00? If so, Identify each such case.
A: NO, there is no litigation of any nature pending against the Association.

Q: What are the restrictions on pets?
A: Two (2) pets not exceeding thirty-five (35) pounds each shall be allowed to be kept in an owner's unit. All pets must be on a leash outside the owner's unit.

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

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AFFIDAVIT OF OWNERSHIP

STATE OF FLORIDA

COUNTY OF BREVARD

BEFORE ME, the undersigned authority, duly authorized by law to take oaths and acknowledgments, personally appeared ROBERT L. BEALS, Attorney at Law, who being duly sworn, deposes and states as follows:

1. That Affiant is the attorney for AKE DEVELOPMENT, INC., a Florida corporation, the Developer of VENETIAN BAY, A CONDOMINIUM.

2. That Affiant has personal knowledge of the facts set forth in this Affidavit of Ownership.

3. That AKE DEVELOPMENT, INC., a Florida corporation, is the owner of the lands described on Exhibit A attached hereto on which Venetian Bay, a Condominium, will be built.

4. That AKE Development, Inc., a Florida corporation, has a contractual interest in the lands described in the Contract for Sale and Purchase attached hereto as Exhibit B, on which a portion of Venetian Bay, a Condominium, will be built.

FURTHER, AFFIANT SAYETH NOT.

Robert L. Beals

SWORN TO AND SUBSCRIBED before me this 18th day of March, 2002, by ROBERT L. BEALS, attorney for AKE DEVELOPMENT, INC., a Florida corporation, who is personally known to me.

Notary Public Signature

Linda L Applin

Print Notary Name

My commission expires:

Linda L Applin
My Commission DD045574
Expires August 27 2005

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CFN 2004089129
OR Book/Page: 5236 / 1511

Name: ALLIANCE TITLE OF BREVARD

Address: 2390 Minton Road

Melbourne, Florida 32904

This Instrument Prepared by: Stephen Spragins

ALLIANCE TITLE OF BREVARD, LLC

2390 Minton Road

Melbourne, Florida 32904

as a necessary incident to the fulfillment of conditions contained in a title insurance commitment issued by it.

Property Appraisers Parcel Identification (Folio) Number(s):

2838300051O

Grantee(s) I.D.#

FILE NO: 00090089

CFN:2000245611 12-20-2000 11.

OR Book/Page: 4264 / 2605

Sandy Crawford

Clerk Of Courts, Brevard County

#Pgs: 2 #Names: 2

Trust: 1.50 Rec: 9.00 Serv: 0.00

Deed: 2,310.00 Excise: 0.00

Mtg: 0.00 Int Tax: 0.00

WARRANTY DEED

This Warranty Deed Made this 15 th day of December , 2000, by Adamhill Riverside Associates, LTD, a Florida Limited Partnership

a corporation existing under the laws of Florida , and having its place of business at 2100 W. Loop South, Ste 1275 Houston, Tx. 77027

hereinafter called the grantor, to AKE Development Inc., a Fl. corp.

whose post office address is: 201 E. New Haven Avenue, Melbourne, Fl. 32901

hereinafter called the grantee,

WITNESSETH: That grantor, for and in consideration of the sum of $10.00 Dollars, and other valuable considerations, receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto grantee, all that certain land situate in Brevard County, Florida, viz:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

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 grantor hereby covenants with said grantee 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; that the grantor hereby fully warrants the 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, except taxes accruing subsequent to December 31, 2000, reservations, restrictions and easements of record, if any.

(Wherever used herein the terms "grantor" and "grantee" included all the parties to this instrument, and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporation)

IN WITNESS WHEREOF, the grantor has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, the day and year first above written.

ATTEST: Edna Meyer-Nelson

Secretary

Signed, sealed and delivered in the presence of:

Paula J. Atkins

Witness Signature

Paula J. Atkins

Witness Printed Name

Laura Johnson

Witness Signature

Laura Johnson

Adamhill Riverside Associates, LTD, a Florida Limited Partnership

BY : Riverside Mobile Homes at Palm Bay, Inc., a Florida corporation, its General Partner

BY: Edna Meyer-Nelson

Edna Meyer-Nelson, President

CFN 2004089129

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EXHIBIT "A"

From the Southwest corner of Section 30, Township 28 South, Range 38 East, Brevard County, Florida, run North 0°11'04" West along the West line of said Section 30, a distance of 2043.0 feet to the Southwest corner of land as described in Deed Book 297, Page 130 of the Public Records of Brevard County, Florida; thence run North 89°56'11" East along the South line of said Deed Book 297, Page 130 to the East right of way of U.S. (Highway) No. 1 and the point of beginning of herein described parcel; thence continue North 89°56'11" East along the South line of Deed Book 297, Page 130, a distance of 520 feet more or less to the shoreline of the Indian River; thence meander said shoreline in a Southeasterly direction for a distance of 315 feet more or less to the North line of Gran's Subdivision as recorded in Plat Book 12, Page 18, Public Records of Brevard County, Florida; thence South 80°28'30" West along the North line of said Gran's Subdivision, a distance of 669 feet more or less to the East right of way line of U.S. Highway No. 1; thence North 39°10'49" West along said right of way line a distance of 260.0 feet to the Point of Beginning.

CFN 2004089129
OR Book/Page: 5236 / 1513

THIS FORM HAS BEEN APPROVED THE FLORIDA ASSOCIATION OF REALTO® AND THE FLORIDA BAR

CONTRACT FOR SALE AND 'RCHASE

FLORIDA ASSOCIATION OF REALTORS® AN HE FLORIDA BAR

FLORIDA LAWYERS SUPPORT SERVICES INC.

PARTIES: AKE Development, Inc. ("Seller"),
of 201 E. New Haven Avenue, Melbourne, Florida 32901 (Phone) ________,
and Frank R. and Jean A. Zemkoski ("Buyer"),
of 1120 US Hwy 1, South, Malabar, Florida 32950 (Phone) ________,
hereby agree that Seller shall sell and Buyer shall buy the following described real property and personal property (collectively "Property") pursuant to the terms and conditions of this Contract for Sale and Purchase and any riders and addenda ("Contract"):

I. DESCRIPTION:

(a) Legal description of the Real Property located in Brevard County, Florida:
As further described in attached Exhibit "A", which by reference herein is made a part hereof.

(b) Street address, city, zip, of the Property is: 4855 Dixie Hwy., Palm Bay Florida 32905

(c) Personal Property: None - Vacant Land

II. PURCHASE PRICE .... $ 400,000.00

PAYMENT: * See Addendum

(a) Deposit held in escrow by Fallace & Larkin, LLC (Escrow Agent) in the amount of .... $ * 10,000.00

(b) Additional escrow deposit to be made to Escrow Agent within * days after Effective Date (see Paragraph III) in the amount of .... $ ________

(c) Subject to AND assumption of existing mortgage in good standing in favor of ________ having an approximate present principal balance of .... $ ________

(d) New mortgage financing with a Lender (see Paragraph IV) in the amount of .... $ ________

(e) Purchase money mortgage and note to Seller (see rider for terms) in the amount of .... $ 250,000.00

(f) Other: ________ $ ________

(g) Balance to close by U.S. cash or LOCALLY DRAWN cashier's or official bank check(s), subject to adjustments or prorations .... $ 140,000.00

III. TIME FOR ACCEPTANCE OF OFFER; EFFECTIVE DATE; FACSIMILE: If this offer is not executed by and delivered to all parties OR FACT OF EXECUTION communicated in writing between the parties on or before April 30th, 2001, the deposit(s) will, at Buyer's option, be returned and this offer withdrawn. For purposes of delivery or notice of execution, parties include Buyer and Seller or each of the respective brokers or attorneys. The date of Contract ("Effective Date") will be the date when the last one of the Buyer and Seller has signed this offer. A facsimile copy of this Contract and any signatures hereon shall be considered for all purposes as an original.

IV. FINANCING:

[X] (a) This is a cash transaction with no contingencies for financing;

[ ] (b) This Contract is conditioned on Buyer obtaining a written loan commitment within ____ days after Effective Date (CHECK ONE ONLY): [ ] a fixed; [ ] an adjustable; or [ ] fixed or adjustable rate loan in the principal amount $________, at an initial interest rate not to exceed ________%, discount origination fees not to exceed ____% of principal amount, and for a term of ____ years. Buyer will make applica within ____ days (5 days if left blank) after Effective Date and use reasonable diligence to obtain a loan commitment thereafter, to satisfy terms and conditions of the commitment and close the loan. Buyer shall pay all loan expenses. If Buyer fails to ob a commitment or fails to waive Buyer's rights under this subparagraph within the time for obtaining a commitment or, after diligent eff fails to meet the terms and conditions of the commitment by the closing date, then either party thereafter, by written notice to the o may cancel this Contract and Buyer shall be refunded the deposit(s); or [ ] (c) The existing mortgage, described in Paragraph II(c) ab has: [ ] a variable interest rate; or [ ] a fixed interest rate of ____% per annum. At time of title transfer, some fixed inte rates are subject to increase; if increased, the rate shall not exceed ____% per annum. Seller shall furnish a statement from mortgagee stating the principal balance, method of payment, interest rate and status of mortgage or authorize Buyer or Closing Ager obtain the same. If Buyer has agreed to assume a mortgage which requires approval of Buyer by the mortgagee for assumption, then B shall promptly obtain the necessary application and diligently complete and return it to the mortgagee. Any mortgage charge(s), nc exceed $________ (1% of amount assumed if left blank), shall be paid by Buyer. If Buyer is not acce by mortgagee or the requirements for assumption are not in accordance with the terms of this Contract or mortgagee makes a charge in excess of the stated amount, Seller or Buyer may rescind this Contract by written notice to the other party unless either elects to pay the increase in int est rate or excess mortgage charges.

*after the Effective Date

V. TITLE EVIDENCE: At least 15* ~~days before closing date~~, (CHECK ONLY ONE): [X] Seller shall, at Seller's expense, deliver to Buyer or Buyer's attorney; or [ ] Buyer shall at Buyer's expense obtain (CHECK ONLY ONE): [ ] abstract of title; or [X] title insurance commitment (with legible copies of instruments listed as exceptions attached thereto) and, after closing, an owner's policy of title insurance.

VI. CLOSING DATE: This transaction shall be closed and the closing documents delivered on See Addendum, unless modified by other provisions of this Contract.

EXHIBIT B

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STAN   RDS FOR REAL ESTATE TRANSAC   NS

A. EVIDENCE OF TITLE: (1) An abstract of title prepared or brought current by a reputable and ex__ng abstract firm (if not existing then certified as correct by an existing firm) purporting to be an accurate synopsis of the instruments affecting title to the real property recorded in the public records of the county wherein the real property is located through Effective Date. It shall commence with the earliest public records, or such later date as may be customary in the county. Upon closing of this Contract, the abstract shall become the property of Buyer, subject to the right of retention thereof by first mortgagee until fully paid. (2) A title insurance commitment issued by a Florida licensed title insurer agreeing to issue Buyer, upon recording of the deed to Buyer, an owner's policy of title insurance in the amount of the purchase price, insuring Buyer's title to the real property, subject only to liens, encumbrances, exceptions or qualifications provided in this Contract and those to be discharged by Seller at ~~or~~ before closing. Seller shall convey marketable title subject only to liens, encumbrances, exceptions or qualifications provided in this Contract. Marketable title shall be determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law. Buyer shall have 5 days from date of receiving evidence of title to examine it. If title is found defective, Buyer shall within said 5 days notify Seller in writing specifying the defect(s). If defect(s) render title unmarketable, Seller will have 30 days from receipt of notice to remove the defects, failing which Buyer shall, within five (5) days after expiration of the thirty (30) day period, deliver written notice to Seller either: (1) extending the time for a reasonable period not to exceed 120 days within which Seller shall use diligent effort to remove the defects; or (2) requesting a refund of deposit(s) paid which shall be immediately returned to Buyer. If Buyer fails to so notify Seller, Buyer shall be deemed to have accepted the title as it then is. Seller shall, if title is found unmarketable, use diligent effort to correct defect(s) within the time provided therefor. If Seller is unable to timely correct the defects, Buyer shall either waive the defects, or receive a refund of deposit(s), thereby releasing Buyer and Seller from all further obligations under this Contract. If evidence of title is delivered to Buyer less than 5 days prior to closing, Buyer may extend closing date so that Buyer shall have up to 5 days from date of receipt of evidence of title to examine same in accordance with this Standard.

