



# ***Venice Isle***

**Home Owners, Inc**

603 Roma Rd.  
Venice, FL 34285

## **PROSPECTUS**

### **NOTE:**

Please store and maintain this document with your important papers.

This document must be passed on to any buyer of your property.

There is a charge of \$50.00 for a replacement of this document.

Address: \_\_\_\_\_

Unit No: \_\_\_\_\_



STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

Lawton Chiles  
Governor

December 18, 1997

Richard T. Farrell  
Secretary

Mr. William R. Korp  
Abel, Band, Russell, Collier,  
Pitchford & Gordon  
Post Office Box 1614  
Venice, Florida 34284-1614

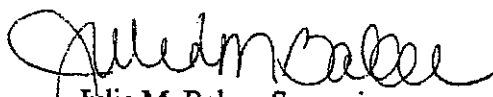
RE: VENICE ISLE, A RESIDENTIAL COOPERATIVE  
VENICE ISLE HOME OWNERS, INC.  
PR2V024365


Dear Mr. Korp:

Pursuant to Chapter 719, Florida Statutes, the documents for the above referenced cooperative have been examined and are now considered proper for filing purposes. The developer may close on contracts for sale or lease for a lease period of more than five years.

This acceptance for filing only relates to the filing and disclosure requirements of Chapter 719 of the Florida Statutes and does not constitute the Division's endorsement of the offering, development, or any representations made about the subject of this filing. This acceptance for filing does not relieve the developer of any duty or responsibility under the Florida Statutes or any other applicable laws. If deficiencies in the documents are subsequently discovered, the developer understands the Division is not estopped from requiring the developer to correct them.

Sincerely,

  
Julie M. Baker, Supervisor  
Examination Section

  
Philip Nowicki, Ph.D.  
Chief

PRN/JMB/PAH/jj

cc: VENICE ISLE HOME OWNERS, INC.  
600 Cortina Boulevard  
Venice, Florida 34292

RECEIVED

DEC 22 1997

WILLIAM R. KORP



PROSPECTUS

VENICE ISLE HOME OWNERS, INC.  
600 Cortina Boulevard  
Venice, Florida 34292

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

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

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THE PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

EXHIBIT "1"



VENICE ISLE HOME OWNERS, INC.

SUMMARY

THIS PLANNED COOPERATIVE IS FOR THE CONVERSION OF AN EXISTING MOBILE HOME VILLAGE CONSISTING OF 992 UNITS.

INTERESTS IN THE COOPERATIVE WILL BE BY MEMBERSHIP CERTIFICATES IN VENICE ISLE HOME OWNERS, INC., A FLORIDA NON-PROFIT CORPORATION, AND A PROPRIETARY LEASE TO THE INDIVIDUAL UNIT. A COOPERATIVE ISSUES LEASEHOLD INTERESTS BY DEFINITION. Memorandum of Proprietary Lease is Exhibit "8" of this Prospectus.

OTHER THAN THE MASTER FORM PROPRIETARY LEASE AND THE INDIVIDUAL PROPRIETARY LEASES THEREUNDER, THERE IS NO GROUND LEASE OR RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS COOPERATIVE.

THE ASSIGNMENT OR SUBLEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. For full details regarding these restrictions, refer to Paragraph 16 of the Proprietary Lease, Exhibit "7" of this Prospectus.

THIS PROSPECTUS CONTAINS IMPORTANT MATTERS TO BE CONSIDERED IN ACQUIRING A COOPERATIVE UNIT.

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

ORAL REPRESENTATIONS CANNOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE DEVELOPER. REFER TO THIS PROSPECTUS AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.

PERMANENT OCCUPANCY OF THE UNIT IS RESTRICTED TO TWO ADULTS, WHOSE MINIMUM AGE CAN BE NO LESS THAN 45 YEARS OF AGE, AND ONE OF WHOM MUST BE 55 YEARS OF AGE OR OLDER. THE AGE RESTRICTIONS ARE INTENDED TO MAINTAIN COMPLIANCE WITH THE FEDERAL FAIR HOUSING ACT, AS AMENDED. See Paragraph 15 of the Proprietary Lease. The initial cooperative Rules and Regulations restricting occupancy of units are set forth in Article XII, Item 4 of the Rules and Regulations (Exhibit "15" hereof). Said Rules and Regulations are posted on the bulletin board in the clubhouse.

THERE ARE NO EXPRESS WARRANTIES UNLESS THEY ARE STATED IN WRITING BY THE OFFEROR.

LEASHED PETS, 20 POUNDS AND UNDER, ARE PERMITTED. CHILDREN ARE NOT ALLOWED TO RESIDE IN THE MOBILE HOME VILLAGE.

FREQUENTLY ASKED QUESTIONS AND ANSWERS ARE MORE PARTICULARLY SET FORTH IN EXHIBIT "16" TO THE PROSPECTUS.



VENICE ISLE, A RESIDENTIAL COOPERATIVE

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VENICE ISLE HOME OWNERS, INC.

DESCRIPTION OF THE COOPERATIVE

1. NAME AND LOCATION:

a. VENICE ISLE HOME OWNERS, INC.  
600 Cortina Boulevard  
Venice, Florida 34292

b. The maximum number of units that will use the common facilities is 992.

2. THE CORPORATION PLANS TO LEASE ALL OF THE UNITS OF THE COOPERATIVE BY THE EXECUTION OF A MEMORANDUM OF A MASTER FORM PROPRIETARY LEASE, WHICH IS TO BE RECORDED IN THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA. THERE WILL BE SHORT-TERM LEASES OF THE UNITS THAT ARE REPRESENTED BY UNSOLD MEMBERSHIP CERTIFICATES IN THE COOPERATIVE CORPORATION.

3. DESCRIPTION OF THE COOPERATIVE:

a. VENICE ISLE, a Residential Cooperative, is located in Sarasota County, Florida and consists of a fully developed Mobile Home Village of 992 spaces.

b. Each mobile home space is provided with central utilities such as water, sewer, electricity and telephone. The Corporation will own all of the improvements to the real estate but shall not own any of the mobile home units or the personal property placed on or in a unit by a member or tenant.

c. A copy of the complete plot plan showing the location of the units and the other facilities used only by the unit owners is included in Exhibit "14" of this Prospectus.

4. DESCRIPTION OF THE RECREATIONAL AND OTHER FACILITIES:

a. There is no recreational facilities lease associated with this Cooperative. The unit owners are not required to be lessees of or pay rental under any recreational lease.

b. Recreational and other facilities being committed to Cooperative ownership as common facilities are described in Exhibit "13".

c. The Association may charge use fees or rental for the right of exclusive use of the common elements.

EXHIBIT "2"

5. THE COOPERATIVE IS BEING CREATED BY CONVERSION OF AN EXISTING FULLY DEVELOPED MOBILE HOME VILLAGE.

6. THE COOPERATIVE WILL BE COMPLETELY UNDER THE CONTROL OF THE MEMBERS AND THE ASSOCIATION. NO OTHER PERSON HAS CONTROL OF ANY PROPERTY THAT WILL BE USED BY THE MEMBERS. REFER TO THE MASTER FORM PROPRIETARY LEASE AND BYLAWS FOR FURTHER DETAILS ON ASSOCIATION CONTROL.

7. THE OFFEROR IS THE ASSOCIATION AND, THEREFORE THE ASSOCIATION CONTROLS THE CONVERSION AND THE COOPERATIVE FROM THE OUTSET.

8. SUMMARY OF RESTRICTIONS: THE SALE OF MEMBERSHIP CERTIFICATES AND THE SUBLEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. SEE PARAGRAPH 16 OF THE PROPRIETARY LEASE AND REFER TO THE BYLAWS.

COPIES OF THE PROPRIETARY LEASE (Exhibit "7") AND THE BYLAWS (Exhibit "4") ARE ATTACHED.

9. THE PROPRIETARY LEASE (Exhibit "7") AND THE RULES AND REGULATIONS (Exhibit "15") ARE ATTACHED. THESE DOCUMENTS CONTAIN CERTAIN RESTRICTIONS, A SUMMARY OF WHICH ARE:

a. The mobile homes shall be maintained by the owner of the unit.

b. The recreation facilities are for the use of the members and tenants and guests accompanied by members or tenants only.

c. Use of the recreation facilities are subject to certain rules regarding the age of guests, apparel, hours of use and the like.

d. Any guest staying overnight in a mobile home located on a unit must be registered at the office. There are limitations of the period of time that a guest may stay in a mobile home located on a unit and there are certain charges imposed if the guest stays beyond the allowed time.

e. There are regulations on the speed of vehicles and other uses of the driveways and thoroughfares throughout the Mobile Home Village.

f. The design of all appurtenances and additions must be approved by the corporation.

g. Leashed pets, 20 pounds and under, are permitted in the designated pet section of the Park. Children are not allowed to reside in the Mobile Home Village.

h. The assignment of a proprietary lease and transfer of a membership certificate is subject to certain restrictions which require the tenant thereof to apply on a form provided by the Association for consent to the transfer which consent shall be given or withheld upon the grounds set forth in the proprietary lease. The proprietary lease further sets forth the time period within which the consent must be given or denied.

SEE PARAGRAPH 16 OF THE PROPRIETARY LEASE FOR FURTHER RESTRICTIONS.

10. THERE IS NO LAND OFFERED BY THE OFFEROR FOR USE BY THE MEMBERS THAT IS NOT OWNED BY THE ASSOCIATION.

11. UTILITIES WHICH SERVE THE COOPERATIVE ARE AS FOLLOWS:

Water Supply:	SARASOTA COUNTY
Sewer System:	SARASOTA COUNTY
Storm Drainage:	SARASOTA COUNTY
Waste Disposal:	ENGLEWOOD DISPOSAL CO., INC.
Electricity:	FLORIDA POWER & LIGHT
Telephone:	GTE
Cable TV:	COMCAST

12. THE ASSOCIATION WILL MANAGE THE COOPERATIVE FROM THE TIME OF THE CREATION THEREOF. THERE ARE NO EXISTING MANAGEMENT CONTRACTS WHICH HAVE A DURATION GREATER THAN ONE YEAR.

13. THE APPORTIONMENT OF THE COMMON EXPENSES HAS BEEN DETERMINED BY A FORMULA BASED ON THE NUMBER OF UNITS. THIS FORMULA IS THEN APPLIED TO THE TOTAL COMMON EXPENSES OF THE ASSOCIATION TO ARRIVE AT THE COST PER UNIT. THE OWNERSHIP OF THE COMMON FACILITIES AND THE EQUITY IN THE COOPERATIVE CORPORATION (ASSOCIATION) HAS ALSO BEEN APPORTIONED ACCORDING TO THE TOTAL NUMBER OF UNITS. EACH UNIT'S PROPORTIONATE SHARE OF THE EQUITY IN THE CORPORATION AND THE APPORTIONMENT OF THE COMMON EXPENSES IS 1/992.

14. THE ESTIMATED OPERATING BUDGET OF THE INDIVIDUAL UNITS AND THE ASSOCIATION ARE INCLUDED IN EXHIBIT "5" OF THE PROSPECTUS.

15. THE ESTIMATED CLOSING COSTS TO BE PAID BY THE LESSEE/MEMBER CONSISTS OF:

- a. Attorney's fees for Lessee's attorney, if any.
- b. Mortgage financing costs and stamps on note and intangible tax on mortgage, if applicable.
- c. A title insurance policy, if desired, to be paid for by buyer.

16. AFTER CLOSING, LESSEE/MEMBER SHALL BE PROVIDED, AT LESSOR'S EXPENSE, A LESSEE TITLE INSURANCE OR GUARANTY POLICY IN THE AMOUNT OF THE PURCHASE PRICE.