~~B. PURCHASE MONEY MORTGAGE; SECURITY AGREEMENT TO SELLER: A purchase money mortgage and mortgage note to Seller shall provide for a 30 day grace period in the event of default if a first mortgage and a 15 day grace period if a second or lesser mortgage; shall provide for right of prepayment in whole or in part without penalty; shall permit acceleration in event of transfer of the real property; shall require all prior liens and encumbrances to be kept in good standing and forbid modifications of or future advances under prior mortgage(s); shall require Buyer to maintain policies of insurance containing a standard mortgagee clause covering all improvements located on the real property against fire and all perils included within the term "extended coverage endorsements" and such other risks and perils as Seller may reasonably require, in an amount equal to their highest insurable value; and the mortgage, note and security agreement shall be otherwise in form and content required by Seller; but Seller may only require clauses and coverage customarily found in mortgages, mortgage notes and security agreements generally utilized by savings and loan institutions or state or national banks located in the county wherein the real property is located. All personal property and leases being conveyed or assigned will, at Seller's option, be subject to the lien of a security agreement evidenced by recorded financing statements. If a balloon mortgage, the final payment will exceed the periodic payments thereon.~~ See Addendum

C. SURVEY: Buyer, at Buyer's expense, within time allowed to deliver evidence of title and to examine same, may have the real property surveyed and certified by a registered Florida surveyor. If the survey discloses encroachments on the real property or that improvements located thereon encroach on setback lines, easements, lands of others or violate any restrictions, Contract covenants or applicable governmental regulation, the same shall constitute a title defect.

~~D. TERMITES/WOOD DESTROYING ORGANISMS: Buyer, at Buyer's expense, within the time allowed to deliver evidence of title, may have the Property inspected by a Florida Certified Pest Control Operator ("Operator") to determine if there is any visible active termite infestation or visible damage from termite infestation, excluding fences. If either or both are found, Buyer shall have 4 days from date of written notice thereof within which to have cost of treatment, if required, estimated by the Operator and all damage inspected and estimated by a licensed builder or general contractor. Seller shall pay valid costs of treatment and repair of all damage up to the amount provided in Paragraph XIII(a). If estimated costs exceed that amount, Buyer shall have the option of canceling this Contract within 5 days after receipt of contractor's repair estimate by giving written notice to Seller or Buyer may elect to proceed with the transaction and receive a credit at closing on the amount provided in Paragraph XIII(a). "Termites" shall be deemed to include all wood destroying organisms required to be reported under the Florida Pest Control Act, as amended.~~

E. INGRESS AND EGRESS: Seller warrants and represents that there is ingress and egress to the real property sufficient for its intended use as described in Paragraph VII hereof, title to which is in accordance with Standard A.

F. LEASES: Seller shall, not less than 15 days before closing, furnish to Buyer copies of all written leases and estoppel letters from each tenant specifying the nature and duration of the tenant's occupancy, rental rates, advanced rent and security deposits paid by tenant. If Seller is unable to obtain such letter from each tenant, the same information shall be furnished by Seller to Buyer within that time period in the form of a Seller's affidavit, and Buyer may thereafter contact tenant to confirm such information. Seller shall, at closing, deliver and assign all original leases to Buyer.

G. LIENS: Seller shall furnish to Buyer at time of closing an affidavit attesting to the absence, unless otherwise provided for herein, of any financing statement, claims of lien or potential lienors known to Seller and further attesting that there have been no improvements or repairs to the real property for 90 days immediately preceding date of closing. If the real property has been improved or repaired within that time, Seller shall deliver releases or waivers of construction liens executed by all general contractors, subcontractors, suppliers and materialmen in addition to Seller's lien affidavit setting forth the names of all such general contractors, subcontractors, suppliers and materialmen, further affirming that all charges for improvements or repairs which could serve as a basis for a construction lien or a claim for damages have been paid or will be paid at the closing of this Contract.

H. PLACE OF CLOSING: Closing shall be held in the county wherein the real property is located at the office of the attorney or other closing agent ("Closing Agent") designated by Seller.

I. TIME: In computing time periods of less than six (6) days, Saturdays, Sundays and state or national legal holidays shall be excluded. Any time periods provided for herein which shall end on a Saturday, Sunday, or a legal holiday shall extend to 5:00 p.m. of the next business day. **Time is of the essence in this Contract.**

J. CLOSING DOCUMENTS: Seller shall furnish the deed, bill of sale, construction lien affidavit, owner's possession affidavit, assignments of leases, tenant and mortgagee estoppel letters and corrective instruments. Buyer shall furnish closing statement, mortgage, mortgage note, security agreement and financing statements.

K. EXPENSES: Documentary stamps on the deed and recording of corrective instruments shall be paid by Seller. Documentary stamps and intangible tax on the purchase money mortgage and any mortgage assumed, mortgagee title insurance commitment with related fees, and recording of purchase money mortgage to Seller, deed and financing statements shall be paid by Buyer. Unless otherwise provided by law or rider to this Contract, charges for the following related title services, namely title or abstract charge, title examination, and settlement and closing fee, shall be paid by the party responsible for furnishing the title evidence in accordance with Paragraph V.

L. PRORATIONS; CREDITS: Taxes, assessments, rent, interest, insurance and other expenses of the Property shall be prorated through the day before closing. Buyer shall have the option of taking over existing policies of insurance, if assumable, in which event premiums shall be prorated. Cash at closing shall be increased or decreased as may be required by prorations to be made through day prior to closing, or occupancy, if occupancy occurs before closing. Advance rent and security deposits will be credited to Buyer. Escrow deposits held by mortgagee will be credited to Seller. Taxes shall be prorated based on the current year's tax with due allowance made for maximum allowable discount, homestead and other exemptions. If closing occurs at a date when the current year's millage is not fixed and current year's assessment is available, taxes will be prorated based upon such assessment and prior year's millage. If current year's assessment is not available, then taxes will be prorated on prior year's tax. If there are completed improvements on the real property by January 1st of year of closing, which improvements were not in existence on January 1st of prior year, then taxes shall be prorated based upon prior year's millage and at an equitable assessment to be agreed u[illegible] parties; failing which, request shall be made to the County Property Appraiser for an informal assessment taking into account availa[illegible] estimate shall, at request of either party, be readjusted upon receipt of tax bill on condition that a statement to th[illegible]

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OR Book/Pag[illegible] 5236 / 1515

VII. RESTRICTIONS; EASEMENTS; LIMITATIONS: Buyer shall take title subject to comprehensive land use plans, zoning, restrictions, prohibitions and other requirements imposed by governmental authority; restrictions and matters appearing on the plat or otherwise common to the subdivision; outstanding oil, gas and mineral rights of record without right of entry; public utility easements of record (easements are to be located contiguous to real property lines and not more than 10 feet in width as to the rear or front lines and 7 1/2 feet in width as to the side lines, unless otherwise stated herein); taxes for year of closing and subsequent years; assumed mortgages and purchase money mortgages, if any (if additional items, see addendum); provi~~ded, that there exists at closing no violation of the foregoing and none prevent use of the Property for ____________ purpose(s).~~

VIII. OCCUPANCY: Seller warrants that there are no parties in occupancy other than Seller; but if Property is intended to be rented or occupied beyond closing, the fact and terms thereof and the tenant(s) or occupants shall be disclosed pursuant to Standard F. Seller shall deliver occupancy of Property to Buyer at time of closing unless otherwise stated herein. If occupancy is to be delivered before closing, Buyer assumes all risks of loss to Property from date of occupancy, shall be responsible and liable for maintenance from that date, and shall be deemed to have accepted Property in its existing condition as of time of taking occupancy unless otherwise stated herein.

IX. TYPEWRITTEN OR HANDWRITTEN PROVISIONS: Typewritten or handwritten provisions, riders and addenda shall control all printed provisions of this Contract in conflict with them.

X. RIDERS: (CHECK those riders which are applicable AND are attached to this Contract):

☐ COMPREHENSIVE RIDER	☐ HOMEOWNERS' ASSN.	☐ COASTAL CONSTRUCTION CONTROL LINE
☐ CONDOMINIUM	☐ "AS IS"	☐ INSULATION
☐ VA/FHA	☐ LEAD-BASED PAINT	☒ Addendum

XI. ASSIGNABILITY: (CHECK ONLY ONE): Buyer ☐ may assign and thereby be released from any further liability under this Contract; ☒ may assign but not be released from liability under this Contract; or ☐ may not assign this Contract.

XII. DISCLOSURES:

(a) Radon is a naturally occurring radioactive gas that when 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 or Radon testing may be obtained from your County Public Health unit.

(b) Buyer acknowledges receipt of the Florida Building Energy-Efficiency Rating System Brochure.

(c) If the real property includes pre-1978 residential housing then a lead-based paint rider is mandatory.

(d) If Seller is a "foreign person" as defined by the Foreign Investment in Real Property Tax Act, the parties shall comply with that Act.

(e) If Buyer will be obligated to be a member of a homeowners' association, BUYER SHOULD NOT EXECUTE THIS CONTRACT UNTIL BUYER HAS RECEIVED AND READ THE HOMEOWNERS' ASSOCIATION DISCLOSURE.

XIII. MAXIMUM REPAIR COSTS: Seller shall not be responsible for payments in excess of:

(a) $0.00 for treatment and repair under Standard D (if blank, then 2% of the Purchase Price).

(b) $0.00 for repair and replacement under Standard N (if blank, then 3% of the Purchase Price).

XIV. SPECIAL CLAUSES; ADDENDA: If additional terms are to be provided, attach addendum and CHECK HERE ☒.

XV. STANDARDS FOR REAL ESTATE TRANSACTIONS: Standards A through W on the reverse side or attached are incorporated as a part of this Contract.

THIS IS INTENDED TO BE A LEGALLY BINDING CONTRACT. IF NOT FULLY UNDERSTOOD, SEEK THE ADVICE OF AN ATTORNEY PRIOR TO SIGNING.

THIS FORM HAS BEEN APPROVED BY THE FLORIDA ASSOCIATION OF REALTORS AND THE FLORIDA BAR.

Approval does not constitute an opinion that any of the terms and conditions in this Contract should be accepted by the parties in a particular transaction. Terms and conditions should be negotiated based upon the respective interests, objectives and bargaining positions of all interested persons.