17. THE OFFEROR OF VENICE ISLE, A RESIDENTIAL COOPERATIVE IS VENICE ISLE HOME OWNERS, INC., A FLORIDA NON-PROFIT CORPORATION.

18. THE PRINCIPAL DIRECTING THE CREATION AND DEVELOPMENT OF THE COOPERATIVE IS:

There is no principal individual directing the creation and development of the Cooperative. The Cooperative is being offered by a non-profit corporation organized under Florida Statutes Chapter 723 by the tenants in Mobile Home Village. Those tenants formed a corporation for the purpose of purchasing VENICE ISLE, a Residential Cooperative, from the prior owner, which purchase has been completed, and converting the Mobile Home Village into cooperative form of ownership. The individuals have no previous experience in development of cooperatives; are not being paid any fees of any nature whatsoever in connection with the formation of the Corporation and conversion to cooperative form of ownership; are not paid salaries; and receive no compensation for their services.

19. VENICE ISLE, a Residential Cooperative, offers the following significant facilities and services for its residents: two clubhouses, two swimming pools, shuffleboard courts, putting green, bocce court and picnic/barbecue area. These facilities are described in more detail on EXHIBIT "13," DESCRIPTION OF RECREATIONAL AND OTHER FACILITIES.

20. The policies and procedures of VENICE ISLE, a Residential Cooperative, which are clearly outlined in the Prospectus and are posted on the bulletin board in the recreation hall, are uniformly enforced throughout the Park.

RESTATED  
ARTICLES OF INCORPORATION  
OF  
VENICE ISLE HOME OWNERS, INC.

The undersigned hereby certify and acknowledge that these amended and restated Articles of Incorporation for VENICE ISLE HOME OWNERS, INC., a not-for-profit corporation organized under and by virtue of the laws of the State of Florida as contained in Chapter 617, Chapter 719 and Chapter 723, Florida Statutes, as amended (the "Acts") and originally filed with the Secretary of State on October 3, 1984 have been duly adopted by the Board of Directors this 23rd day of December, 1996 without member approval nor is member approval required. Any amendments included herein have been adopted pursuant to Section 617.0201(4), Florida Statutes, and there is no discrepancy between the Corporation's Articles of Incorporation as theretofore amended and the provisions of the Restated Articles of Incorporation other than the inclusion of these amendments and the omission of matters of historical interest.

ARTICLE 1. NAME

The name and address of the corporation shall be VENICE ISLE HOME OWNERS, INC., 600 Cortina Boulevard, Venice, Florida 34292.

ARTICLE 2. DURATION

The date of commencement of corporation existence shall be the date the Articles were filed with the Department of State and the period of duration of the corporation shall be perpetual.

### ARTICLE 3. PURPOSE AND POWERS.

The general purpose for which the Corporation is organized is to engage in, conduct and carry on the business of operation of a mobile home owners association pursuant to F.S. Chapter 723; the Corporation has the power to negotiate for, acquire, and operate the mobile home park on behalf of the mobile home owners; to engage in activities which are necessary, suitable or convenient for the accomplishment of that purpose, or which are incidental thereto or connected therewith; and to transact any or all lawful business for which corporations may be incorporated under the Acts. In addition, the Corporation shall have all the powers specified in Section 617.021, Florida Statutes. Upon completing the purchase of the Mobile Home Village, it shall convert the same to a condominium, cooperative or other type of ownership; whereupon the Corporation shall have all the powers necessary and/or convenient for the operation and management of such condominium, cooperative, or other type of resident-owned mobile home community. Additionally, the Corporation reserves the right to acquire additional lands; whereupon the Corporation shall have all the powers necessary and/or convenient for the operation and management of such property.

### ARTICLE 4. MEMBERSHIP

Membership in this corporation shall be limited to lessees or a family member of a lessee of VENICE ISLE (hereinafter "VILLAGE") who have purchased membership certificates in the Corporation. Upon the transfer of a membership certificate, either voluntarily,

or by operation of law, the transferee shall become a member of the Corporation if all the requirements for membership have been met.

#### ARTICLE 5. REGISTERED OFFICE AND AGENT

The street address of the registered office of this corporation is 333 South Tamiami Trail, Suite 199, Venice, Florida 34295; and the name of the registered agent of the corporation at such address is William R. Korp.

#### ARTICLE 6. DIRECTORS

The Board of Directors shall consist of not less than three nor more than twelve members who are elected at the annual members' meeting by a plurality of votes cast. The names and address of the persons who are currently serving as directors until their successors are elected and qualified, or until their earlier resignation, removal from office or death, are as follows:

<u>Name</u>	<u>Address</u>
WALTHER LEUSCHNER	807 Jolanda Circle Venice, Florida 34292
ROBERT PAULY	425 Via Veneto Venice, Florida 34292
GLADYS GEITH	725 Roma Road Venice, Florida 34292
DOROTHY SCHROEDER	812 Cervina Drive, No. Venice, Florida 34292
CARL MEYER	504 Roma Road Venice, Florida 34292
ELIZABETH WARE	831 Jolanda Circle Venice, Florida 34292

#### ARTICLE 7. INCORPORATORS

The names and addresses of the original incorporator of the corporation are as follows:



Name	Address
Robert A. Benson	944 Cortina Blvd. Venice, Florida 34292
Willis Filiatresult	840 Jolanda Circle Venice, Florida 34292
Dixie Bailey	401 Via Veneto Venice, Florida 34292

ARTICLE 8. PROVISIONS FOR THE REGULATION  
OF THE BUSINESS AND FOR THE CONDUCT  
OF THE AFFAIRS OF THE CORPORATION

8.1 Meetings of Members and Directors. Meeting of the members and directors of the Corporation may be held within the State of Florida at such place or places as may from time to time be designated in the Bylaws or by resolution of the directors.

8.2 Bylaws. The power to amend or repeal the Bylaws or to adopt new Bylaws shall be in the members, but the affirmative vote of two-thirds (2/3) of the members shall be necessary to exercise that power. The Bylaws may contain any provisions for the regulation and management of the Corporation which are consistent with the Acts and these Articles of Incorporation.

8.3 Contracts in Which Directors Have an Interest. No contract or other transaction of the Corporation with any person, firm or corporation or no contract or other transaction in which the Corporation is interested shall be invalidated or affected by (a) the fact that one or more of the directors or officers is a director or officer of another corporation, or (b) the fact that any director, individually or jointly with others, may be a party to or may be interested in the contract or transaction; and each person who may become a director of the Corporation is hereby

relieved from any liability that might otherwise arise by reason of his contracting with the Corporation for the benefit of himself or any firm, or corporation in which he may be interested.

IN WITNESS WHEREOF, the undersigned, being the President and Secretary of the corporation, executed these Articles of Incorporation and certified to the truth of the fact herein stated this 30 day of December, 1996.

VENICE ISLE HOME OWNERS, INC.

By: [Signature]

WALTHER LEUSCHNER,  
President

By: [Signature]

DOROTHY SCHROEDER,  
Secretary

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 30 day of December, 1996, by WALTHER LEUSCHNER & DOROTHY SCHROEDER, as President and Secretary respectively of VENICE ISLE HOME OWNERS, INC., on behalf of said corporation and who acknowledged before me that the execution thereof is their free act and deed. They (notary choose one) ☒ are personally known to me or ☐ have produced \_\_\_\_\_ as identification.



KATHLEEN A. KELSEY  
NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXPIRES DEC. 31, 1998  
COMMISSION # CC 111455

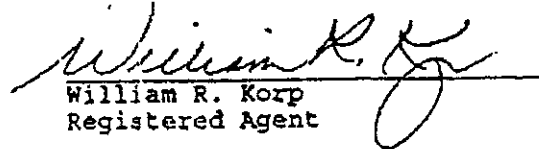
[Signature]  
Notary Public

Print Name of Notary Public  
and affix seal

My Commission Expires:

ACCEPTANCE OF REGISTERED AGENT

I have been designated as Registered Agent in the above Articles. Simultaneously, I hereby accept the appointment as Registered Agent.

  
William R. Korp  
Registered Agent

OFFICIAL RECORD  
BOOK 2925 PAGE 2926

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BYLAWS  
OF  
VENICE ISLE HOME OWNERS, INC.  
A FLORIDA NON-PROFIT CORPORATION

ARTICLE I. GENERAL PROVISIONS

1.1 Name. The name of this corporation shall be VENICE ISLE HOME OWNERS, INC.

1.2 Principal Office. The principal office of the Corporation shall be at 600 Cortina Boulevard, Venice, Florida 34292, or at such other place as may be subsequently designated by the Board of Directors (hereafter "Board" and sometimes "Directors").

1.3 Definitions. These Bylaws shall govern the operation of the Corporation, both prior to and subsequent to the conversion of VENICE ISLE, A RESIDENTIAL COOPERATIVE into a Cooperative under the Florida Cooperative Act, Chapter 719, Florida Statutes. Any terms not defined in these Bylaws shall have those definitions established by the applicable Florida Statutes, except that if any definition in these Bylaws conflicts with a definition in the Florida Statutes, where permissible, the definition in these Bylaws shall prevail.

ARTICLE II. MEMBERSHIP AND VOTING RIGHTS

2.1 Membership.

(a) Membership in this Corporation shall be limited to lessees, a family member or a trustee for a qualifying resident of a lessee of VENICE ISLE, A RESIDENTIAL COOPERATIVE (hereafter "MOBILE HOME VILLAGE") who have purchased membership certificates in the Corporation. Upon the transfer of a membership certificate either voluntarily, in accordance with these Bylaws, or by operation of law, the transferee shall become a member of the Corporation if all the requirements for membership have been met. If the membership certificate is vested in more than one person, all of the persons owning the membership certificate shall be eligible to hold office, attend meetings and act as full members of the Corporation; but, as hereinafter indicated, the vote of a membership certificate shall be cast by the "voting member". If a membership certificate is owned by a corporation, the corporation may designate an individual officer or employee as its voting member and the natural person(s) entitled to occupy the unit on its behalf.

Exhibit "4"

(b) Partial Payment for Membership Certificate. The Corporation at its option may allow partial payment for a membership certificate, in which event the certificate shall be subject to a lien in favor of the Corporation for the unpaid amount.

## 2.2 Voting.

(a) The owner of each membership certificate shall be entitled to one vote. If an owner owns more than one membership certificate, he shall be entitled to one vote for each certificate. Each membership certificate's vote 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 be present shall be binding upon all membership certificate owners for all purposes, except where otherwise provided by law, in the Articles of Incorporation or in these Bylaws; and, as used in these Bylaws and the Articles of Incorporation, the term majority of the members shall mean those membership certificate owners having more than fifty percent (50%) of the total authorized votes of all membership certificates present, in person or by proxy, and voting at any meeting of the membership at which a quorum shall be present. The Corporation shall be entitled to vote all membership certificates which the Corporation has offered for sale and have not been purchased.

(c) Quorum. Unless otherwise provided in these Bylaws, the presence in person or by proxy of a majority of the designated voting membership shall constitute a quorum.

(d) Proxies/Elections. Proxies may be voted only in accordance with law. The members of the Board of Directors shall be elected by written ballot or voting machine.

(e) Designation of Voting Member. If a membership certificate is owned by more than one member, the member entitled to cast the membership vote shall be designated in a certificate which shall be filed with the Secretary after being signed by all of the members owning an interest in such certificate. If a certificate is owned by a corporation, it shall designate the person entitled to cast the vote by certifying such person's name with the Secretary. Each such certificate shall be valid until revoked or superseded by a subsequent certificate. Notwithstanding the foregoing, if a certificate is owned jointly by a husband and wife, they may designate a voting member; or, not having designated a voting member, if only one is present at a meeting, that owner may cast the membership vote; or, if they are both present at a meeting and are unable to agree upon any subject requiring a vote, then there shall be no vote cast by the membership certificate on that particular subject at that meeting.