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AKE Development, Inc.
(Buyer) (Date) (Seller) Frank R. Zemkoski (Date)

Social Security or Tax I.D. # ____________ Social Security or Tax I.D. # ____________

(Buyer) C. Douglas Engle, Pres (Date) (Seller) Jean A. Zemkoski (Date)

Social Security or Tax I.D.# ____________ Social Security or Tax I.D. # ____________

Deposit under Paragraph II (a) received; IF OTHER THAN CASH, THEN SUBJECT TO CLEARA[NCE]

Fallace & Larkin, LLC (Escrow Agent)

BROKER'S FEE: The brokers named below, including listing and cooperating brokers, are [...] in connection with this Contract:

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Name: ____________

Cooperating Brokers, if any East Coast Properties of Brevard, Inc. Listing Broker Century 21 Indian River Realty

M. SPECIAL ASSESSMENT LIENS: Certified, confirmed and ratified special assessment liens as of date of closing (not as of Effective Date) are to be paid by Seller. Pending liens as of date of closing shall be assumed by Buyer. If the improvement has been substantially completed as of Effective Date, any pending lien shall be considered certified, confirmed or ratified and Seller shall, at closing, be charged an amount equal to the last estimate or assessment for the improvement by the public body.

~~N. INSPECTION, REPAIR AND MAINTENANCE: Seller warrants that the ceiling, roof (including the fascia and soffits) and exterior and interior walls,~~ foundation, seawalls (or equivalent) and dockage do not have any Visible Evidence of leaks, water damage or structural damage and that the septic tank, pool, all appliances, mechanical items, heating, cooling, electrical, plumbing systems and machinery are in Working Condition. The foregoing warranty shall be limited to the items specified unless otherwise provided in an addendum. Buyer may, at Buyer's expense, have inspections made of those items within 20 days after the Effective Date, by a firm or individual specializing in home inspections and holding an occupational license for such purpose (if required) or by an appropriately licensed Florida contractor, and Buyer shall, prior to Buyer's occupancy but not more than 20 days after Effective Date, report in writing to Seller such items that do not meet the above standards as to defects. Unless Buyer timely reports such defects, Buyer shall be deemed to have waived Seller's warranties as to defects not reported. If repairs or replacements are required to comply with this Standard, Seller shall cause them to be made and shall pay up to the amount provided in Paragraph XIII(b). Seller is not required to make repairs or replacements of a Cosmetic Condition unless caused by a defect Seller is responsible to repair or replace. If the cost for such repair or replacement exceeds the amount provided in Paragraph XIII(b), Buyer or Seller may elect to pay such excess, failing which either party may cancel this Contract. If Seller is unable to correct the defects prior to closing, the cost thereof shall be paid into escrow at closing. Seller shall, upon reasonable notice, provide utilities service and access to the Property for inspections, including a walk-through prior to closing, to confirm that all items of personal property are on the real property and, subject to the foregoing, that all required repairs and replacements have been made and that the Property, including, but not limited to, lawn, shrubbery and pool, if any, has been maintained in the condition existing as of Effective Date, ordinary wear and tear excepted. For purposes of this Contract: (a) "Working Condition" means operating in the manner in which the item was designed to operate; (b) "Cosmetic Condition" means aesthetic imperfections that do not affect the working condition of the item, including, but not limited to: pitted marcite; missing or torn screens; fogged windows; tears, worn spots, or discoloration of floor coverings, wallpaper, or window treatments; nail holes, scratches, dents, scrapes, chips or caulking in ceilings, walls, flooring, fixtures, or mirrors; and minor cracks in floors, tiles, windows, driveways, sidewalks, or pool decks; and (c) cracked roof tiles, curling or worn shingles, or limited roof life shall not be considered defects Seller must repair or replace, so ~~long as there is no evidence of actual leaks or leakage or structural damage, but missing tiles will be Seller's responsibility to replace or repair.~~

O. RISK OF LOSS: If the Property is damaged by fire or other casualty before closing and cost of restoration does not exceed 3% of the assessed valuation of the Property so damaged, cost of restoration shall be an obligation of Seller and closing shall proceed pursuant to the terms of this Contract with restoration costs escrowed at closing. If the cost of restoration exceeds 3% of the assessed valuation of the Property so damaged, Buyer shall have the option of either taking the Property as is, together with either the 3% or any insurance proceeds payable by virtue of such loss or damage, or of canceling this Contract and receiving return of the deposit(s).

P. PROCEEDS OF SALE; CLOSING PROCEDURE: The deed shall be recorded upon clearance of funds. If an abstract of title has been furnished, evidence of title shall be continued at Buyer's expense to show title in Buyer, without any encumbrances or change which would render Seller's title unmarketable from the date of the last evidence. All closing proceeds shall be held in escrow by Seller's attorney or other mutually acceptable escrow agent for a period of not more than 5 days after closing date. If Seller's title is rendered unmarketable, through no fault of Buyer, Buyer shall, within the 5-day period, notify Seller in writing of the defect and Seller shall have 30 days from date of receipt of such notification to cure the defect. If Seller fails to timely cure the defect, all deposit(s) and closing funds shall, upon written demand by Buyer and within 5 days after demand, be returned to Buyer and, simultaneously with such repayment, Buyer shall return the personal property, vacate the real property and reconvey the Property to Seller by special warranty deed and bill of sale. If Buyer fails to make timely demand for refund, Buyer shall take title as is, waiving all rights against Seller as to any intervening defect except as may be available to Buyer by virtue of warranties contained in the deed or bill of sale. If a portion of the purchase price is to be derived from institutional financing or refinancing, requirements of the lending institution as to place, time of day and procedures for closing, and for disbursement of mortgage proceeds shall control over contrary provision in this Contract. Seller shall have the right to require from the lending institution a written commitment that it will not withhold disbursement of mortgage proceeds as a result of any title defect attributable to Buyer-mortgagor. The escrow and closing procedure required by this Standard shall be waived if the title agent insures adverse matters pursuant to Section 627.7841, F.S., as amended.

Q. ESCROW: Any escrow agent ("Agent") receiving funds or equivalent is authorized and agrees by acceptance of them to deposit them promptly, hold same in escrow and, subject to clearance, disburse them in accordance with terms and conditions of this Contract. Failure of funds to clear shall not excuse Buyer's performance. If in doubt as to Agent's duties or liabilities under the provisions of this Contract, Agent may, at Agent's option, continue to hold the subject matter of the escrow until the parties hereto agree to its disbursement or until a judgement of a court of competent jurisdiction shall determine the rights of the parties, or Agent may deposit same with the clerk of the circuit court having jurisdiction of the dispute. Upon notifying all parties concerned of such action, all liability on the part of Agent shall fully terminate, except to the extent of accounting for any items previously delivered out of escrow. If a licensed real estate broker, Agent will comply with provisions of Chapter 475, F.S., as amended. Any suit between Buyer and Seller wherein Agent is made a party because of acting as Agent hereunder, or in any suit wherein Agent interpleads the subject matter of the escrow, Agent shall recover reasonable attorney's fees and costs incurred with these amounts to be paid from and out of the escrowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party. The Agent shall not be liable to any party or person for misdelivery to Buyer or Seller of items subject to the escrow, unless such misdelivery is due to willful breach of the provisions of this Contract or gross negligence of Agent.

R. ATTORNEY'S FEES; COSTS: In any litigation, including breach, enforcement or interpretation, arising out of this Contract, the prevailing party in such litigation, which, for purposes of this Standard, shall include Seller, Buyer and any brokers acting in agency or nonagency relationships authorized by Chapter 475, F.S., as amended, shall be entitled to recover from the non-prevailing party reasonable attorney's fees, costs and expenses.

S. FAILURE OF PERFORMANCE: If Buyer fails to perform this Contract within the time specified, including payment of all deposits, the deposit(s) paid by Buyer and deposit(s) agreed to be paid, may be recovered and retained by and for the account of Seller as agreed upon liquidated damages, consideration for the execution of this Contract and in full settlement of any claims; whereupon, Buyer and Seller shall be relieved of all obligations under this Contract; or Seller, at Seller's option, may proceed in equity to enforce Seller's rights under this Contract. If for any reason other than failure of Seller to make Seller's title marketable after diligent effort, Seller fails, neglects or refuses to perform this Contract, Buyer may seek specific performance or elect to receive the return of Buyer's deposit(s) without thereby waiving any action for damages resulting from Seller's breach.

T. CONTRACT NOT RECORDABLE; PERSONS BOUND; NOTICE: Neither this Contract nor any notice of it shall be recorded in any public records. This Contract shall bind and inure to the benefit of the parties and their successors in interest. Whenever the context permits, singular shall include plural and one gender shall include all. Notice given by or to the attorney for any party shall be as effective as if given by or to that party.

U. CONVEYANCE: Seller shall convey title to the real property by statutory warranty, trustee's, personal representative's or guardian's deed, as appropriate to the status of Seller, subject only to matters contained in Paragraph VII and those otherwise accepted by Buyer. Personal property shall, at the request of Buyer, be transferred by an absolute bill of sale with warranty of title, subject only to such matters as may be otherwise provided for herein.

V. OTHER AGREEMENTS: No prior or present agreements or representations shall be binding upon Buyer or Seller unless included in this Contract. No modification to or change in this Contract shall be valid or binding upon the parties unless in wr to be bound by it.

W. WARRANTY: Seller warrants that there are no facts known to Seller materially affecting the val by Buyer or which have not been disclosed to Buyer.

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Buyer (________) (________) and Seller (________) (________) acknowledge receip

ADDENDUM T(_;ONTRACT FOR SALE AND PUI_ HASE

This Addendum is made by and between Frank R. Zemkoski and Jean A. Zemkoski (collectively the "Seller") and AKE Development, Inc., Florida corporation ("Buyer"), who agree as follows:

. **INCORPORATION.** Sellers and Buyer have made a contract (the "Base Contract") dated the same date as this Addendum. This Addendum is hereby incorporated into, and made a part of, the Base Contract. The Base Contract and this Addendum are hereinafter collectively called the "Contract". If any provision of this Addendum conflicts with any provision of the Base Contract, including, without limitation, any other Addendum or exhibit thereto, then the provisions of this Addendum shall govern and control.

. INSPECTION PERIOD.

a. Buyer shall have one hundred eighty (180) days from the Effective Date (hereinafter referred to as the "Initial Inspection Period") to determine whether the Property is suitable for Buyer's intended use and development as a multi-unit condominium development (hereinafter "Buyer's Use"). During the Initial Inspection Period, Buyer shall have the right, in Buyer's sole discretion, to terminate this Contract and all obligations of the parties hereto for any reason.

b. If during the Initial Inspection Period Buyer determines that it cannot obtain all necessary permits or approvals from Brevard County, Florida or any subdivision thereof or from any other governmental agency having jurisdiction over the Property for Buyer's Use, Buyer may extend the Initial Inspection Period for up to three (3) forty-five (45) day periods (the "Extension Period" or "Extension Period(s)") by providing Seller with written notice not less than 3 days prior to the expiration of the Initial Inspection Period or, if applicable, three days prior to the expiration of Extension Period if the Initial Inspection Period has been previously extended, and delivering to Escrow Agent and Seller along with such notice, the Additional Deposit(s) and Extension Fees required in Paragraph 3 of this Addendum. Buyer may not extend the Initial Inspection Period at any one time by more than one Extension Period, and such election must be exercised consecutively by delivery of the required notice, Additional Deposit and Extension Fees within the approved time. During the Extension Period Buyer may terminate the Contract by written notice to Seller prior to the expiration of an Extension Period, as applicable, provided, however, if Buyer terminates this Contract after the Initial Inspection Period, during an Extension Period, Seller shall be entitled to retain the entire Deposits delivered to date as agreed upon liquidated damages along with all Extension Fees, and Buyer and Seller will be relieved of all further obligations under the Contract except those expressly stated to survive.

c. If Buyer terminates this Contract during the Initial Inspection Period or Extension Period by providing written notice of termination to Seller within the times required, and except for Seller's right to retain the Deposit if such termination is during an Extension Period or after the expiration of an Extension Period, neither party shall have any further obligation to the other and all Deposits paid by Buyer shall be immediately returned to Buyer if such terminates during the Initial Inspection Period. In the event of termination during the Initial Inspection Period or Extension Period or as a result of a default after expiration, Buyer shall deliver to Seller, at no cost to Seller all reports, surveys, engineering and other technical data compiled by Buyer during the Initial Inspection Period concerning the Property. Buyer shall indemnify, defend (by counsel reasonably satisfactory to Seller), save, and hold harmless Seller and the Property, and Seller's employees, agents, successors, estates, heirs, personal representatives and assigns (collectively "Indemnitees") from and against any and all losses, claims, damages, liabilities, liens, obligations, judgments, awards, causes of action, penalties, assessments, injuries and expenses, including reasonable attorney fees and costs through all appellate levels, asserted by anyone and incurred by Indemnitees, relating to, growing out of, or arising from the entry on or investigation of the Property by Buyer and any of its agents, representatives, independent contractors or employees. This indemnity shall include any and all injuries caused by the condition of the Property and Buyer assumes all risks of any injuries caused by the condition of the Property relating to this inspection.

3. DEPOSIT.

a. To secure the performance by Buyer of its obligations under this Contract, Buyer shall deliver to Fallace & Larkin, LLC, whose address is 1900 S. Hickory Street, Suite A, Melbourne, FL 32901, as escrow agent (the "Escrow Agent") the sum of Ten Thousand and No/100 Dollars ($10,000.00) (the "Initial Deposit") upon execution of this Contract. The Initial Deposit shall be paid by check, the proceeds of which shall be held as an earnest money deposit in a non-interest bearing account.

b. In the event that Buyer elects to extend the Initial Inspection Period pursuant to paragraph 2(b) of this Addendum, Buyer will deliver to Escrow Agent, upon and along with each notification to Seller of its intention to exercise its rights to extend the Initial Inspection Period as provided in paragraph 2(b) of this Addendum, a non-refundable additional deposit for each 45 day Extension Period so exercised, of $2,500.00 (hereinafter the "Additional Deposit") (total possible Additional Deposit of $7,500.00 if all three extensions are exercised) and deliver directly to Seller, through Escrow Agent, a non-refundable extension fee in the amount of $2,500.00 per Extension Period (hereinafter the "Extension Fee" or "Extension Fee(s)").

c. The Initial Deposit and the Additional Deposit, shall be collectively referred to as the "Deposit". The Deposit shall be applied towards the Purchase Price at Closing or delivered to the party entitled to the deposit in the event the Contract is properly terminated in the Initial Inspection Period or in the event of a default. Notwithstanding anything to the contrary set forth in this Contract, both the Initial Deposit and the Additional Deposit shall be deemed non-refundable after the expiration of the Initial Inspection Period of 180 days and shall be paid by Escrow Agent to Seller if Buyer fails to close and pay Seller the Purchase Price for any reason including Buyer's decision to terminate the Contract after the expiration of the Initial Inspection Period, except upon, and limited to, the occurrence of either one of the following conditions:

i. If Buyer terminates this Contract on a timely and proper basis within the Initial Inspection Period, neither party shall have any further obligation to the other and the Deposit paid by Buyer shal

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ii. Seller defaults in its ob[illegible]ion under this Contract by failing to convey mar[illegible]ble title in the Property to Buyer;

d. Notwithstanding anything to the contrary set forth in this Contract, the Extension Fee(s) shall be deemed Seller's property upon receipt and non-refundable for any reason and shall be paid directly to Seller upon and along with Buyer's election to extend the Initial Inspection Period for one or more of the Extension Periods.

4. NOTICES. Any notice, request, demand, consent, approval or other communication required or permitted under this Addendum (collectively a "notice") shall be (a) in writing (or sent by telex, telegram, telefax or telecopy and promptly confirmed in writing) and (b) addressed by the sender to the other party at address or number and in the manner set forth below:

If to the Buyer:	C. Douglas Engle 201 E. New Haven Avenue Melbourne, Florida 32901 Fax No.: (321) 725-3535
If to the Seller(s):	Frank R. Zemkoski Jean A. Zemkoski 1120 US Highway 1 South Malabar, Florida 3950 Fax No.: (321) 953-2767
With copy to:	David G. Larkin, Esq. Fallace & Larkin, LLC 1900 S. Hickory St., Suite A Melbourne, Florida 32901 Fax No.: (321) 724-6002

Except as otherwise provided in this Addendum, each notice shall be effective and shall be deemed given by one party to the other on the earlier of: (i) its actual receipt, if delivered personally, by courier service, or by telex, telefax or telecopy; or, (ii) on the third (3rd) day after the notice is postmarked for mailing by first-class, postage prepaid, certified or registered, United States mail, with return receipt requested (whether or not the return receipt is subsequently received by the sender).

5. SELLER FINANCING.

a. Seller agrees to provide a Purchase Money Note and Mortgage for a portion of the purchase price to be paid by Buyer at closing in the amount of $250,000.00 (the " Mortgage"), with interest at the rate of Nine percent (9.0%) per annum with a balloon payment due in two (2) years. The Mortgage will encumber the Property as a first mortgage lien in priority. The Purchase Money Note shall have the following terms and conditions: (i) Monthly payments consisting of interest only in the amount One Thousand Eight Hundred Seventy-Five and 00/100s Dollars ($1,875.00), beginning on the first day of the month after the closing of the transaction and continuing on the first day of each month thereafter with a balloon payment of the entire unpaid principal balance plus accrued interest due on the twenty fourth payment; (ii) A late fee in the amount of five percent (5%) of the payment amount shall be due for payment not received by the Holder within ten (10) days of its due date. The late fee shall be due and payable upon demand from the Holder to the Maker; and (iii) The Mortgage shall also provide that Buyer shall have the right to prepay the mortgage without penalty or interest. A copy of the Note and Mortgage are attached hereto as Exhibit "B".

b. Note and Mortgage shall be personally guaranteed by C. Douglas Engle. A copy of the Personal Guaranty is attached hereto as Exhibit "C".

c. Buyer agrees to pay Seller's attorney's fee at closing for preparation of the Note and Mortgage in the amount of $500.00.

6. CLOSING DATE. The Closing Date shall be identified by Seller on a date and time within fifteen (15) days after the expiration of the Initial Inspection Period, or, (i) if Buyer elects to extend the Initial Inspection Period pursuant to the provisions of paragraph 2(b) of this Addendum, within fifteen (15) days after the expiration of the final Extension Period exercised by Buyer, or, (ii) waiver thereof by Buyer, and closing shall occur at the offices of the Seller's attorneys at 1900 S. Hickory Street, Ste. A, Melbourne, Florida 32901. In no event shall this transaction close later than December 30, 2001, and if not closed by then, all Deposits will become Seller's property and delivered to Seller without notice to Buyer.

7. PRE-CLOSING DOCUMENTS. Within five (5) days after the Effective Date, Seller shall provide to Buyer, copies of all reports, surveys and studies in Seller's possession regarding the Property. In the event this Contract is terminated, all such reports, surveys and studies shall be immediately returned to Seller.

8. RADON GAS NOTIFICATION. 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 exceeds 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. The undersigned Buyer herein certifies that he has received a copy of this Notification upon signing this Contract.

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9. DISCLAIMER. Buyer acknowledges an rees that Seller has not made, and specifically 'aims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether expr or implied, oral or written, past present or future, with respect to (a) the value, nature, quality or condition of the property, including, without limitation, the water, soil and geology, (b) the income to be derived from the property, (c) the suitability of the property for any and all activities and uses which buyer may conduct thereon, (d) the compliance of or by the property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body, (e) the habitability, marketability, or fitness for a particular purpose of the property, (f) the manner or quality of the construction or materials, if any, incorporated into the property, (g) the manner, quality, state of repair or lack of repair of the property, (h) the status of the zoning, land use, development of regional impact, concurrency or development moratoriums, laws or regulations with respect to the property, or (i) any other matter with respect to the property, and specifically, that seller has not made, does not make and specifically disclaims any representations regarding compliance with requirements, including solid waste, as defined by the U.S. Environmental Protection Agency Regulations at 40 C.F.R., part 261, or the disposal or existence, in or on the property, of any hazardous substance, as defined by the comprehensive environmental response compensation and liability act of 1980, as amended, and regulations promulgated thereunder. Buyer further acknowledges and agrees that having been given the opportunity to inspect the property, buyer is relying solely on buyer's own investigation of the property and not on any information provided or to be provided by seller as to the condition of the property and/or any improvements thereon, including, but not necessarily limited to electrical, plumbing, heating, sewerage, roof, foundation, soil and geology, lot size or suitability of the property and/or its improvements for particular purposes, or that any appliances if any, plumbing and/or other improvements are structurally sound and/or in compliance with any city, county, state and/or federal statutes, codes or ordinances. Seller is not liable or bound in any manner by any verbal or written statements, representations or information pertaining to the property, or the operation thereof, furnished by any real estate broker, agent, employee, servant or other person. It is understood and agreed that the purchase price for the property has been adjusted by prior negotiation to reflect that all of the property is sold by seller and purchased by buyer subject to the foregoing.

10. "AS IS CONDITION". The Buyer represents that Buyer will, during the Initial Inspection Period, make a full and complete inspection of the real and personal property which is the subject matter of this Contract and is accepting the real and personal property in "AS IS" condition with all defects. The Sellers are making no representations or warranties, either expressly or impliedly, to the Buyer.

11. TITLE INSURANCE. The title insurance commitment and title insurance policy provided for in this contract shall be issued by Fallace & Larkin, LLC, as agent for Commonwealth Land Title Company. Buyer shall be responsible for payment of the cost to obtain an update of the title search fifteen days prior to Closing.

12. FEES. By their execution of this Addendum, which shall be deemed to modify and supersede any inconsistent provisions in any listing or other agreement with the Brokers, Seller, Buyer and Broker's agree to the following terms as set forth in this paragraph/section. The Brokerage Fee to be paid in connection with the closing of the Contract shall be in the amount of six percent (6.0%) of the Purchase Price paid to Seller at closing, notwithstanding any future agreement or modification by Buyer and Seller of said Purchase Price subsequent to this Addendum, to be divided equally between the Brokers, Century 21 Indian River Realty and East Coast Properties of Brevard, Inc. **Notwithstanding anything to the contrary in this Contract and in any listing or other agreements between the Brokers and Seller or Buyer, Brokers' right to any brokerage fee for the transactions and sale of this Property under this or any other contract shall vest and be due and payable only at Closing, and no commissions shall be due if the Closing does not occur and Seller does not receive the full Purchase Price for any reason. Furthermore, in the event that this Contract is terminated for any reason, the Brokers hereby jointly and severally waive any right to claim or receive any portion of the Deposit which is paid to Seller or returned to Buyer.** For purposes of this Contract the term"Brokerage Fee" and "Broker Fee" shall include all claims for fees, compensation, and reimbursements for services of the Brokers, and all salespersons, employees, associates, employers, sub-brokers, transaction brokers and Acquisition Fees. To the actual knowledge of Seller and Buyer, no other Acquisition Fees (as hereafter defined) have been paid or are due and owing to any other person or entity other than to the Brokers identified in the Base Contract. As used herein, "Acquisition Fees" shall mean all fees paid to any person or entity in connection with the selection and purchase of the Property, including real estate commissions, selection fees, non-recurring management and start-up fees, development fees or any other fee of similar nature. Seller and Buyer, each hereby agree to indemnify and hold harmless the other from and against any and all claims for Acquisition Fees or similar charges with respect to this transaction, arising by, through or under the indemnifying party and each further agrees or indemnify and hold harmless the other from any loss or damage resulting from an inaccuracy in the representations contained in this Paragraph. This indemnification agreement of the parties shall survive the Closing.