2.3 Minimum Age. No person other than an adult whose minimum age can be no less than 45 years, and one of which must be 55 years

of age or older, shall be permitted to permanently reside in the MOBILE HOME VILLAGE. However, no person under the age of 55 years shall be permitted to enter and permanently reside in the MOBILE HOME VILLAGE if that person's occupancy would result in the current census of the Park resulting in less than 80% of the occupants, age of 55 or older, should such under-aged person have occupancy. Notwithstanding the foregoing, any person permanently residing in the MOBILE HOME VILLAGE on the date of adoption of these Bylaws shall be entitled to remain a resident even though under 45 years of age.

### ARTICLE III. MEMBERSHIP AND MEETINGS

3.1 Place. All meetings of the membership shall be held in the Recreational Hall of the Park or at such other place and at such time as shall be designated by the Directors and stated in the notice of the meeting.

3.2 Notices. Adequate notice of all meetings shall be posted in a conspicuous place upon the cooperative property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use, will be proposed, discussed or approved, shall be mailed or delivered to the unit owners and posted conspicuously on the cooperative property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day notice shall be made by an affidavit executed by the Secretary 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 cooperative property upon which all notices of Board meetings shall be posted. 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 such assessments.

3.3 Annual Meeting. The annual meeting for the purpose of electing Directors and transacting any other authorized business shall be held the second Friday in January of each year, or at such other time as shall be selected by the Directors. At the annual meeting, the members shall elect the Directors by a plurality vote (cumulative voting prohibited) and shall transact such other business as may be properly brought before the meeting.

3.4 Regular Meetings. Regular meetings of the members for any purpose, unless otherwise prescribed by statute, may be established by Resolution of the Board of Directors from time to time. A copy of such Resolution shall be posted in a conspicuous place on the bulletin board located inside the Recreation Hall at

least fourteen (14) continuous days prior to the first of such regular meetings. Unless otherwise prescribed by statute, the Secretary shall not be required to send by regular mail or deliver a notice of each regular meeting to each member; however the Secretary shall make certain that a copy of the Board Resolution authorizing the regular meetings shall be posted continuously in a conspicuous place on the bulletin board located inside the Recreation Hall. The Board Resolution shall list the time, date and place of the scheduled regular meetings. No further notice of regular meetings shall be required, except that an agenda of each regular meeting shall be posted on said bulletin board at least fourteen (14) days prior to the scheduled meetings.

3.5 Special Meetings. Special meetings of the members for any purpose, unless otherwise prescribed by statute, may be called by the President or shall be called by the President or Secretary at the request, in writing, of a majority of the Directors or at the request, in writing, of voting members representing twenty (20%) percent of the total number of membership certificates outstanding. Such request shall state the purpose of the proposed meeting. Business transacted at all special meetings shall be confined to the subject(s) stated in the notice of meeting.

3.6 Waiver and Consent. Whenever the vote of the members at a meeting is required or permitted by any provision of the statutes or the Articles of Incorporation or of these Bylaws to be taken in connection with any action of the Corporation, the meeting and vote of members may be dispensed with if all of the members, who would have been entitled to vote upon the action of such meeting if such meeting were held, shall consent in writing to such action being taken. Membership certificate owners may waive notice of specific meetings and may take action by written agreement without meetings.

3.7 Adjourned Meetings. If any meeting of the members cannot be organized because a quorum is not present either in person or by proxy, the meeting shall be adjourned from time to time until a quorum is present.

3.8 Order of Business. The order of business at annual meetings and, as far as practical, at other meetings of the membership, shall be:

- (a) Call to order by President or Chairman
- (b) Calling of the roll and certifying of proxies
- (c) Proof of notice of the meeting or waiver of notice
- (d) Reading and disposal of any unapproved minutes
- (e) Ratification of prior actions of Board of Directors

- (f) Reports of Officers
- (g) Reports of Committees
- (h) Appointment of inspectors of election
- (i) Election of directors
- (j) Unfinished business
- (k) New business
- (l) Adjournment

3.9 Conduct of Meetings. Unit owner shall have the right to participate in meetings of unit owners with reference to all designated agenda items. However, the Board of Directors may adopt reasonable rules governing the frequency, duration and manner of unit owner participation. Any unit owner may tape record or videotape meetings of the unit owners in the manner authorized by law.

3.10 Minutes of Meetings. The minutes of all meetings of the membership shall be kept in a book available for inspection by the members or their authorized representatives and board members at any reasonable time. The Corporation shall retain these minutes for a period of not less than seven (7) years.

#### ARTICLE IV. DIRECTORS

4.1 Membership. The affairs of the Corporation shall be managed by a Board of twelve (12) Directors. All Directors shall be owners of a membership certificate or shall be the designated voter of an owner of such membership certificate. No Director shall continue to serve on the Board after he ceases to be an owner of a membership certificate or the designated voter of a membership certificate in the Corporation.

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

(a) Election of Directors shall be held at the annual meeting of the membership.

(b) A nominating committee of three (3) members, one of whom shall be on the Board of Directors, shall be appointed by the Board of Directors not less than sixty (60) days prior to the annual meeting of the membership. The committee shall nominate one or more persons for each vacancy. The nominating committee shall make and publish at least forty-five (45) days prior to election the rules to be followed at each election of the Directors.



(c) The election shall be by ballot (unless dispensed with by unanimous consent) and by plurality of the votes cast, each person voting being entitled to cast a vote for each of as many nominees as there are vacancies to be filled. (There shall be no cumulative voting.)

(d) At any time after a majority of the Board is elected at any duly convened or regular or special meeting of the membership at which a quorum is present, any one or more of the Directors may be removed, with or without cause, by the affirmative vote of voting members casting not less than two-thirds (2/3) of the total votes present at such meeting. A successor may then and there be elected to fill any vacancy created. Should any vacancy not be filled, the Board may fill the vacancy in the manner provided below.

(e) If the office of any Director becomes vacant by reason of death, resignation, retirement, disqualification or removal from office, a majority of the remaining Directors, though not less than a quorum, shall choose a successor who shall hold office for the balance of the unexpired term of office of the Director he replaces.

(f) Any Director may resign at any time by sending written notice of such resignation to the office of the corporation. Any Director shall become disqualified to hold office upon the transfer of his membership certificate or termination of the certificate designating the Director as being the designated voter for a membership certificate.

4.3 Terms of Directors. The term of the Board of Directors shall be for a period of three years.

4.4 Organizational Meeting. The organizational meeting of the Board of Directors shall be held immediately after their election at the annual meeting and no further notice of the organizational meeting shall be necessary. Notice of such meeting shall be given to the membership with the notice of the annual meeting of the membership

4.5 Regular Meetings. Adequate notice of all meetings shall be posted in a conspicuous place upon the cooperative property at least forty-eight (48) continuous hours preceding the meeting, except in an emergency. However, written notice of any meeting at which non-emergency special assessments, or at which amendment to rules regarding unit use, will be proposed, discussed or approved, shall be mailed or delivered to the unit owners and posted conspicuously on the cooperative property not less than fourteen (14) days prior to the meeting. Evidence of compliance with this fourteen (14) day notice shall be made by an affidavit executed by the Secretary 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 cooperative

property upon which all notices of Board meeting shall be posted. 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 such assessments.

4.6 Special Meetings. Special meetings of the Directors may be called by the President, or in his absence, by the Vice President and must be called by the President or Secretary at the written request of one-third (1/3) of the members of the Board. Notice of the meeting shall be given personally or by mail, except in an emergency, which notice shall state the time, place and purpose of the meeting and shall be transmitted not less than forty-eight (48) hours prior to the meeting, except that, at any meeting where the budget or assessments against membership certificates are to be considered for any reason, notice of such meeting shall be posted conspicuously on the bulletin board provided for that purpose located in the Recreation Hall Building at least fourteen (14) days in advance of such meeting.

4.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting. Attendance by any Director at a meeting shall constitute a waiver of notice of such meeting unless the Director states that his attendance is for the express purpose of objecting to the transaction of business because the meeting is not lawfully called.

4.8 Quorum. A quorum at a Directors meeting shall consist of a majority of the entire Board of Directors.

4.9 Adjourned Meetings. If at any 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. At any adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted. Notice of any adjourned meeting shall be posted in accordance with the notice requirements of regular meetings (see Section 4.5 above).

4.10 Chairman of the Board. The presiding officer of the Directors meetings shall be the President of the Corporation who shall also be the Chairman of the Board and, in the absence of the Chairman of the Board, a temporary Chairman selected by a majority of the Board shall preside.

4.11 Order of Business. The order of business at Directors meetings shall be:

- (a) Roll Call
- (b) Reading of minutes of the last meeting

- (c) Consideration of communications
- (d) Resignation and elections
- (e) Reports of officers and employees
- (f) Reports of committee
- (g) Unfinished business
- (h) Original resolutions and new business
- (i) Adjournment

4.12 Non-Agenda Items. Any item not included on the notice of a meeting may be taken up on an emergency basis upon agreement by at least a majority plus one of all the members of the Board of Directors. In the event that an emergency action is taken as set forth in this section, notice of such action shall be included in the agenda of the next regular meeting of the Board of Directors and shall be ratified by all members authorized to be at such meeting.

4.13 Conduct of Meetings. Meetings of the Directors and any committee thereof at which a quorum of the members of that committee are present shall be open to all members. Any member may tape record or videotape meetings of the Directors in the manner authorized by law. The right to attend such meetings includes the right to speak at such meetings with regard to all designated agenda items. The Directors may adopt reasonable rules governing the frequency, duration and manner of members' statements.

4.14 Minutes of Meetings. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by the membership or their authorized representatives. Minutes of the meetings of the Board of Directors shall be retained for a period of not less than seven (7) years.

4.15 Electronic Communication. Unless the Articles of Incorporation or the Bylaws provide otherwise, the Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

4.16 Compensation. Directors shall not be entitled to any compensation for their services as directors.

4.17 Committees. The Board of Directors may from time to time appoint a committee or committees. Each such committee shall

consist of at least one director. All committee meetings shall at the option of the Chairman thereof or a majority of the committee members be conducted in private. No committee shall take any action that shall be binding on the Board of Directors without a majority vote of the directors attending a regular or special meeting of the Board.

#### ARTICLE V. POWERS AND DUTIES OF THE DIRECTORS

5.1 The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Corporation and may do all acts except such acts which by law or by these Bylaws may not be delegated to the Board of Directors by the members. The Board of Directors shall have the power and duty to operate and maintain the common areas; determine the expenses required for the operation of the Corporation; collect rent and other assessments necessary for the common expenses of the Corporation; employ personnel necessary for the operation of the common areas; adopt rules and regulations covering the details of the operation of the MOBILE HOME VILLAGE; maintain bank accounts; purchase, lease or acquire membership certificates in the name of the Corporation; sell, sublet, transfer, mortgage or otherwise deal with the corporate assets; obtain insurance; borrow money on behalf of the Corporation when required in connection with capital improvements, operation, care, upkeep and maintenance of the common areas or refinancing of the Park mortgage; however (except in the case of action by the Board of Directors to refinance the Park mortgage, in which event no vote of the membership is required), the consent of a majority (50% + 1) of the membership present in person or by proxy at a duly called and convened association meeting shall be obtained prior to borrowing any sum in excess of \$10,000.00.