13. HOLD HARMLESS. Buyer shall promptly pay for and hold Seller and the Property harmless from any financial responsibility relating to all reports, work, services or materials provided to or for the benefit of Buyer relating to the Property and shall not allow and promptly bond off any liens filed on the Property resulting from Buyer's and its agents inspections and testing. Buyer shall provide Seller, at no cost to Seller, with copies of all reports, studies, analysis and tests conducted for Buyer by any individual or entity other than Buyer itself, in connection with its inspection of the Property. Buyer and Buyer's employees, agents, independent contractors, and representatives shall not conduct any inspection or perform any act which causes damage to the Property. If any such damage occurs, Buyer shall, at Buyer's sole cost, restore the Property to its pre-inspection condition not later than ten (10) days after the damage occurs. Without limiting Seller's remedies, this obligation to restore shall be secured by Seller's reasonable right of set-off and the right to recover such amounts from any deposits held by the Escrow Agent.

14. WAIVER OF CONFLICT. Buyer acknowledges that Closing Agent/Escrow Agent is the law firm which has represented Seller in connection with this transaction; and Buyer consents to such continued representation, including representation of Seller in any dispute which may arise in connection with this Contract, the transaction contemplated hereby, or matters related to any of the foregoing. Further, Buyer hereby waives the right, if any, to assert and claim that Closing Agent/Escrow Agent should be prohibited from representing Seller in connection with any action or proceeding based on or relating to this Contract.

15. ENTIRE AGREEMENT/WAIVER. This Contract, including all exhibits attached hereto, embodies the complete and entire agreement between the parties regarding this transaction and supersedes all prior negotiations, agreements, and understandings relating thereto which are merged herein. This Contract may not be varied or modified except by written agreement signed by both Seller and Buyer. The parties hereto waive the right to assert or claim in any action or proceeding that they were induced

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occurrence, representation, warranty (collec :y referred to as ("Representations") or other mat vhich is not expressly set forth in this Contract or any schedule attached hereto, and all such Representations, if any, are merged herein.

IN WITNESS WHEREOF, the parties hereto have executed this Contract as of the day and year written below; provided, however, that for e purpose of determining the "Effective Date", as used in this Contract, such date shall be the last date that either Seller or Buyer executes this ontract.

UYER:

KE Development, Inc., a Florida corporation

____

. Douglas Engle, President

ated: April_____, 2001

SELLER:

____

Frank R. Zemkoski

Dated: April_____, 2001

____

Jean A. Zemkoski

Dated: April_____, 2001

ROKERS:

ENTURY 21 INDIAN RIVER REALTY

____

____

rinted Name

____

Title

Dated: April_____, 2001

EAST COAST PROPERTIES OF BREVARD, INC.

____

C. Douglas Engle, its President and Broker

Dated: April_____, 2001

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4-25-2001 / (10:08am)

EXHIBIT "A"

Begin at point 100 feet due South of the Northwest corner of that certain property described in Deed Book 257, Page 404 of the current Public Records of Brevard County, Florida, and at point on the West line of said property, thence proceed Southerly along the West line of said property a distance of 200 feet to a point; thence East and parallel to the North line of property described in said deed to and into the waters of the Indian River; thence North in the waters of the Indian River to a point 100 feet South of the projection Easterly of the North line of property described in said deed; thence Westerly and parallel to the North line of the property described in said deed and 100 feet Southerly therefrom to a point on the West line of said described property.

It is the intention of this deed to convey the South 200 feet of the North 300 feet of the property described in Deed Book 257, Page 404 of the current Public Records of Brevard County, Florida.

Less and except: The South 200 feet of the North 300 feet of Government Lot 1, Section 30, Township 28 South, Range 38 East, lying West of U.S. Highway No. 1.

RECEIPT FOR CONDOMINIUM DOCUMENTS

THE UNDERSIGNED ACKNOWLEDGES that the items checked below have been received or, as to plans and specifications, made available for inspection.

NAME OF CONDOMINIUM: VENETIAN BAY, A CONDOMINIUM

ADDRESS OF CONDOMINIUM:

Place a check in the column by each item received or, for the plans and specifications, made available for inspection. If an item does not apply, place "NA" in the column.

DOCUMENT	RECEIVED
Frequently Asked Questions and Answer Sheet	____
Prospectus Text	____
Declaration of Condominium	____
Articles of Incorporation	____
By-Laws	____
Estimated Operating Budget	____
Form of Agreement for Sale	____
Rules and Regulations	NA
Covenants and Restrictions	NA
Ground Lease	NA
Management and Maintenance Contracts	____
Renewable Managements Contracts	NA
Lease of recreational and other facilities to be used exclusively by unit owners of subject condominium	NA
Form of Unit Lease if a leasehold	NA
Declaration of Servitude	NA
Sales Brochure	____
Phase Development Description [See 718.503(2)(k) and 504(14)]	____
Lease of recreational and other facilities to be used by unit owners with other condos [See 718.503(2)(h)]	NA
Description of Management for Single Management of Multiple Condominiums [See 718.503(2)(k)]	NA

EXHIBIT 12 TO THE PROSPECTUS

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Conversion Inspection Report	NA
Conversion Termite Inspection Report	NA
Plot Plan	____
Floor Plan	____
Survey of Land and Graphic Description of Improvements	____
Executed Escrow Agreement	____
Plans and Specifications	MADE AVAILABLE

THE PURCHASE AND SALE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN FIFTEEN (15) DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AND SALE AGREEMENT BY THE BUYER, AND RECEIPT BY THE BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. THE PURCHASE AND SALE AGREEMENT IS ALSO VOIDABLE BY BUYER BY 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 PURPORTED WAIVER OF THESE VOIDABILITY RIGHTS SHALL BE OF NO EFFECT. THE 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. THE PURCHASER'S RIGHT TO VOID THE PURCHASE AND SALE AGREEMENT SHALL TERMINATE AT CLOSING.

EXECUTED this ___ day of __________, 200__.

______________________________ ______________________________

PURCHASER PURCHASER

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Diversified Property Management
of Brevard Inc.
1608 Sunny Brook Lane NE, Suite 107, Palm Bay, FL 32905 • Phone (321) 951-0641 • FAX (321) 984-547

MANAGEMENT AGREEMENT

THIS AGREEMENT, made this 1st day of April , 2002 by and between Venetian Bay Condominium Association, Inc. with an address of ____________________ Palm Bay, Florida 32905, hereinafter called "ASSOCIATION" and DIVERSIFIED PROPERTY MANAGEMENT OF BREVARD, INC. having an address of 1608 Sunny Brook Lane, N.E., Apartment E-107, Palm Bay, Florida 32905, hereinafter called "CONTRACTOR". For and in consideration of the mutual covenants herein contained, the parties hereto do and hereby agree as follows:

1. The Contractor agrees, as an independent contractor, to perform such services as may be specified in the Addendum executed by the parties and issued in connection with this Agreement.

4. The Contractor shall, with a limit of $1 million per accident, defend, indemnify and save the Association harmless from and against any and all loss, damage, claims, actions, liability and expense in contract or in tort, in connection with the loss of life, bodily injury and/or property damage occurring as a result of the contractors performance or work or wherever arising if occasioned, wholly or in part, by any act or omission of, or any defect in workmanship or material furnished by the contractor, his sub-contractors, sub-subcontractors or any sub-contractors or sub-subcontractors of any of them, or by his or their agents, servants, employees or materialmen, whether the same shall arise during the progress of the work or at any time subsequent to the completion of the work.

5. Throughout the period of this Agreement, Contractor shall insure, at Contractor's own cost and expense, against claims resulting from Contractor's activities relating to this Agreement for personal injury, loss of life, or property damage under a policy of General Public Liability Insurance with limits of at least $100,000/$300,000 for bodily injury and $50,000 for property damage. Such policies shall name Association and Contractor as the insured and shall be issued by insurers of recognized responsibility satisfactory to Association. Contractor shall also carry, at Contractor's own cost and expense, Worker's Compensation Insurance adequate to meet all liability for injuries to workers employed by Contractor in the performance of this contract. Contractor shall furnish Association with duly executed certificates showing that such insurance is in full force and effect and providing for thirty (30) days notice to Association prior to cancellation or termination of any policy.

6. Contractor is engaged by Association only fo[illegible] to the extent set forth in this Agreement, and

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IN WITNESS WHEREOF, the undersigned parties have hereby caused this Agreement to be dully executed on the date and year first above written.

CONTRACTOR:
DIVERSIFIED PROPERTY MANAGEMENT
OF BREVARD, INC.

BY: Bradley Jarvi
Bradley Jarvi
TITLE: OWNER
DATE: 7-8-02

BY: Mark Buchweitz
Mark Buchweitz
TITLE: OWNER
DATE: 7-8-02

VENETIAN BAY
CONDOMINIUM ASSOCIATION, INC.

BY:
TITLE: PRESIDENT
DATE: 7/8/02

BY:
TITLE: VICE-PRESIDENT
DATE: 7-8-02

BY: ____________________

TITLE: ____________________

DATE: ____________________

CONTRACTOR'S LICENSE NO.

90001411 (OCCUPATIONAL LICENSE
REGISTERED WITH CITY OF PALM BAY)

875000550 (OCCUPATIONAL LICENSE
REGISTERED WITH THE COUNTY OF BREVARD)

BRADLEY JARVI - CAM LIC.# 2312
MARK BUCHWEITZ - CAM LIC.# 2313

FEDERAL TAX I.D. NO. 59 - 2751016

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Association, during the term of this Agreement, shall be that of an independent contractor. Contractor shall not be considered under the provisions of this agreement as having employee status or being entitled to participate in any benefits for Association's regular employees.

7. This Agreement may not be modified in any manner than by another instrument in writing executed by the parties hereto or their respective successors in interest.

8. If any action for law or in equity including for declaratory relief is brought to enforce or interpret the provisions of this agreement, the prevailing party will be entitled to reasonable attorney fees, which may be settled by the court in the same action or in a separate action brought for that purpose. In addition to any other relief to which that party may be entitled.

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CONTRACT ADDENDUM

ADDENDUM NO. 1

PROPOSED DATE:
PAGE: 1 OF 6

DATE of ACCEPTANCE:

BETWEEN VENETIAN BAY CONDOMINIUM ASSOCIATION INC.
AND DIVERSIFIED PROPERTY MANAGEMENT OF BREVARD INC.

FOR WORK AT A:

33 unit Condominium

CATEGORY OF WORK: PROPERTY MANAGEMENT

Pursuant to the association documents the authority to manage the Association is delegated to the Board of Directors. The Board of Directors, on behalf of the members desires to employ the management company to manage certain aspects of the Association at the Board's discretion and direction.

1.ADMINISTRATIVE SERVICES:

A. Report to the President of the Association, or his designated representative, on all matters relating to operation, management, maintenance and security of the Association, it's members, common elements or Association Property.

B. Provide 24 hour emergency homeowner/tenant service for after hours. All residents will receive information on how to use this exclusive service. NO additional charges will be assessed to the Association for after hours emergency calls pertaining to any police assistance, fire assistance, water leaks or breaks.

C. Registration of new Association members and providing welcome packet.

D. Provide secretarial services in support of the Association's needs. Includes, providing the personnel to mail out all of the Association's correspondence, which includes stuffing envelopes, applying postage (at Association's expense) and transporting to the post office in a timely manner.

E. Management will take notes and prepare minutes at all Board of Directors meetings and Unit Owners' meetings.

F. Establish and maintain a working relationship with all present and prospective subcontractors and suppliers. Coordinate and assist any/all of those hired by the Board of Directors. Ensure proper insurance and licensing is provided to the association by all contractors performing services on common areas or Association's property, as well as those areas that the Association is responsible for maintaining within the buildings.

G. Based on developed specifications, secure any and all bids or quotes - from companies which are to perform subcontracted services or furnish materials. In addition, assist in the choosing of the most qualified and reasonable bid or quotes. Review bids in excess of $500.00 before recommending same to the Association.

H. Be responsible for the preparation and review of all written reports to the Board of Directors - on the general condition of the property, with recommendations for any repairs, replacements of modifications at least monthly.

I. Notify absentee owners of any condition which may develop that would adversely affect their property.

J. Enforce the Rules and Regulation pursuant to the direction of the Board of Directors. All complaints and correspondence pertaining to the community will be provided to the appropriate committee or board member.

K. Maintain a roster of all the current owners, their addresses and phone listings.

L. Maintain a list of all renters and leasing information. Insure that all renters/lessor are adequately informed of the "Rules and Regulations".

M. All previous year's records will be maintained by the management company. Financial records, administrative reports, and any unfinished business for the current period will remain at Diversified's main office.

N. The management company will insure that all notices will be issued for upcoming committee and board meetings, and the Annual General Membership meeting, in accordance with the Association's documents and the State of Florida statutes.

2. FINANCIAL SERVICES

ALL FINANCIAL SERVICES WILL BE COORDINATED AND REVIEWED BY THE ASSOCIATION'S TREASURER.

A. Accounts Payable - invoice preparation, check preparation, and prepare cash disbursements journal monthly. Board of Directors will remain as signers on all bank accounts.

B. Accounts Receivable - collect assessments, make deposits, record payments, prepare cash receipts journal, prepare receivable summary, follow up delinquent accounts as ordered by the Board of Directors, handle and record any ownership changes monthly. Make recommendation to the Board to proceed with further collections based on each individual owner's circumstances. The manager will work with the Association's attorney.

C. Budget and Reserve Calculations - prepare annually in coordination with the Board of Directors.

D. Income & Expense report, General Ledger and Balance Sheet Preparation - done monthly for the Association. Copies of Bank Statement provided to the board members upon request.

E. Annual Financial Statement - insure information is provided to the Association's accounting firm in an orderly form for reporting purposes. Each owner provided with a copy of the end of year financial statement.

F. Maintain the Association's Books of Accounts monthly (general ledger and sub-ledgers) - for the Association's transactions notices, collection processes and legal actions when required. This will include an owner's file with all transactions relating to each unit, i.e., leases, monthly assessments, miscellaneous correspondence, etc.

G. Income Tax Preparation - will help the Association to prepare the Non-Profit tax returns at the specified time according to the law. All financial information will be turned over to the association's appointed accountant.

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3. SUMMARY

A. ADMINISTRATIVE/FINANCIAL SERVICES:

Diversified Property Management of Brevard Inc. proposes to handle this segment by providing the necessary personnel to perform the job specifications detailed in this agreement.

Bookkeeping and financial services will be processed at the offices of Diversified Property Management, located at 1608 Sunny Brook Lane N.E. #107 in Palm Bay, Florida.

General management will be handled by Mark A. Buchweitz and/or Bradley Jarvi or their designated representative. Association meetings will also be attended by Mark A. Buchweitz and/or Bradley Jarvi or their designated representative.

* SPECIAL PERFORMANCE CLAUSE *

Diversified will provide managerial duties not provided for in this contract at an hourly rate of $40.00 per man hour. This work to be done upon written authorization by the Board of Directors. These duties are inclusive of all potential legal issues (collection proceeding, rules and regulation enforcement) and/or projected capital expenditures of the Association exceeding $50,000.

4. TERMS:

Diversified Property Management of Brevard, Inc. will provide these services as follows:

A TOTAL MONTHLY FEE OF $ 495.00

A TOTAL ANNUAL FEE OF $ 5,940.00

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Payment to be made monthly, at the end of each month.

The Association will provide OR be charged for Office Supplies, copies and Postage to carry out the terms of this contract.

Other incidental work not provided for in this contract will be provided at an hourly rate of $35.00 per man hour for the first hour and $ 15.00 for each additional hour. This work to be done upon written authorization.

Proof of insurance and all licenses will be required and maintained for the duration of this contract/addendum.

This contract will be for a period of one year from the date of acceptance of this proposal.

Upon acceptable performance determined by the Board of Directors this contract may be renewed at the end of the first year for an additional twelve months.

TERMINATION

Either party has the right to cancel the contract upon written notice of the cancellation being delivered to the other party, with the cancellation to take effect (60) sixty days after receipt of said notice of cancellation.

CONTRACTOR:
DIVERSIFIED PROPERTY MGMT.
OF BREVARD, INC.

BY: Bradley Jarvi
Bradley Jarvi
TITLE: OWNER
DATE: 7-8-02

BY: Mark Buchweitz
Mark Buchweitz
TITLE: OWNER
DATE:

VENETIAN BAY
CONDOMINIUM ASSOCIATION INC.

BY:
TITLE: PRESIDENT
DATE: 7-8-02

BY:
TITLE: VICE-PRESIDENT
DATE: 7-8-02

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SCHEDULE A TO THE VENETIAN BAY CONDOMINIUM ASSOCIATION BY-LAWS

RULES AND REGULATIONS

Effective September 1 2026

The following Rules and Regulations supplement those in the Declaration of Condominium and By-Laws of Venetian Bay Condominium Association, Inc. As with the Declaration and By-Laws, this "Schedule A" applies to all Unit Owners, tenants, and guests of units. In accordance with Declaration Article XXII, "the use of the masculine gender shall be deemed to refer to the feminine or neuter gender, and the use of the singular or plural shall be taken to mean the other whenever the context may require."

1) The entranceways, passages, vestibules, lobbies, halls, and portions of the Common Elements shall be used only for ingress and egress to and from the Condominium Property. No personal property shall be stored in them.

2) The Common Elements shall not be obstructed, littered, defaced, or misused in any manner.

3) Each Unit Owner's personal property must be stored within the owner's unit or within the storage area (cages) appurtenant to the owner's unit as a Limited Common Element. No personal property such as bicycles, surfboards, non-motorized scooters, furniture, etc., shall be stored outside the cages in the vehicle parking area. Only street legal motorized vehicles are allowed in the unit's parking area.

4) Unit Owners must provide keys to their units for emergency access by the Board of Directors (BOD). The BOD's unit keys are securely maintained in a locked cabinet accessible only to BOD members. A Unit Owner may also choose to make keys available to first responders via a secure box (a "Knox Box"), accessible to first responders only. Knox Box keys will be used only in an emergency, so that first responders can gain access to a Unit without resorting to forced entry.

5) Only a doorbell affixed to the door frame, without penetration of the concrete/stucco, and one doormat, not to exceed 3 ft x 4 ft, may be placed in the hallways in front of each unit. No other items of any kind may be placed in the hallways. A seasonal wreath may be attached to the entry door, with the following conditions:

a. The wreath shall display one of the four seasons or express a seashore or holiday theme.
b. The wreath shall not exceed a diameter greater than 30 inches.
c. The wreath shall be attached with a magnetic hook or a removable plastic hook, but no attachment holes shall be drilled into the door or the walls surrounding the entry door.
d. A wreath may be displayed year-round and shall be kept in like-new condition always.

6) No articles except furniture, plants and planters, or grills shall be placed on the unit's balcony. Charcoal grills, fire pits, or open flames are not allowed.

7) The following schedule must be followed for washing of a unit's balcony.

a. The 8th floor on the 1st day of the month.
b. The 7th floor on the 2nd day of the month.
c. The 6th floor on the 3rd day of the month.
d. The 5th floor on the 4th day of the month.
e. The 4th floor on the 5th day of the month.
f. The 3rd floor on the 6th day of the month.
g. The 2nd floor on the 7th day of the month or any day they choose.
h. Exception – if permission is granted by units below.

8) Neither rugs, laundry, articles of clothing/swimwear, towels, nor any other articles shall be shaken or hung from windows, doors, balconies, railings, terraces, or exterior walls.

9) Garbage and other refuse shall be placed only in designated areas. Accidental spillage of garbage or liquids on the Common Elements shall be immediately cleaned up by the responsible person. Cigarette and cigar butts must be disposed of properly and not discarded on the Common Elements. Boxes, broken furniture, discarded planters, and other such articles shall not be placed in the waste chute room, but disposed of in the dumpster located in the garbage room on the ground floor. Cardboard boxes must be broken down.

10) Contractors of the Association are not to be engaged by Unit Owners for personal errands or work during Condominium Association work hours. The BOD shall be solely responsible for directing and supervising the Association's contractors.

11) No Unit Owner or tenant shall make disturbing noises in the building or permit family, servants, employees, agents, visitors, or licensees to do so. No Unit Owner or tenant shall play (or permit to be played) in his unit, balcony, or the Limited Common Elements appurtenant to it any musical instrument, phonograph, television, radio, or the like in a way that unreasonably disturbs or annoys other Unit Owners or other occupants.

12) No radio or television installation or other electronic equipment shall be permitted in any unit if it interferes with the television or radio reception of another unit.

13) No signs, advertisements, notices, or lettering may be exhibited, displayed, inscribed, or affixed in, on or upon any part of the Common Elements or any part of a unit so as to be visible outside the unit. The exception to this is signs under control of the BOD shall be allowed at the entrance to the property. Additionally, other than those originally installed by the Developer, no awning, canopy, shutter (except hurricane shutters approved by the BOD), air-conditioning unit, or other projections shall be attached to, hung, displayed, or placed upon the outside walls, doors, balconies, windows, roof, or other portions of the building or on the Common Elements. However, any unit owner may display one portable, removable United States flag in a respectful way.

14) No flammable, combustible or explosive materials, chemicals, or other like substances may be kept in any unit, Limited Common Elements, or on the Common Elements, except such as are normally used in small gas grills, gas camping lamps, or for normal household purposes.

15) A Unit Owner or tenant who plans to be absent more than 48 hours must prepare the unit to include: turning off the unit's water prior to departure; designating a responsible firm or individual to care for the unit should the unit suffer damage; and, furnishing the BOD with the name of that firm or individual.

16) Glass containers of any kind shall not be allowed in the pool area or Common Elements other than the clubhouse and lobbies during social gatherings.

17) No exterior antennae shall be permitted on the Common Elements.

18) Children shall be the direct responsibility of their parents, legal guardians, and Unit Owners who must supervise them while they are within the Condominium Property. Full compliance with Schedule A Rules and Regulations and all other rules and regulations of the Association shall be required of children.

19) Playing shall not be permitted in any of the lobbies, hallways, stairways, garages, and elevators. The parking lot and driveway are not play areas for safety reasons. Loud noises will not be tolerated.

20) Two pets, not exceeding 35 pounds each, shall be allowed to be kept in an owner's unit. All pets must be kept on a leash while outside the owner's unit. Each pet owner shall be responsible for cleaning up after his pet in the Common Elements. Animals other than registered service animals are not allowed within the clubhouse or pool enclosure. Pets shall not create a nuisance (Venetian Bay Condominium Declaration Article X.M).

21) No solicitation of any kind shall be permitted on the condominium property.