5.2 The Board of Directors shall exercise all of the powers specifically set forth in the Articles of Incorporation, these Bylaws and the laws of Florida; impose a fee not in excess of One Hundred Dollars (\$100.00) for the reasonable expenses required for the transfer, sublease or sale of a membership certificate; collect delinquent rent and assessments by suit or otherwise; abate nuisances; enjoin or seek damages from members for violation of these Bylaws and the terms and conditions of any proprietary lease.

5.3 The Board of Directors shall assess the membership during each fiscal year in an amount sufficient to pay all operating expenses of the Corporation including debt service on the blanket mortgage encumbering the cooperative to the extent that the expense of this item in the annual budget is greater than the income available for debt service. Available income shall be a sum equal to interest and principal payments to be received from members and rent received from tenants on unsold units after deduction of the standard maintenance charges against such unsold units.

## ARTICLE VI. OFFICERS

6.1 President. The President shall be the chief executive officer of the Corporation and Chairman of the Board of Directors. The President shall preside at all meetings of the membership. The President shall have general supervision over the affairs of the Corporation and other officers. The President shall sign all written contracts and perform all of the duties incident to the office and such duties as may be delegated from time to time by the Board.

6.2 Vice President. The Vice President shall perform such duties as may be required by the Board and, in the absence of the President, those duties incidental to the office of President.

6.3 Secretary. The Secretary or Assistant Secretary shall issue notices of meetings, shall attend and keep minutes of all meetings and shall have charge of all of the books and records of the Corporation, except those kept by the Treasurer.

6.4 Treasurer. The Treasurer shall have custody of the Corporation funds and securities. The Treasurer shall keep full and accurate accounts of the Corporation's receipts and disbursements and shall deposit all monies and other valuable effects in the name of and to the credit of the Corporation in such depositories as may be designated by the Board. The Treasurer shall account for the Corporation and the members in accordance with Florida law.

6.5 Officers. The officers of the Corporation who shall hold office and serve until their successors are elected by the Board of Directors of the Corporation are as follows:

WALTHER LEUSCHNER	President
ROBERT PAULY	Vice President
DOROTHY SCHROEDER	Secretary
CARL MEYER	Treasurer

6.6 Compensation. The President and Vice President shall not receive compensation for their services. The Secretary and Treasurer or Secretary-Treasurer may be compensated upon the affirmative vote of two-thirds (2/3) of the Board of Directors.

6.7 Resignations. Any officer may resign his post at any time by written resignation delivered to the Secretary, which shall take effect immediately unless a later date is specified therein.

## ARTICLE VII. CORPORATE FUNDS

7.1 Depositories. The funds of the Corporation shall be deposited in such banks and depositories as may be determined and

approved by resolutions of the Board. Funds shall be withdrawn only upon checks and demands for money signed by such officer or officers as maybe designated by the Board.

7.2 Fiscal Year. The fiscal year of the Corporation shall begin on January 1 each year; provided, however, the Board is expressly authorized to change to a different fiscal year if it deems it advisable.

7.3 Cash Requirement. Each owner of a membership certificate shall be liable for a 1/992 percentage or portion of the common expenses.

7.4 Assessments. Common expense assessments and the budget which is the base for the assessments shall be in accordance with law. If the annual assessment proves to be insufficient, it may be amended at any time by an action of the majority of the Board of Directors of the Corporation. The unpaid assessments for the remaining portion of the year shall be due in equal monthly installments on the first day of each subsequent month during the year for which the assessment is made. If any annual assessment is not made or required, a payment in the amount required by the last prior assessment shall be due upon each assessment's payment date until changed by a new assessment. Assessments shall be made in amounts no less than are required to provide funds in advance for the payment of all of the anticipated current operating costs and expenses and for all of the unpaid operating expenses previously incurred by the Corporation.

(a) 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 obtained pursuant to a bulk contract, such cost shall be considered common expense if it is designated as such in a written contract between the Board of Directors 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. Any such contract is subject to review, as provided by law.

(i) Any contract made by the Board after the effective date of this act 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 meeting of the Association. Any member may make a motion to cancel the contract, 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.

(ii) 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 expense 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 719.108, Florida Statutes, to enforce payment of the shares of such costs by the unit owners receiving cable television.

7.5 Assessments of Other than Common Expenses. Certain of the units in the Park are owned by the Corporation or lease by members who have not paid the entire sum due for the membership certificate which they hold. The expenses of financing these units are not common expenses as the common expenses are assessed as though all 992 of the membership certificates have been sold by the Corporation and paid in full. The Directors shall establish a debt service charge against those units leased by persons holding membership certificates in the Corporation which have not yet been fully paid so that the interest expense of the Corporation on the unpaid balance of the membership certificate and the pro rata principal payment, if any, is passed on to the member holding the membership certificate on that particular unit. The Directors shall also establish and collect rent on all those units on which the Corporation holds the membership certificate that contain a unit so that the expense to the Corporation in the form of interest and principal amounts on such unsold membership certificates shall be allocated pro rata to each such units. The Corporation intends to include the cost of carrying those units that do not contain a mobile home unit on the date of recordation hereof, to the cost of the membership certificate and proprietary lease for that unit. Interest and principal expenses shall only be common expenses to the extent that the Corporation fails or is unable to collect revenues sufficient from the above special assessments and rents to meet the mortgage expense to the Corporation on all such units.

#### 7.6 Determination of Assessments.

(a) The Directors shall fix and determine the sum or sums necessary and adequate to assess members for their share of the common expenses by virtue of a budget to be adopted by the Board of Directors. Common expenses shall include expenses for the operation, maintenance, repair or replacement of the common areas; costs of carrying out the powers and duties of the Corporation; all insurance coverage; and any other expenses designated as common expenses shall be assessed against members as provided in these Bylaws and the proprietary leases. Assessments shall be payable monthly in advance and shall be due on the first day of each month unless otherwise ordered by the Directors. Assessments shall be made against members monthly, as aforesaid, in an amount required to provide funds in advance for payment of the anticipated current

operating expenses and for unpaid operating expenses previously incurred. Special assessments, if necessary, shall be levied in the same manner as regular assessments and shall be payable in the manner determined by the Directors. All funds due under these Bylaws are common expenses, except rent and those funds assessed in accordance with Paragraph 7.5 above.

(b) A copy of the proposed budget shall be mailed to the members not less than fourteen (14) days prior to the Board meeting at which the budget will be considered, together with a notice of that meeting. The Directors' meeting at which the budget shall be considered shall be open to all of the members.

(c) If an adopted budget requires assessment against the members in any fiscal or calendar year exceeding one hundred fifteen (115%) percent of the assessments for the preceding year, the Directors, upon written application of ten (10%) percent of the members, shall call a special meeting of the members within thirty (30) days, upon not less than ten (10) days' written notice. At the special meeting, members shall consider and enact a budget. The adoption of the budget shall require a vote of not less a majority of the voting interests. The Directors may propose a budget to the members at the meeting of members or in writing; and, if the budget or proposed budget is approved by the members at the meeting or by vote of a majority of all voting interests in writing, the budget shall be adopted. In determining whether assessments exceed 115% of similar assessments in prior years, any authorized provisions for reasonable reserves for repair or replacement of the Cooperative property, expenses for the Corporation which are not anticipated to be incurred on a regular or annual basis, or assessments for betterments to the Cooperative property shall be excluded from the computation.

(d) The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if applicable, but not limited to those expenses listed in Section 719.504(20), Florida Statutes. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated remaining useful life and estimated replacement cost of each reserve item. The immediate foregoing shall not apply to budgets in which the total voting interest voting in person or by limited proxy have determined for a fiscal year to provide no reserves or reserves less adequate than required by the foregoing section.

(e) When the Directors determine the amount of any assessments, the Treasurer shall mail or present to each member a statement of assessment. All assessments shall be paid to the



Treasurer and, upon request, the Treasurer shall give a receipt for each payment received.

7.7 Rent. The Directors shall determine annually the rent to be charged for the ensuing year in accordance with the terms of the proprietary leases and Paragraph 7.5 of these Bylaws.

7.8 Application of Payments and Commingling of Funds. All sums collected by the Corporation from common expense assessments, rent, other charges and income shall not be commingled in a single fund or divided into more than one fund, as determined by the Directors. However, separate ledgers must be maintained on reserve accounts, if any, and operating funds. Statutory reserve funds and any interest accruing thereon shall remain in the reserve account for authorized reserve expenditures, unless their use for other purposes is approved in advance by a vote of the majority of the voting interests present at a duly called membership meeting. Any delinquent payment by a member shall be applied to interest, costs, attorney's fees, other charges, expenses, advances and general or special assessments in such manner and amounts as the Directors determine.

7.9 Acceleration of Assessment Installments Upon Default. If a member shall be in default in the payment of an installment upon an assessment or rent, the Directors may accelerate the installments of the assessment, and, if applicable, rent coming due during the next calendar quarter upon notice to the member, and the unpaid balance of the assessment (and rent) shall be due upon the date stated in the notice, but not less than five (5) days after delivery of the notice to the member, or not less than ten (10) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur. The Association may charge an administrative late fee in addition to interest of Twenty-Five (\$25.00) Dollars or five (5%) percent of each past due installment, whichever is greater. If the Directors record a Claim of Lien against the unit in accordance with Section 11.2, then the accelerated assessments (and rent) shall include the amounts due for the remainder of the budget year in which the Claim of Lien is filed.

7.10 Fidelity Bonds. The members shall obtain fidelity bonding of all officers or directors of the Corporation who control or disburse funds of the Corporation, as provided by law. The Corporation shall bear the cost of any such bonding.

7.11 Accounting Review or Audit. A review of the accounts of the Corporation shall be made in compliance with law from time to time as directed by the Directors. A copy of any report received as a result of a review, audit or written summaries thereof shall be furnished to each member of the Corporation. The report shall meet the requirements of Section 719.104(2), Florida Statutes.

7.12 Accounting Records and Reports. The accounting records of the Corporation shall be open to inspection by members or their authorized representatives at reasonable times, and written summaries of them shall be supplied at least annually. The records shall include, but not be limited to, (a) a record of all receipts and expenditures, (b) an account for each membership certificate designating the name and current mailing address of the member, the amount of each assessment, the dates and the amounts in which the assessments come due, the amount paid upon the account and the balance due and (c) question and answer statement as provided in Section 719.504, Florida Statutes. All records and reports shall meet the minimum requirements of Chapter 719.

7.13 Tax Deduction Statement. The Corporation shall, on or before March 15 following the close of the fiscal year, send to each member listed on the books of the Corporation for the prior fiscal year a statement setting forth the amount per membership certificate of that portion of the amounts paid by such member under his proprietary lease during such year which has been used by the Corporation as the member's agent for payment of real estate taxes and interest on the blanket mortgage or other indebtedness paid by the Corporation with respect to property owned by it.

7.14 Application of Payment. All payments by a member shall be applied as provided herein and in the proprietary lease for his unit.

7.15 Transfers and Fees. The assignment or sublease of units is subject to the approval of the Directors pursuant to these Bylaws and the proprietary leases. The Directors may impose a fee in connection with the approval of the assignment or sublease of units; provided, however, that no fee shall be charged in connection with an assignment, sublease or approval in excess of the expenditures reasonably required for the transfer, and this expense shall not exceed \$100. No charge shall be made in connection with an extension or renewal of a sublease. The Board of Directors is authorized to adopt rules requiring as a condition to permitting the sublease of a unit the depositing into a Corporation escrow account a security deposit in an amount not to exceed the equivalent of one (1) month's rent. The security deposit shall protect against damages to the common areas or cooperative property. Within fifteen (15) days after a sublessee vacates the premises, the Corporation shall refund the full security deposit or give written notice by certified mail, return receipt requested, to the sublessee at sublessee's last known address of any claim made against the security deposit. Disputes involving the security deposit shall be handled in the same fashion as disputes concerning security deposits under Section 83.49, Florida Statutes (The Landlord-Tenant Act).

#### ARTICLES VIII. ROSTER OF MEMBERS AND MORTGAGES

The Corporation shall maintain records entitled "Members". A member who mortgages his unit in the Cooperative shall notify the Corporation of the name and address of his mortgagee and shall file a copy of the mortgage documents with the Corporation. A member who satisfies a mortgage covering a unit shall also notify the Corporation thereof and file a copy of the satisfaction of mortgage with the Corporation. Each member or the member's family member(s) or sublessee(s) shall deliver a photocopy of a bona fide personal identification including name, signature, birth date and photograph. Acceptable form of identification include a driver's license or passport.

#### ARTICLE IX. PARLIAMENTARY RULES

Roberts' Rules of Order (latest edition) shall govern the conduct of the Corporation meetings when not in conflict with the proprietary lease, the Articles or these Bylaws.

#### ARTICLE X. AMENDMENTS

Except as otherwise provided elsewhere, these Bylaws may be amended in the following manner:

10.1 Proposal of Amendments. A resolution for the adoption of an amendment to these Bylaws may be proposed either by a majority of the Directors or by not less than twenty (20%) percent of the members entitled to vote.

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

10.3 Adoption. Amendment may be adopted by a two-thirds (2/3) vote at the meeting set forth in notice given pursuant to Section 10.2.

10.4 Consent to Certain Amendments. No amendment to the cooperative documents may change the configuration or size of any cooperative unit in any material fashion, materially alter or modify the appurtenances of the unit, or change the proportion or percentage by which the owner of the parcel shares the common expenses and owns the common surplus, unless the record owner of the unit and all record owners of liens on it join the execution of the amendment and unless the record owners of all other units approve the amendment.

10.5 Errors and Omissions. In the event it shall appear that there is an error or omission in these Bylaws or exhibits thereto

or any Cooperative document, then and in that event the Corporation may correct such error or omission by an amendment to these Bylaws 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 approval as provided in Paragraph 10.3 above but shall require a vote in the following manner:

(a) 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.

(b) A resolution for the adoption of such a proposed amendment may be proposed by either the Directors or by the members of the Corporation. Except as elsewhere provided, such approvals must be either by:

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

(ii) Not less than twenty-five (25%) percent of the votes of the entire membership of the Corporation; or

(iii) In the alternative, an amendment may be made by an agreement signed and acknowledged by all members in the manner required for the execution of a deed, and such amendment shall be effective when recorded in the Public Records of Sarasota County, Florida.

(c) The foregoing provisions relating to amendments for defects, errors or omissions are intended to be in accordance with and pursuant to Section 719.304(1), Florida Statutes.

(d) The amendment made pursuant to this subparagraphs 10.5(b)(i) or (ii) need only be executed and acknowledged by the Corporation and by no other parties whatsoever.

10.6 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 mortgagees of the MOBILE HOME VILLAGE or of units without the consent of the mortgagees in each instance. No amendment shall be made that is in conflict with the Articles or the proprietary lease.

10.7 Execution. A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of these Bylaws, which certificate shall be executed by the President or Vice President and attested by the Secretary or

Assistant Secretary of the Corporation with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of Sarasota County, Florida.

#### ARTICLE XI. COMPLIANCE AND DEFAULT

11.1 Violations. In the event of a violation (other than the non-payment of an assessment) by a member or occupant of a unit of any of the provisions of these Bylaws, the proprietary lease or the Act, the Corporation, by direction of its Directors shall notify the member of said breach by written notice, transmitted to the member at his unit by certified mail. If such violation shall continue for a period of thirty (30) days from the date of mailing of the notice, the Corporation shall have the right to treat such violation as an intentional, material breach of the Bylaws, the proprietary lease or the Act, and the Corporation shall then, at its option, have the following elections:

(a) To commence an action in equity to enforce performance on the part of the member; or

(b) To commence an action at law to recover its damages;  
or

(c) To commence an action in equity for such equitable relief as may be necessary under the circumstances, including injunctive relief.

Upon a finding by a court that the member was in violation of any of the provisions of the above-mentioned documents, the member shall reimburse the Corporation for its reasonable attorney's fees and costs incurred in bringing such action.

11.2 Defaults. In the event a member does not pay any rents or assessments, or interest on either, required to be paid to the Corporation within thirty (30) days from the due date, the Corporation, acting on its own behalf or through its Directors or manager acting on behalf of the Corporation, may foreclose the lien encumbering the unit created by non-payment of the required monies in the same fashion as mortgage liens are foreclosed pursuant to Section 719.108, Florida Statutes. Reasonable attorneys' fees incurred by the Corporation incident to the collection of rents and assessments or the enforcement of the lien shall also be secured by the lien. The Corporation shall be entitled to the appointment of a receiver if it so requests. The Corporation shall have the right to bid-in the unit at a foreclosure sale and to acquire, hold, sublet, mortgage and convey the same. In lieu of foreclosing its lien, the Corporation may, through its Directors, bring suit to recover a money judgment for any rent, sums, charges or assessments

required to be paid to the Corporation without waiving its lien securing rents or assessments, or interest on either. In any action either to foreclose its lien or to recover a money judgment, brought by or on behalf of the Corporation against a member, the losing party shall pay the costs thereof, together with a reasonable attorney's fee.

11.3 Negligence or Carelessness of a Member. Each member shall be liable for the expenses of any maintenance, repair or replacement rendered necessary by the member's act, neglect or carelessness, or by the negligence of any family member, guests, employees, agents or licensees. Such liability shall be limited to the extent that such expense is not met by the proceeds of insurance carried by the Corporation.

11.4 Election of Remedies. All rights, remedies and privileges granted to the Corporation or a member pursuant to any terms, provisions, covenants or conditions of the Cooperative documents shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other additional rights, remedies, or privileges as may be granted by the Cooperative documents.

#### ARTICLE XII. INDEMNIFICATION

Every Director and officer of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including attorneys' fees reasonably incurred by or imposed upon him in connection with any proceeding or settlement thereof in which the Director or officer may become involved, by reason of his being or having been a Director or officer of the Corporation. This indemnification shall apply whether or not the individual is a Director or officer at the time such liabilities or expenses are incurred, except in cases wherein the Director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. In the event of a settlement, the indemnification established herein shall apply only when the Board approves such settlement or reimbursement. The foregoing right of indemnification shall be in addition to and not exclusive of any and all other rights of indemnification to which such Director or officer may be entitled.

#### ARTICLE XIII. LIABILITY SURVIVES TERMINATION OF MEMBERSHIP

The termination of membership in the Corporation shall not relieve or release any former member from any liability or obligation incurred under or in any way connected with the Cooperative during the period of membership, or impair any rights

or remedies which the Corporation may have against such former member, arising out of, or which is in any way connected with such membership.

#### ARTICLE XIV. LIMITATION OF LIABILITY

Notwithstanding the duty of the Corporation to maintain and repair the common facilities, the Corporation shall not be liable for injury or damage caused by a latent condition in the property, nor for injury or damage caused by the elements, members or other persons.

#### ARTICLE XV. LIENS

Protection of Property. All liens against a unit, other than permitted mortgages, taxes or special assessments, shall be satisfied or otherwise removed within thirty (30) days of the date the lien attaches. All taxes and special assessments shall be paid before becoming delinquent or as provided in the Cooperative documents or Bylaws, whichever is sooner.

#### ARTICLE XVI. SEAL

The seal of the Corporation shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Non-Profit". Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

#### ARTICLE XVII. PROPRIETARY LEASE AND MEMBERSHIP CERTIFICATE

17.1 Issuance. NINE HUNDRED NINETY TWO proprietary leases shall be issued by the Corporation. One proprietary lease shall be issued to each Lessee of a unit in the Cooperative. The price for the issuance of the proprietary lease shall be the price of the initial membership for the purchase of the membership certificate of the same number as the unit. The initial membership price for the certificates and the proprietary leases shall be set from time to time by the Directors.

17.2 Execution. All proprietary leases shall be signed by the President or Vice President and shall have the corporate seal affixed. Membership certificates shall be signed by the President and Secretary and shall have the corporate seal affixed.

17.3 Form of Proprietary Lease. The form of proprietary lease from time to time shall be determined by the Board of Directors.

17.4 Form of Membership Certificate. The form of membership certificate shall be determined by the Board of Directors.

17.5 Transfers. Transfers of membership certificates shall be made only on the books of the Corporation. The existing certificate, properly endorsed, shall be surrendered and canceled before a new certificate is issued. Transfers of proprietary leases shall be made by a written assignment, executed with the formalities of a deed, recorded in the Public Records of Sarasota County, Florida. Proof of the executed and recorded assignment, and assumption by the assignee, of the proprietary lease, shall be required by the Corporation before the corresponding membership certificate shall be canceled and reissued. All transfers of proprietary leases and membership certificates are subject to these Bylaws and the Master Form Proprietary Lease.

17.6 Votes. Each proprietary lease shall entitle the lessee and holder to one vote in the meetings of the Corporation. There shall be a total of 992 votes.

17.7 Liens. The Corporation shall have a first lien on all of the individual leases and membership certificates in the name of each member for debts due the Corporation by such member.

17.8 Memorandum of Proprietary Lease. In lieu of recording a complete and full proprietary lease, a memorandum of proprietary lease may be recorded.

17.9 Conditions of Acceptance of Membership Certificates. Upon the acceptance of the membership certificate, the member agrees that the rights under such certificate shall incorporate the following:

"The rights of any holder of this membership certificate are subject to the provisions of the Articles of Incorporation and the Bylaws of the Corporation and to all the terms, covenants, conditions and provisions of a certain proprietary lease made between the Corporation, as Lessor, and the person in whose name this certificate is issued, as Lessee, for a unit in the MOBILE HOME VILLAGE which is owned by the Corporation and operated as a "Cooperative", which proprietary lease limits and restricts the title and rights of any transferee of this certificate and imposes a lien on this certificate to secure payment of assessments, common expenses and other sums which may become due to the Corporation from the holder hereof."

#### ARTICLE XVIII. EASEMENTS

Each of the following easements is a covenant running with the land of the Cooperative, to wit:



18.1 Utility Services; Drainage. Easements are reserved under, through and over the Cooperative property as may be required for utility services and drainage in order to serve the Cooperative. Such reservation is also contained in the Master Form Proprietary Lease. A member shall do nothing on or under the unit that interferes with or impairs the utility services using these easements. The Association has the irrevocable right of access to each unit from time to time during reasonable hours when necessary for the maintenance, repair or replacement of any structural component of the building or of any mechanical, electrical or plumbing elements necessary to prevent damage to the building or to another unit.

18.2 Traffic. An easement shall exist for pedestrian traffic over, through and across sidewalks, paths, walks, other portions of the Cooperative property as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, through and across such portions of the Cooperative property as may, from time to time, be paved and intended for such purposes; and such easements shall be for the use and benefit of the members, institutional mortgagees or lessees, and those claiming by, through or under the aforesaid.

18.3 Covenant. All easements of whatever kind or character, whether heretofore or hereafter created, shall constitute a covenant running with the land, shall survive the termination of the Cooperative, and, notwithstanding any other provisions of these Bylaws, may not be substantially amended or revoked in a way which would unreasonably interfere with its proper and intended use and purpose.