22) Failure of a Unit Owner or occupant to comply with Venetian Bay Condominium Association documents shall be grounds for legal actions which may include, without limitation, an action to recover sums due for damages, an action for injunctive relief, and any combination of such actions. In addition to all other remedies, in the sole discretion of the BOD of the Association, a fine not exceeding $100.00 per violation may be levied. Fines may be levied based on each day of a continuing violation with a single notice and opportunity for hearing, provided no such fine shall exceed $1,000.00 in the aggregate. Fines may be levied against a Unit Owner for failure of a Unit Owner, his family, guests, invitees, tenants or employees, to comply with any covenant, restriction, rule, or regulation herein or in the Declaration, Articles of Incorporation, or By-Laws, provided the following procedures are adhered to:

a. **Notice:** The BOD shall provide a 14 day notice of infraction prior to the meeting of the Infractions Committee. The notice shall include the date, time, and location of the next meeting of the Infractions Committee, as well as the nature of the infraction.
b. **Members of the Infractions Committee:** The Infractions Committee consists of three Unit Owners who are not members of the BOD but are selected by the BOD.
c. **Hearing:** The issue shall be presented to the Infractions Committee, at which time the Unit Owner or occupant may argue the merits of any fine. The Unit Owner or occupant may be represented by counsel and may cross-examine witnesses. A written decision of the Infractions Committee shall be submitted to the Unit Owner by not later than 21 days after the Infractions Committee's meeting. If the Infractions Committee does not agree with the fine, then the fine may not be levied. If the Infractions Committee agrees with the fine, or changes the amount of the fine, then the Unit Owner shall pay the fine within 30 days after the written decision of the Infractions Committee is mailed to the Unit Owner.
d. **Application of Fines:** All monies received from fines shall be allocated as directed by the BOD.
e. **Non-exclusive Remedy:** These fines shall be construed to be non-exclusive and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any fine paid by the offending Unit Owner or occupant shall be deducted from

or offset against any damages which the Association may otherwise be entitled to recover by law from such Unit Owner or occupant.

23) Rules for Guests:

a. The BOD must be notified if a guest will occupy an owner's unit in their absence. The Unit Owner is responsible for the guest and must make sure the guest is aware of and will abide by the Venetian Bay rules and regulations.
b. A guest that will reside in Venetian Bay for more than 30 days will be required to undergo a background check to be submitted to the BOD for approval.

24) Procedures for Renting/Leasing a Unit:

a. All lease/rental agreements are subject to review by the BOD and/or a committee established for such a purpose.
b. The Unit Owner must provide to the Association at least 14 days prior to the effective date of the lease/rental a copy of the proposed rental/lease agreement, if any, the Background Authorization forms for all proposed tenants 18 years old or older and a check in the amount of $100 payable to the Venetian Bay Condominium Association as a non-refundable fee for processing the credit and background checks and other costs. If the Unit Owner has already conducted a background and credit check at their own expense, a copy shall be provided to the BOD and a reduced fee of $70 will be charged.
c. The process for review and approval/disapproval of prospective tenants is covered in Schedule A paragraph 25 to the Venetian Bay Condominium Association By-Laws authorized by Article XXXIV in the Venetian Bay Declaration of Condominium. Late or incomplete submission of the required documents will result in disapproval.
d. After approval, the Unit Owner must provide to the Association a complete Renter Profile form.
e. The Renter Profile form will allow the BOD to have the tenant's name entered in the gate and front door access stations.
f. Minimum lease/rent period is three months and a maximum of six persons.
g. Subleasing is not allowed.
h. Renters/Lessees are not permitted to have dogs. The following pets are acceptable: domesticated unit-restricted cats, caged domesticated birds, aquarium fish, small reptiles (excluding snakes), hamsters, gerbils, and other small creatures normally maintained within a terrarium or aquarium. These pets are normally kept within the boundaries of the unit without access to the Common Elements except for occasional visits to a veterinarian. Indoor pets are not allowed on the balcony.
i. The Unit Owner will provide the tenant with a copy of the By-Laws and Schedule A, keys, and gate/garage opener(s). The Association is not responsible for providing keys or gate/garage openers.
j. The Unit Owner shall contact the Association 48 hours in advance of the move-in and move-out dates so that elevator pads may be installed. An elevator key may be made available for move-in/move-out purposes upon request to a BOD member. The tenant is responsible for returning the key to a BOD member. All move-in and move-out activities are to be done through the garage and not through the front lobby doors. The movers are to place a cover over the floor leading from the door from the garage to the elevators and in the assigned elevator to prevent damage to the marble floor tiles.
k. The Unit Owner must notify the BOD when a tenant leaves so the BOD may update files and remove the tenant from the access stations.
l. The tenant must supply the BOD with their telephone number for use in the gate and building access stations.

m. The Renter Profile form and a check for $100 payable to the Venetian Bay Condominium Association shall be mailed to: Venetian Bay Condominium Association, 4955 Dixie Hwy NE, Palm Bay, FL 32905.

25) **Tenant Approval Process** is in accordance with Article XXXIV of the Venetian Bay Condominium Association Declaration of Condominium. These procedures apply to new tenants or lease renewal or extension.

a. Upon receipt of the Background Authorization form for each occupant, the signed copy of the lease agreement and a check in the amount of $100 payable to the Venetian Bay Condominium Association as a non-refundable processing fee, the BOD will initiate the approval/disapproval process. If the Unit Owner has already conducted a background and credit check at their own expense, a copy shall be provided to the BOD and a reduced fee of $70 will be charged.

b. The signed Background Authorization forms will be forwarded to the agency under contract to the Venetian Bay Condominium Association that will conduct a background and credit check of the prospective tenants. The background and credit check report should be back to the BOD within two business days.

c. The BOD or a duly constituted review committee may contact the previous landlord for information on the prospective tenants and may conduct an interview of the prospective tenants.

d. The BOD will apply the following criteria for approval of prospective tenants.

   i. The tenant seeking approval (which shall hereinafter include all proposed occupants) has not been convicted of a crime involving violence to persons, a crime demonstrating dishonesty or moral turpitude, or any felony.

   ii. The tenant seeking approval does not have a history of disruptive behavior or disregard for the rights and property of others as evidenced by his conduct in other housing facilities or associations, or by his conduct in this Condominium as a tenant, Unit Owner, or occupant of a unit.

   iii. The tenant seeking approval has provided the information, fees or appearances required to process the application in a timely manner.

   iv. All assessments, fines, and other charges against the unit and/or Unit Owner have been paid in full.

e. Failure to meet one or more of the above criteria or late or incomplete submission of the required documents may result in the BOD disapproving of the tenant.

f. The BOD will provide an approval/disapproval letter to the Unit Owner prior to the effective date of the lease.

g. The prospective tenant may not occupy the unit until approval is granted by the BOD.

h. If a tenant occupies a unit before BOD approval this is evidence of improper behavior and is grounds for eviction at the Unit Owner's expense.

26) **Procedures for Selling a Unit:**

a. A Unit Owner intending to make a *bona fide* sale of his unit or any interest in it shall give to the BOD notice of such intention, together with the name and address of the intended buyer and intended occupants, an executed copy of the purchase contract and its exhibits and such other information concerning the intended purchaser and the transaction as the BOD may reasonably require. The seller shall provide to the intended buyer the Background Authorization forms for the intended buyer and intended occupants 18 years or older for submission to the Association. The contract shall include a statement that acceptance is contingent on approval by the BOD. All agreements to purchase are subject to review by the BOD and/or a committee established for such purpose.

b. The seller shall provide Procedures to Buy Unit and the Buyer Profile form to the intended buyer. The Unit Owner shall inform the buyer that this form is to be provided to the BOD no later than the date of closing.
c. The seller shall provide the buyer a copy of the Declaration of Condominium, By-Laws, and Schedule A Rules and Regulations, found on the Venetian Bay Condominium website. The seller is responsible for providing all keys and gate/garage openers. The Association is not responsible for providing keys or gate/garage openers.
d. If applicable, the seller shall contact the Association 48 hours in advance of the move-out date so elevator pads may be installed.
e. At the time the intended buyer signs the contract to purchase a unit, the intended buyer shall fill out a Background Authorization form for each intended occupant and submit them with a $100 check payable to the Venetian Bay Condominium Association as a non-refundable fee for processing the credit and background checks and other costs. Mail to: Venetian Bay Condominium Association, 4955 Dixie Hwy NE, Palm Bay, FL 32905.
f. The process for review and approval/disapproval of intended buyer and intended occupants is covered by Article XXXIV B.4.c. in the Venetian Bay Declaration of Condominium and Schedule A paragraph 27 of the By-Laws. Incomplete submission of the required documents will result in disapproval.
g. The buyer shall fill out the Buyer Profile form and mail it to the BOD no later than the date of closing.
h. The buyer shall contact the Association 48 hours in advance of the move-in date so elevator pads may be installed. An elevator key may be made available for move-in/move-out purposes upon request to a BOD member. The buyer is responsible for returning the key to a BOD member.
i. The buyer shall inform the BOD of their phone number so that the gate and building access stations may be updated with their information.
j. The buyer shall mail the Buyer Profile form to: Venetian Bay Condominium Association, Inc, 4955 Dixie Hwy NE, Palm Bay, FL 32905.

27) **The Buyer Approval Process** is in accordance with Article XXXIV B.4.c. of the Venetian Bay Condominium Association Declaration of Condominium.
   a. Upon receipt of the Background Authorization form for each intended buyer and occupant 18 years of age or older, the signed copy of the contract agreement, other required information in Schedule A paragraph 26, and a check in the amount of $100 payable to the Venetian Bay Condominium Association as a non-refundable processing fee, the BOD will initiate the approval/disapproval process.
   b. The signed Background Authorization forms will be forwarded to the agency under contract to the Venetian Bay Condominium Association that will conduct a background and credit check of the intended buyer and intended occupants. The background and credit check report should be back to the BOD within two business days.
   c. The BOD or a duly constituted review committee may contact the previous landlord/HOA/Condo Association, if applicable, for information on the intended buyer and may conduct an interview of the intended buyer.
   d. The BOD will apply the following criteria for approval of intended buyer.
      i. The buyer seeking approval (which shall hereinafter include all intended occupants) has not been convicted of a crime involving violence to persons, a crime demonstrating dishonesty or moral turpitude, or any felony.
      ii. The buyer seeking approval does not have a history of disruptive behavior or disregard for the rights and property of others as evidenced by his conduct in other housing facilities or associations.

iii. The buyer seeking approval has provided the information, fees, or appearances required to process the application in a timely manner.
iv. All assessments, fines, and other charges against the unit and/or Unit Owner have been paid in full.
v. The buyer seeking approval does not have a history of not paying monetary obligations, does not have a poor credit history, has a credit rating at or above 600, and does not have a record of financial irresponsibility including prior bankruptcies, foreclosures, or bad debts.

e. Failure to meet one or more of the above criteria or late or incomplete submission of the required documents may result in the BOD disapproving the intended buyer.
f. The BOD will provide an approval/disapproval letter to the Unit Owner within 15 days after receipt of all required information.

28) Open House Rules and Procedures.

a. Open Houses shall be conducted only during the hours of 1:00 pm to 4:00 pm.
b. Two days' notice shall be given to the BOD by email or phone call.
c. A small open house sign may be placed below the entrance sign and appropriate open house signs directing people to the correct building inside the gated area will be allowed.
d. Entry into the Venetian Bay complex:
    i. If a working phone is present in the open house unit, a sign may be posted on the gate box instructing the visitor how to call the unit for the gate to be opened.
    ii. If the unit does not have a working phone, a sign may be placed on the gate call box with the cell phone number of the person conducting the open house. The person shall instruct the visitor how to enter the monthly access code assigned to open the gate.
    iii. In both cases, the person conducting the open house shall greet the visitor at the lobby front doors, escort the visitor to the unit and return to the parking lot. The Unit Owner or person conducting the open house shall be responsible for the activities of the visitor.
    iv. All open house signs shall be removed at the end of the open house.