#### ARTICLE XIX. APPROVAL AND RATIFICATION

The Corporation, by its execution of these Bylaws approves and ratifies all of the covenants, terms and conditions, duties and obligations of these Bylaws and exhibits attached hereto. The members, by virtue of their acceptance of the proprietary leases and appurtenant membership certificates as to their unit, hereby approve and ratify all of the terms and conditions, duties and obligations of these Bylaws and exhibits attached hereto.

#### ARTICLE XX. RULES AND REGULATIONS

Rules and Regulations may be adopted and amended from time to time and shall be deemed in effect until amended by the Directors and shall apply to and be binding upon all members. The members shall, at all times, obey said rules and regulations and shall use their best efforts to see that they are faithfully observed by their families, guests, invitees, servants, lessees and persons over whom they exercise control or supervision. In order to

change, amend or vary old or present rules and regulations and/or adopt new rules and regulations, the same shall be duly passed by at least fifty one (51%) percent majority vote of the Directors; no vote of the membership shall be required. A change, amendment or adoption of a rule and regulation shall not require an amendment to the Bylaws. The rules and regulations, in full force and effect as of the date of these Bylaws, being attached hereto, are made a part hereof as though set out in full.

#### ARTICLE XXI. MEMBERS COMPLAINTS

Any complaint filed by a member over the operation or administration of the Association, shall be by written request, forwarded by certified mail to the Board of Directors, and such complaint shall be disposed of as provided by law.

#### ARTICLE XXII. CONSTRUCTION

Whenever the masculine singular form of a pronoun is used in these Bylaws, it shall be construed to mean the masculine, feminine or neuter, singular or plural, wherever the context so requires.

Should any of the covenants herein imposed be void or be or become unenforceable at law or in equity, the remaining provisions of this instrument shall, nevertheless, be and remain in full force and effect.

#### ARTICLE XXIII. CONFLICT

If any irreconcilable conflict should exist, or hereafter arise, with respect to the interpretation of these Bylaws and the proprietary leases, the provisions of the Bylaws shall prevail.

#### ARTICLES XXIV. ACQUISITION OF ADDITIONAL LANDS

From time to time, the Corporation shall have the right to purchase and add additional lands to the Cooperative property, which lands may or may not be converted to cooperative. Such action shall require the affirmative vote of two-thirds (2/3) of the membership of the Corporation. Thereafter, the Board of Directors shall have all the powers and duties with respect to such properties as the Board has with respect to the Cooperative.

#### ARTICLES XXV. RECREATIONAL AND OTHER FACILITIES

From time to time, the Corporation, through its Board of Directors, shall have the right to modify, add, delete, substitute,

or otherwise develop recreational and/or other facilities and amenities of the Cooperative. If such action would materially alter or modify the appurtenances of a unit, then such action shall require the affirmative vote of a majority of the members. Thereafter, the Board of Directors shall have all the powers and duties necessary and/or convenient to accomplish the proposed action.

#### ARTICLE XXVI. ARBITRATION

Internal disputes arising from the operation of the Cooperative among unit owners, the Corporation, and their agents and assigns, shall be submitted for mandatory non-binding arbitration to the Division of Florida Land Sales, Condominiums and Mobile Homes of the Department of Business and Professional Regulations in accordance with Sections 719.106(1)(1) and 719.1255, Florida Statutes.

Passed and duly adopted this 30 day of December, 1996.

Lorayne M. Schroeder  
Secretary

RECORDER'S MEMO: Legibility of writing, typing, or  
printing for reproductive purpose may be unsatisfactory in  
this document when received.

**VENICE ISLE HOME OWNERS, INC.**  
**January 1, 1997 to December 31, 1997 ANNUAL BUDGET**

	<u>ANNUAL</u>	<u>MONTHLY</u>
<b>RECEIPTS:</b>		
Owners Interest	94,860	7,905
Owners Principal	12,976	1,081
Maintenance (992 @ \$75)	892,800	74,400
Rents - MH Lots	1,108,054	92,339
Investment Interest	24,750	2,063
Pass-Ons - Cable TV	116,540	9,712
Storage income	2,000	167
Commission (net)	36,000	3,000
Laundry income	2,000	167
Operating Reserve used	-0-	-0-
Other income	-0-	-0-
<b>TOTAL REVENUES</b>	<b>2,289,980</b>	<b>190,834</b>
<b>OPERATING EXPENSES:</b>		
Administrative Expenses:		
Advertising	6,000	600
Office Expense	6,000	600
Professional Fees	18,000	1,500
Salaries - Grounds	130,000	10,833
Salaries - Maintenance	26,000	2,167
Salaries - Manager	32,000	2,667
Salaries - Office	27,000	2,250
Taxes - payroll	12,500	1,042
Taxes - other	3,600	300
Auto & Truck	7,500	625
Bank charges	200	17
Dues and subscriptions	7,500	625
Insurance - Employees	36,000	3,000
Insurance - Workman's Comp.	12,000	1,000
Insurance - Autos & Trucks	10,000	833
Insurance - Other	18,200	1,517
Maintenance		
- Building	24,000	2,000
- General	36,000	3,000
- Gardening & Lawn	36,000	3,000
- Pool	28,700	2,392
- Roads	12,000	1,000
- Roofs	6,000	500
- Supplies	18,000	1,500
Management Fees	-0-	-0-
Park Activities	6,000	500
Rent for recreational and commonly used facilities	-0-	-0-
Repairs - equipment	6,000	500
Security	-0-	-0-
Fees payable to Division	3,968	331
Utilities		
- Garbage	6,000	500
- Water/Sewer	24,000	2,000
- Electric	36,000	3,000
- Telephone	5,000	417
- Cable TV	116,540	9,712
<b>OTHER DISBURSEMENTS:</b>		
Mortgage interest	925,000	77,083
Mortgage principal	-0-	-0-
Real Estates taxes on Assn. Prop.	204,532	17,044
Real Estates taxes on Leased Prop.	-0-	-0-
Capital Improvement	50,000	4,167
Operating Capital	393,740	32,612
Reserves	-0-	-0-
<b>TOTAL EXPENSES</b>	<b>2,289,980</b>	<b>190,834</b>
<b>EXCESS RECEIPTS</b>	<b>-0-</b>	<b>-0-</b>

EXHIBIT "5"

**VENICE ISLE HOME OWNERS, INC.**  
**January 1, 1997 to December 31, 1997 ESTIMATED RESERVE REQUIREMENT**

	<u>RESERVE</u>	<u>LIFE YEARS</u>	<u>EST. REM. USEFUL LIFE</u>	<u>ANNUAL RESERVE</u>	<u>ANNUAL PER UNIT</u>	<u>MONTHLY PER UNIT</u>	<u>BALANCE IN ACT.</u>
Street/parking	\$ 500,000	30	30	\$ 16,667	\$ 27.64	\$ 2.30	\$ 0
Storm Drain	500,000	30	30	16,667	27.64	2.30	0
Electrical System	150,000	30	30	5,000	8.29	0.69	0
Entrance/Irrigation	150,000	30	30	5,000	8.29	0.69	0
Rec. Bldg. #1	411,000	40	40	10,275	17.04	1.42	0
Rec. Bldg. #2	925,000	40	40	23,125	38.35	3.20	0
Ancillary Bldg #1	49,500	40	40	1,238	2.05	0.17	0
Ancillary Bldg #2	79,200	40	40	1,980	3.28	0.27	0
Swimming Pool & Deck (2)	115,000	25	25	4,600	7.63	0.64	0
Maintenance Bldg.	72,000	40	40	1,800	2.99	0.25	0
Sales Office	25,000	25	25	1,000	1.66	0.14	0
Shuffleboard Cts. (16)	28,000	25	25	1,120	1.86	0.16	0
Putting Green	12,000	15	15	800	1.33	0.11	0
Painting	75,000	15	15	5,000	8.29	0.69	0
Road Resurfacing	200,000	20	20	10,000	16.58	1.38	0
Roofing	100,000	20	20	5,000	8.29	0.69	0
	<u>\$ 3,391,700</u>			<u>\$109,272</u>	<u>\$110.15</u>	<u>\$ 9.18</u>	<u>0</u>

Reserve has been waived for fiscal year 1997 by an affirmative vote of the membership.

**PURCHASE AGREEMENT**  
**VENICE ISLE HOME OWNERS, INC.**

THIS AGREEMENT is executed this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_, by and between VENICE ISLE HOME OWNERS, INC., a Florida non-profit Corporation, as the Developer of the property ("Seller" and sometime "Developer"), and \_\_\_\_\_

("Purchaser" and sometimes "Buyer"). The parties hereto agree that Seller shall sell and Purchaser shall purchase a proprietary lease of the following described unit and the appurtenant membership certificate under the terms and conditions hereinafter set forth: Unit No. \_\_\_\_\_, VENICE ISLE, a Residential Cooperative, according to the Master Form Proprietary Lease, and the Articles of Incorporation and Bylaws of Seller, copies of which have been provided Purchaser, all of which have been or will hereafter be recorded in the Public Records of Sarasota County, Florida.

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

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.

This contract is made upon the following terms and conditions:

1. PURCHASE PRICE. The purchase price of the Cooperative unit is \$ \_\_\_\_\_, which shall be payable as follows:

a.	Initial Deposit	\$ _____
b.	Promissory Note or Mortgage Assumption	\$ _____
c.	Balance upon closing in cash or cashier's check	\$ _____
TOTAL PRICE:		\$ _____

EXHIBIT "6"

2. ESCROW AGREEMENT. On November 16, 1996, the Seller entered into an Escrow Agreement wherein WILLIAM R. KORP, ESQUIRE of Abel Band Russell Collier Pitchford & Gordon, Chartered, has agreed to act as Escrow Agent with respect to the deposits made under Paragraph 1(a) hereof, pursuant to the requirements of Section 719.202, Florida Statutes. The function of the Escrow Agent in holding the escrow is an accommodation to Seller and Purchaser and is that of a Stakeholder and, as such, no liability shall ever attach to or against the Escrow Agent for his acts as long as he complies with the provisions of the Escrow Agreement. The escrowed funds paid under Paragraph 1(a) will be deposited in an interest bearing account with interest accruing to the Seller pursuant to the provisions in the Escrow Agreement. Purchaser may, upon request, receive a receipt for his deposit under Paragraph 1(a) from the Escrow Agent.

3. CONDITION OF TITLE. The Cooperative unit shall be leased by the Seller to the Purchaser under a Proprietary Lease, a Memorandum of which shall be recorded in the Public Records. The Lease shall be subject to a blanket mortgage on the easements of record, if any, and the terms and provisions of all the cooperative property, taxes, zoning ordinances, restrictions, easements of record, if any, and the terms and provisions of all the cooperative documents, none of which shall adversely affect the use of the property by the Purchaser as a mobile home site. A title insurance policy reflecting the above exceptions shall be furnished to the Purchaser within forty-five (45) days after date of closing, the payment for which shall have been included as an item of expense to Seller on the closing statement.

4. TAX PRORATIONS. Taxes and assessments, insurance and other expenses shall be prorated as of the date of closing. Seller shall pay for the documentary stamps on the Memorandum of Proprietary lease, if any, and recording the Memorandum of Proprietary Lease.

5. CLOSING. The closing shall be held on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, at the office of WILLIAM R. KORP, ESQUIRE, 333 South Tamiami Trail, Suite 199, Venice, Florida 34285, or such place in Sarasota County as Seller may designate. At the closing, all sums due the Seller from the Purchaser shall be paid by way of cash, cashier's check or wire transfer (checks not convertible to cash on the same business day as closing shall not be accepted). At the closing, the Seller shall deliver to the Purchaser the following documents:

a. Proprietary Lease subject only to the following:

(1) Articles of Incorporation, Bylaws of the Cooperative Association and Exhibits attached thereto;

(2) Conditions, limitations, restrictions,

reservations, agreements and easements now of record or hereafter granted by Seller, granted to Seller or imposed by governmental authorities having jurisdiction or control over the subject property;

(3) Zoning and building code ordinances and regulations, rights or interests vested in any municipal, county, state or federal government or agency;

(4) Public utility franchises and tariffs;

(5) The blanket mortgage, encumbering the Cooperative; and any and all extensions, modifications, consolidations, renewals, refinances, future advances and replacements thereof and also any subsequent mortgage on the Cooperative; and

(6) Taxes and assessments for the current year and subsequent years,

b. Owner's Affidavit

c. Closing Statement

d. Membership Certificate in the Cooperative Association.

6. QUALIFICATIONS OF PURCHASER. It is understood by the Purchaser that an investigation shall be made by Seller to determine if the Purchaser, in the sole opinion and discretion of the Seller, is a person of good character and generally desirable and suitable of membership in the Association; and the Seller shall have the right for a period of thirty (30) days from the date of Purchaser's delivery to Seller of Seller's purchase application in which to determine if the Purchaser is suitable for membership in the Cooperative Association. If the Purchaser is not acceptable to the Seller, the Seller shall notify the Purchaser of its findings of unacceptability and simultaneously return to the Purchaser his deposit in full, together with any interest earned thereon, and this Agreement shall thereafter be considered null and void and of no further force and effect. There shall be no liability upon the Seller or any of its agents or employees either for acceptance or rejection of a Purchaser or as to the method or manner of making an investigation.

7. CONSTRUCTION OF DWELLING. Purchaser agrees, that if no dwelling is on the unit at the time of the execution hereof, to place a mobile home on the unit within six (6) months of the closing of this contract and to complete such construction within two (2) months from the date of commencement. No construction shall commence until Seller has approved the plans for such construction and the builder selected by the Purchaser. In



approving the plans, the Seller may require the use of approved exterior designs and elevations, materials, colors and finishes.

8. RECORDATION OF DOCUMENTS. The Purchaser herein specifically gives authority to Seller to file and place among the Public Records of Sarasota County, Florida, all documentary instruments referred to herein or as are required to be filed under the Laws of the State of Florida, or otherwise which Seller deems necessary in its sole discretion. Provided, however, this Agreement shall not be recorded in said Public Records without the express, prior written consent of Seller.

9. COOPERATIVE DOCUMENTS. Purchaser agrees that possession and occupancy of the unit will, at all times, be subject to the provisions of the instruments and documents referred to in the Prospectus, Exhibit "1" (sometimes herein called "the Cooperative Documents") attached hereto and made a part hereof. Purchaser acknowledges having received copies of each and every one of the instruments and documents referred to in Exhibit "1", all of which instruments and documents are hereby approved and accepted by Purchaser. Purchaser agrees to be bound by each and every one of the terms and conditions of said instruments and documents, and to purchase the unit pursuant to this contract and subject to said instruments and documents. The Seller reserves the right to amend any of the instruments and documents referred to in Exhibit "1" provided that: (1) a copy of said amendment is transmitted to Purchaser, and (2) the amendment does not materially affect the rights of the Purchaser. If the closing does not occur for any reason, Purchaser shall promptly return the Cooperative Documents to Seller.

10. RISK OF LOSS. Seller shall bear the risk of loss prior to closing unless possession of the Cooperative unit is delivered to Purchaser prior to closing; and, in the latter event, the risk of loss shall be borne by the Purchaser as of the date of delivery of physical possession to the Purchaser.

11. DEFAULT. In the event that the Purchaser fails to consummate this purchase and sale and/or execute all documents reasonably required of Purchaser by Seller and/or mortgage lender, if any, and pay the balance of the purchase price, or otherwise defaults on the terms and conditions of this Agreement, the deposits paid and agreed to be paid hereunder shall belong to the Seller as agreed-upon liquidated damages, and the parties hereto shall thereupon be relieved of any and all further responsibility hereunder. In this regard, the Purchaser acknowledges that exact damages are incapable of being ascertained by virtue of the fact that the Seller has removed the subject unit from sales availability and has incurred interest expenses and other costs in connection with entering into this purchase agreement. The Purchaser further acknowledges that the above deposits are a fair and reasonable sum to compensate the Seller and is in no way or

manner intended whatsoever to be a penalty. In the event the Seller is unable to convey title as provided for herein, the deposits paid hereunder shall be returned to the Purchaser, and thereupon all the parties hereto shall be relieved of all obligations hereunder. If any party defaults in any obligation undertaken by them hereunder, the other party shall have the right to seek specific performance by the other party of the terms of this Agreement. Liability of the Seller under this Agreement is limited to that set forth in this Paragraph 11. In no event shall the Purchaser have a lien upon the Cooperative property or unit.

12. NOTICES. Notices to either party shall be deemed as properly given when mailed by certified mail, return receipt requested, with sufficient postage affixed, addressed as follows:

For the Seller:

VENICE ISLE HOME OWNERS, INC.  
600 Cortina Boulevard  
Venice, Florida 34292

For the Purchaser

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

13. RIGHT OF CANCELLATION. THIS AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE BUYER AND RECEIPT BY THE BUYER OF ALL OF THE DOCUMENTS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 719.503, FLORIDA STATUTES. THIS AGREEMENT IS ALSO VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 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 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THIS AGREEMENT SHALL TERMINATE AT CLOSING.

14. MISCELLANEOUS.

a. It is acknowledged by the Purchaser that maps, brochures, sketches and scale models, if any, constitute advertising materials and shall not be construed as warranties or representations of matters requiring performances by the Seller. This Agreement is intended to represent the entire understanding of the parties and no agreements or representations, unless incorporated in this contract, shall be binding upon the parties.

b. The provisions of this Agreement shall survive the closing of this transaction.

c. It is hereby acknowledged by the parties that time shall be of the essence in connection with this entire transaction.

d. All pronouns and variations thereof shall be construed so as to refer to the masculine, feminine, neuter, singular or plural form thereof, as the identity of the person or persons, or as the situation may require.

e. This contract may not be assigned.

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

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.

\_\_\_\_\_  
PURCHASER

\_\_\_\_\_  
PURCHASER

VENICE ISLE HOME OWNERS, INC.

BY: \_\_\_\_\_  
Authorized Agent

Seller

267-00

96148265

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.. OFFICIAL RECORDS ..  
BOOK 2925  
PAGE 2668

This Instrument Prepared By:  
WILLIAM R. KORP, ESQUIRE, of *Must go*  
Abel Band Russell Collier Pitchford *Here*  
& Gordon, Chartered  
333 S. Tamiami Trail, Suite 199  
Venice, Florida

VENICE ISLE HOME OWNERS, INC.

MASTER FORM PROPRIETARY LEASE

PROPRIETARY LEASE, made as of December 31st, 1996, by and between VENICE ISLE HOME OWNERS, INC., a Florida non-profit Corporation (hereinafter called the "Corporation"), and \_\_\_\_\_ (hereinafter called the "Lessee").

WHEREAS, the Corporation is a Florida non-profit Corporation governing the affairs of VENICE ISLE, a Residential Cooperative; and

WHEREAS, the Corporation is the owner of the land and the real property improvements located thereon, described on Exhibit "A" attached hereto, in the County of Sarasota, which is known as VENICE ISLE, a Residential Cooperative, at 600 Cortina Boulevard, Venice, Florida 34292; and

WHEREAS, the Lessee is the owner of Membership Certificate Number \_\_\_\_\_ of the Corporation, to which this lease is appurtenant and which has been allocated to Unit \_\_\_\_\_ in the Cooperative;

NOW, THEREFORE, in consideration of the premises:

1. Demised Premises: Term. The Corporation hereby leases to the Lessee, and the Lessee hires from the Corporation, subject to the terms and conditions hereof, Unit \_\_\_\_\_ of VENICE ISLE, a Residential Cooperative (hereinafter "Mobile Home Village"), as described in Exhibit "B" (plot plan) of this Proprietary Lease for a term of years from December 31, 1996, until December 30, 2095, (unless sooner terminated as hereinafter provided). As used herein, the unit means the designated plot of land set out on the date of the execution of this lease designated by the above-stated number, together with the appurtenances and fixtures which are allocated exclusively to the occupant of the unit.

EXHIBIT "7"

2. Rent, Maintenance, Common Expenses-How Fixed.

A. The Lessee shall pay rent and maintenance or common expense in accordance with the rent schedule and maintenance or common expense assessment established and hereafter set forth.

B. In accordance with Section 719.108, Florida Statutes, the various owners of membership certificates and proprietary leases (hereafter "Members") shall be liable for the payment of rent and assessments for upkeep and maintenance of the corporate property, including, but not limited to, mortgage payments, maintenance, taxes, insurance, repairs, betterments, and utilities, and the salaries of the manager and other employees and other operating costs and operating items.

C. The Board of Directors (hereinafter referred to as "Directors") of the Corporation from time to time according to Section 719.106, Florida Statutes, shall fix the sum of money needed for the operation of the Corporation. It shall determine the amount required by operating items and costs, such as: mortgage payments, maintenance, taxes, insurance, repairs, betterments and utilities, salaries of a manager and other employees and any other sums necessary to the upkeep, operation and maintenance of the Corporation's property.

D. The percentage of common expenses allocated to each unit is 1/992 and may not be changed or amended except with the Lessee's written consent; however, the exact amount of maintenance or common expense charges may be increased or decreased based upon an increase or decrease in the estimated operating budget of the Corporation.

E. The Directors are empowered in the manner and subject to Section 719.106, Florida Statutes, to levy and collect assessments for all budgeted mortgage payments, operating maintenance expenses and other ordinary expenses. Special assessments, as required, are to be paid and levied in the same manner as regular assessments. The Members shall pay all assessments against their individual units promptly when due.

F. The Directors shall establish the rent, if any, for the units.

G. If the Directors fail to make a new rent schedule and assessment, the Members shall pay at the current rate until a new rate is determined.

H. All rent and assessments paid by Members to the Corporation for maintenance or common expenses shall be used by the Corporation to pay its obligations as authorized by the Directors. Any excess received from Members held by the Corporation at the conclusion of its taxable year, whether

calendar or fiscal, will be deemed to be common surplus. Each Member shall own any common surplus of the Cooperative in the same percentage as the common expenses are shared, which for this unit is the percentage as stated in 2.D above. The ownership of common surplus does not include the right to withdraw or require payment or distribution of the same. The common surplus, at the discretion of the Directors, may be used by the Corporation to apply against future expenses of the Corporation.

I. Accurate records and books of account shall be kept by the Directors and shall be open to inspection by members in accordance with Section 719.104, Florida Statutes.

J. All rent, assessments or common expense charges due hereunder shall be payable in equal monthly installments in advance on the first day of each month, unless the Directors, at the time of their determination of the cash requirements, shall otherwise direct. The Lessee shall also pay other sums and charges as may be provided herein when due.

3. Accompanying Membership Certificates to be Specified in Proprietary Leases. In every proprietary lease executed by the Corporation, there shall be specified, the membership certificate issued to the Lessee and portion of payment for maintenance or common expenses of the Corporation then currently attributable to the Lessee's unit.