29) A self-service calendar for the Association clubhouse is located in the clubhouse. It is the responsibility of the person(s) making a reservation and using the clubhouse to clean up after the activity. A cleaning and/or repair charge will be assessed to the Unit Owner if the facility requires cleaning or repair. The facility hours for parties and other gatherings are between the hours of 8:00 am and 9:00 pm.

30) No Unit Owner shall discharge fireworks on the Association's common property, their unit's balconies, or the pier, or allow their guests or tenants to discharge any fireworks, to include fire crackers, rockets of all types, sparklers, fountains, and spinners/wheels.

31) Unit Owners are responsible for maintaining their hurricane shutters. Hurricane shutters are subject to annual inspection prior to the start of Florida hurricane season for correct operation by the BOD. In the event the shutters fail inspection, the BOD may have the shutters repaired at the owner's expense after reasonable notice.

32) Commercial vehicles (including vehicles with advertising signs of any type), trailers, motor homes, and boats are not allowed to park on the Venetian Bay property. Contractor vehicles are allowed to park on the Venetian Bay property only during authorized work.

33) Each unit is assigned one garage parking space for the exclusive use of the Unit Owner or tenant and one unassigned outside parking space. Parking in another Unit Owner's garage space is not authorized unless prior written permission from that Unit Owner is received by the BOD. Unauthorized parking is subject to towing at the Unit Owner's or tenant's expense. A Unit Owner or tenant wishing to park a third vehicle on Venetian Bay property must apply to the BOD for approval.

34) Remodel of Units

All remodel work must have BOD approval prior to commencement and is subject to BOD inspection during work and at completion. All listed work must be performed by a contractor bearing a Florida business license appropriate for the particular work at hand and carrying general liability (with Venetian Bay listed as 'additional insured') and worker's compensation insurance. *Work not listed but performed by a contractor carries the same notification, licensure, and insurance requirements.*

Categories of work are:

a) Removal of flooring.

b) Installation of flooring. Any non-carpet flooring (including but not limited to wood, tile, vinyl, vinyl tile, or ceramic) requires the installation of a sound barrier with an impact insulation class (IIC) rating of 50 or higher and a Delta IIC of 20 or higher. Examples: NAC SAM 125, Proflex SIM 90, Whisper Mat HW or CS (not a recommendation or exhaustive list). Cutting of any flooring material must be performed within the unit, with the unit's storm shutters closed. A Visqueen enclosure to reduce dust in the unit is highly recommended.

c) Replacement of cabinets, countertops, vanities, bathtubs, or showers including enclosures.

d) Rerouting of or addition to a *unit*'s electrical wiring, TV cabling, or phone wiring inside walls.

e) Rerouting of or addition to a *unit*'s plumbing, to include water, sewage, drains, or A/C water supply inside walls.

f) Rerouting of or addition to a *unit*'s air conditioning ducts, dryer ducts, air intake ducts, or exhaust fan ducts inside walls.

g) Replacement of a *unit*'s entry door, sliding doors/screens, or windows (replacement must match the current design).

h) Replacement of a *unit*'s hurricane shutters (replacement must match the current design).

i) The following work is expressly prohibited:
   1. Modification of load bearing walls, ceiling or floor slabs, or structural members, including drilling holes into ceiling or floor slabs
   2. Modification of Common Elements such as sewer, water, electrical, and A/C water
   3. Modification of fire suppression system piping or sprinkler heads
   4. Modification of balconies or walkways including the walls, ceilings, and railings
   5. Modification of garage parking spaces or storage areas
   6. Installation of any flooring on balconies

j) Remodel Approval

Unit Owners seeking to remodel their unit must meet all the requirements contained in this section (Schedule A paragraph 34). The process begins with a *fully complete* "Application for Authorization to Remodel" (form attached below); incomplete forms will the returned with no action taken.

All plumbing, electrical, cabling, and ductwork requires a detailed drawing of the work involved. Unit Owners and their contractors must provide a reasonable estimate of the number of days ("Noise Days") during which noise likely to disturb other residents (tile removal, sawing, hammering, etc.) will be produced. Unit Owners must provide notice to surrounding residents regarding noise and duration of work.

The application and all supporting documents required on the form should be provided to Keys Property Management (see their Vantaca website for information). Completed packages will be evaluated by Keys and then passed on to the Board for action.

Throughout the remodel process, a Board member may examine the work being performed in order to verify work is proceeding in accordance with the Board-approved plan and schedule.

Owners, tenants, or occupants who violate any of the procedures set forth herein, or allow their contractors to violate these procedures, shall be subject to fines, per the Association's By-Laws, for each day the violation continues. A violation of the provisions set forth herein may also constitute a private or public nuisance for which injunctive relief may be available to the Association, its owners, or residents against owners who violate any of the procedures set forth herein and who may be liable for any costs incurred by those seeking injunctive relief, including court costs and reasonable attorney's fees.

k) Remodel Work Rules
   1. All contractors performing remodel work at Venetian Bay must provide a copy of their Florida contractor's business license, a certificate of insurance (COI) specifying Venetian Bay as an "additional insured," and a copy of their general liability and workers' compensation insurance. (Both a sample and a fillable PDF COI form are attached and are also available on the Venetian Bay website.) Owner-operators who do not provide workers' compensation insurance must provide a "Certificate of Election to be Exempt From Florida Workers' Compensation Law."
   2. Remodeling work is permitted 8:00 am to 5:00 pm Monday through Saturday (but not during Federal holidays), except for emergency repairs such as an A/C failure or a leaking water fixture.
   3. Storage of construction equipment and materials must be inside the unit or on the unit's balcony and is not permitted in any Common Element, including the garage space or walkways.
   4. All material and equipment must go through the garage, not through the lobby. Elevator pads and rugs must be installed to prevent damage to the elevator, and cardboard must be taped to the lobby floors to prevent damage to the marble flooring. The unit owner is responsible for ensuring the garage door is closed at the end of the work day.
   5. The contractor and Unit Owner are responsible for daily cleanup of the Common Elements to remove any debris and marks caused by the work.
   6. The contractor shall not use the Association's shopping carts or dispose of debris in the building dumpsters.
   7. Noise must be kept to a minimum (see remodel form).

35) Volunteer Residents

Residents may volunteer their time, efforts and skill set to maintain or improve the Common Elements of Venetian Bay. All projects involving volunteers shall be proposed to and approved by the BOD in advance of commencement of work. When there is a standing committee whose area of responsibility includes the scope of the project, the project will be proposed through that committee for BOD approval.

36) Delivery/Removal of Large/Heavy Items

Residents must notify the Board at least 48 hours prior to delivery or removal of any heavy or bulky item such as furniture or appliances, so that elevator protective padding can be installed; residents are responsible for properly protecting the lobby floors from damage due to delivery/removal. *All deliveries/removals of such items must be made through the garage, not the lobby entrance.* Residents are responsible for alerting vendors' drivers to this requirement and directing them to their building's loading zone, keeping garage entry/exit unobstructed.

37) Smoking in Common Areas Prohibited

Smoking is prohibited in the common areas, including in and around the swimming pool and deck, and within 25 feet of building entrances.

Application for Authorization to Remodel

No remodeling is authorized until this form is completed and work has been approved by the Board

Owner name ______________________ Bldg/Unit ______________ Date ______________

Description of remodeling: ____

____

Contractor ______________________ Contact ________________ Ph# ______________

Expected duration of work (days) __________ Start Date ____________ End Date ______________

Expected # of Noise Days ____ Start Date __________ End Date __________

"Noise Days" counts days when noise likely to disturb other residents (tile removal, hammering, sawing, etc.) is planned. Owners/contractors must minimize the total number of noise days and concentrate the noise-producing work into as few, contiguous days as possible. Plans to mitigate noise & minimize noise days may be required.

Submittals (see relevant Schedule A section for additional information) >>>>>>	**Section**	**Yes**	**NA**
Detailed drawing of work (plumbing, electrical, cabling, and ductwork) attached	34(j)		
Non-carpet flooring to be installed, details on sound barrier attached and specify Class IIC rating of 50+ and Delta IIC rating of 20+ (provide specific product name)	34(b)		
Disturbing construction noise/vibration expected, surrounding residents notified	34(j)		
Copy of Florida contractor's business license attached	34(k)		
Copy of contractor's Certificate of Insurance & General Liability/Workers Comp attached	34(k)		
Copy of Remodel Work Rules provided to and discussed with contractor(s)	34(k)		

I, the owner of Bldg ____ Unit _____, hereby guarantee the requirements specified in Schedule A of the Venetian Bay by-laws will be followed and guarantee that I (or my representative, ________________) will be present during the remodeling work. Further, I, as owner, give the Board permission to enter my unit to ensure the procedures are being followed.

Owner Signature ______________________________ Date ____________

Board Action	
Application Approved on:	Application Disapproved on:
Reason(s) for Disapproval	

______________________________________ Date ____________

for Venetian Bay Board of Directors

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Insurance Company's Name, Address, Email, and Phone Number	**CONTACT NAME:** **PHONE (A/C, No, Ext):** **FAX (A/C, No):** **E-MAIL ADDRESS:**
	INSURER(S) AFFORDING COVERAGE — **NAIC #**
	INSURER A :
INSURED Contractor's Name, Address, Email, and Phone Number	**INSURER B :**
	INSURER C :
	INSURER D :
	INSURER E :
	INSURER F :

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$ 1,000,000
	CLAIMS-MADE / OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 100,000
							MED EXP (Any one person)	$ 5,000
		Y	Y	Must be provided			PERSONAL & ADV INJURY	$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$ 2,000,000
	POLICY / PRO-JECT / LOC						PRODUCTS - COMP/OP AGG	$ 2,000,000
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$ 100,000
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS	X		May be provided			BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED / RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						X PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?	N / A		See note below			E.L. EACH ACCIDENT	$ 100,000
	(Mandatory in NH)						E.L. DISEASE - EA EMPLOYEE	$ 100,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - POLICY LIMIT	$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Venetian Bay Condominium Association, Inc. is an additional insured within the coverage of the above policies

If Workers Compensation is not provided because the contractor is an owner-operator, a valid "Certificate of Election to be Exempt From Florida Workers' Compensation Law" must be attached to this form.

CERTIFICATE HOLDER	CANCELLATION
Venetian Bay Condominium Association, Inc. 4955 Dixie Hwy NE Palm Bay, FL 32905	**SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.** **AUTHORIZED REPRESENTATIVE**

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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

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PRODUCER	CONTACT NAME:		
	PHONE (A/C, No, Ext):	FAX (A/C, No):	
	E-MAIL ADDRESS:		
	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A :		
INSURED	INSURER B :		
	INSURER C :		
	INSURER D :		
	INSURER E :		
	INSURER F :		

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

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INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$
	POLICY PRO-JECT LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
	AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (Ea accident)	$
	ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
	UMBRELLA LIAB / OCCUR						EACH OCCURRENCE	$
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$
	DED RETENTION $							$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N						PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)	N / A					E.L. EACH ACCIDENT	$
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$
							E.L. DISEASE - POLICY LIMIT	$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER	CANCELLATION
	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

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