4. Cash Requirements Defined. "Cash requirements" whenever used herein shall mean the estimated amount in cash as determined by the estimated operating budget of the Corporation as promulgated and adopted from year to year which the Directors shall from time to time in their judgment determine to be necessary or proper for (1) the operation, maintenance, care, alteration and improvement of the corporate property during the year or portion of the year for which such determination is made; (2) the creation of such reserve for contingencies as they may deem proper; (3) statutory reserves, unless they are voted against by the Membership; and (4) the payment of any obligations, liabilities or expenses incurred or to be incurred, after giving consideration to (i) income expected to be received during such period (other than common expense, assessments and rent), and (ii) cash on hand which the Directors in their discretion may choose to apply. The Directors may from time to time modify their prior determination and increase or diminish the amount previously determined as cash requirements of the Corporation for the year or portion thereof. No determination of cash requirements shall have any retroactive effect on the amount of the rent payable by the Lessee for any period prior to the date of such determination. All determinations of cash requirements shall be conclusive as to all Lessees.

5. Services by the Corporation. The Corporation shall keep, maintain and manage the Mobile Home Village in a neat and

attractive manner and shall keep the improvements in good working condition, and shall provide the number of attendants requisite, in the judgment of the Directors, for the proper care and service of the Mobile Home Village. The covenants by the Corporation herein contained are subject, however, to the discretionary power of the Directors to determine from time to time what services and what attendants shall be proper and the manner of maintaining and operating the Mobile Home Village, and also what existing services shall be increased, reduced, changed, modified or terminated.

6. Damage to Unit or Common Facilities. If the unit or the means of access thereto or any of the common facilities of the Cooperative shall be damaged by fire or other cause covered by multi-peril policies commonly carried by cooperative corporations, the Corporation shall, at its own cost and expense, with reasonable dispatch after receipt of notice of said damage, repair or replace or cause to be repaired or replaced, with materials of a kind and quality then customarily in use, the unit and the means of access thereto, and the common facilities but not including the mobile home, cabanas, sheds, landscaping or other improvements on the unit.

7. Assignment of Corporation's Rights Against Occupant. If at the date of the commencement of this lease, a third party shall be in possession or have the right of possession of the unit, then the Corporation hereby assigns to the Lessee all of the Corporation's rights against said third party from and after the date of the commencement of the term hereof, and the Lessee by the execution hereof assumes all of the Corporation's obligations to said third party from said date. The Corporation agrees to cooperate with the Lessee, but at the Lessee's expense, in the enforcement of the Lessee's rights against said third party.

8. Cancellation of Prior Agreement or Statutory Tenancy. If at the date of commencement of this lease the Lessee has the right to possession of the unit under any agreement or statutory tenancy, this lease shall supersede such agreement or statutory tenancy which shall be of no further effect after the date of commencement of this lease.

9. Quiet Enjoyment and Possession. The Lessee, upon paying the rent, common expense and assessments and performing the covenants and complying with the conditions on the part of the Lessee to be performed as herein set forth, shall, at all times during the term hereby granted, quietly have, hold and enjoy the unit without any interference or hindrance from the Corporation, subject, however, to the rights of present tenants or occupants of the unit, if any, and subject to any and all mortgages of the land and improvements as provided in Paragraph 17 below.

10. Inspection and Acceptance of Units and Common Areas. Lessee has inspected the unit and common property and will accept it in its present condition on the commencement of this lease.

11. Use of Common Areas. Lessee shall have the right of joint use and enjoyment in common with other Lessees of the common areas and the property of the Corporation not specifically leased to other lessees, except insofar as it may be limited or restricted by this lease or by the rules and regulations and Bylaws of the Corporation. Lessee's use of common areas and property shall not encroach upon the rights of other Lessees.

12. Indemnity. The Lessee agrees to save the Corporation harmless from all liability, loss, damage and expense arising from injury to person or property occasioned by the failure of the Lessee to comply with any provision hereof, or due wholly or in part to any act, default or omission of the Corporation, its agents, servants or contractors when acting as agent for the Lessee as in the lease provided. This paragraph shall not apply to any loss or damage when the Corporation is covered by insurance which provides for waiver of subrogation against Lessee.

13. Payments. The Lessee will pay the rent, common expenses and assessments to the Corporation upon the terms and at the times herein provided, without any deduction or action or any setoff or claim which the Lessee may have against the Corporation; and, if the Lessee shall fail to pay any installment promptly, the Lessee shall pay interest thereon at the maximum legal rate from the date when such payment shall have become due to the date of the payment thereof. In addition to interest, the Corporation may charge an administrative late fee of five (5%) percent, not to exceed twenty-five (\$25.00) dollars for each delinquent installment. The Corporation shall be entitled to a lien against Lessee's unit for such interest or late charges with the same force and effect as if the charges were a part of the common expenses.

14. Mobile Home Village Rules. The Corporation has adopted Mobile Home Village Rules (hereinafter "Rules") of the Corporation and the Directors may alter, amend or repeal such Rules and adopt new Rules. This lease shall be in all respects subject to such Rules which, when a copy thereof has been furnished to the Lessee, shall be taken to be part hereof, and the Lessee hereby covenants to comply with all such Rules and see that they are faithfully observed by family, approved subtenants of Lessee and guests. Breach of a Rule shall be a default under this lease. The Corporation shall not be liable or responsible to the Lessee for the non-observance or violation of Rules by any other Lessee or person.

15. Use of Premises. The Lessee shall not, without the written consent of the Corporation on such conditions as the Corporation may prescribe, occupy or use the unit or permit the



same or any part thereof to be occupied or used for any purpose other than: (i) as a private dwelling for the Lessee or members of Lessee's family, but in no event shall more than two (2) persons, whose minimum age (except as set forth in Lessor's Bylaws at Article II, Section 2.3) can be no less than 45 years of age, and one of whom must be 55 years of age or older, permanently reside in the unit without written consent of the Directors; however, no person under the age of 55 years shall be permitted to enter and permanently reside in the mobile home village if that person's occupancy would result in the current census of the Park resulting in less than 80% of the occupants the age of 55 or older should such under aged person have occupancy; and (ii) any home occupation use permitted under, and subject to compliance with, the Bylaws of the Corporation, the Rules, applicable zoning law, building code or other rules and regulations of governmental authorities having jurisdiction. In addition to the foregoing, the unit may be occupied from time to time by qualifying guests of the Lessee as long as such occupancy is not violative of applicable zoning laws, building codes or other rules and regulations of governmental authorities having jurisdiction or the Cooperative. Occupancy by guests of the Lessee shall be for a period of time not exceeding one month per year, unless a longer period is approved in writing by the Directors, but no guests may occupy the unit unless one or more of the permitted residents are then in occupancy or unless consented to in writing by the Directors.

16. Subletting - Assignment.

A. Subletting - The Lessee shall not sublet the whole or any part of the unit or renew or extend any previously authorized sublease unless consent thereto shall have been duly authorized by a resolution of the Directors or given in writing by a majority of the Directors. Any consent to subletting may be subject to such conditions as the Directors may impose. There shall be no limitation on the right of the Directors to grant or withhold consent, for any reason or for no reason, to a subletting. No consent to a subletting shall operate to release the Lessee from any obligation hereunder.

B. Assignment - The Lessee shall not assign this lease or transfer the membership certificate appurtenant or any interest therein, and no such assignment or transfer shall take effect as against the Corporation for any purpose, until:

(i) An instrument of assignment in form approved by the Corporation, executed and acknowledged by the Member/Lessee (Assignor), shall be delivered to the Corporation; and

(ii) An agreement executed and acknowledged by the Assignee, who shall meet the membership requirements under this lease, in form approved by the Corporation, assuming and agreeing to be bound by all the covenants and conditions of this lease to be

performed or complied with by the Lessee on and after the effective date of said assignment shall have been delivered to the Corporation, in which case the Lessee's lease shall be deemed transferred for the balance of the term of the lease as of the effective date of said assignment; and

(iii) The membership certificate of the Corporation to which this lease is appurtenant shall have been delivered to the Corporation for cancellation and re-issuance of a certificate in favor of the Assignee, with proper transfer taxes paid and stamps affixed, if any; and

(iv) At the option of the Lessor, subject to the provisions of Paragraph 21B, all sums due from the Lessee shall have been paid to the Corporation, together with a sum fixed by the Directors to cover a screening fee of the Corporation and its management in connection with such assignment and transfer of membership certificate, providing same does not exceed One Hundred Dollars (\$100.00); and

(v) Except in the case of an assignment, transfer or bequest of the membership certificate and this lease to the Lessee's spouse or adult siblings or parents and, except as otherwise provided in this lease, consent to such assignment shall have been authorized by resolution of the Directors or given in writing by a majority of the Directors.

C. Right of First Refusal - In the event the Directors disapprove the proposed assignment or subletting, as the case may be, and if a Member still desires to consummate such subletting or assignment, the Member shall, thirty (30) days before such subletting or assignment, give written notice to the secretary of the Corporation of the Member's intention to assign or sublet on a certain date, together with the price and other terms thereof, and the Corporation shall promptly notify the members of the Corporation of the date, price and terms.

Completely apart from and in addition to the Corporation's right to approve or disapprove any proposed sublease or assignment of the sublease, the Corporation is hereby given and granted a first right of refusal to sublet or assign, as the case may be, each proprietary lease and to transfer the membership certificate which is appurtenant thereto. If the Corporation is desirous of exercising its first right of refusal to sublet or assign said proprietary lease and transfer its membership certificate on the same terms and conditions as are contained in a bona fide offer, then the Corporation shall notify the Member holding the proprietary lease of the exercise by the Corporation of its election to take an assignment or sublet as the case may be, such notice to be in writing and sent by certified mail to said Member within fifteen (15) days of receipt by the Corporation of the

Member's notice to the secretary of the Corporation of the Member's intention to assign or sublet.

If the Corporation has elected to take an assignment or sublet as aforementioned, then, upon notifying the Member holding such proprietary lease and membership certificate of its election, the Corporation shall execute a sublease or assignment together with the membership certificate appurtenant thereto, and shall consummate said sublease or assignment on all the terms and conditions as those contained in the offer. In the event the Directors do not exercise their right of first refusal within the fifteen (15) day period, then the Member desiring to sublet or assign may complete the sublease or assignment and transfer of appurtenant membership certificate within a reasonable time hereafter at the price and terms given in his notice, but at no other price or terms without repeating the procedure outlined above.

In the event the Member sublets or assigns without first complying with the terms hereof, the Corporation shall have the right to redeem the assignment or sublease from the purchaser, according to the provisions thereof. The Corporation's rights shall be exercised by reimbursing the purchaser for the monies expended, and immediately after such reimbursement the purchaser or transferee shall convey his right, title and interest in and to the sublease or assignment of lease and membership certificate, as the case may be, to the Corporation. An affidavit of the secretary stating that the Directors approved in all respects on a certain date the sublease or assignment shall be conclusive evidence of such fact, and from the date of approval, as stated in the affidavit, the redemption rights herein afforded the Corporation shall terminate. An affidavit of the secretary of the Corporation stating that the Directors were given proper notice on a certain date of the proposed sublease or assignment and that thereafter all provisions hereof which constitute conditions precedent to the subsequent sublease or assignment of a unit to particularly named persons does not violate the provisions hereof, shall be conclusive evidence of such facts. Such affidavit shall not be evidence of the fact that the subsequent sublease or assignment to such persons was made on the approval, but one hundred twenty (120) days after the date of the notice to the Directors, as stated in the affidavit, the redemption rights herein afforded the Corporation shall be terminated.

D. Death of Lessee - Memberships and leases may be held jointly with right of survivorship; however, in the case of the death of a Member holding sole ownership of a membership certificate, the surviving spouse, if any, and if no surviving spouse, the other member or members of such owner's family residing with the owner at the time of his death, may continue to occupy the unit, provided the continued occupancy of the unit by such surviving spouse or family member(s) shall not result in less

than 80% of all units in the mobile home park being occupied by at least one person 55 years of age or older; and if such surviving spouse or other surviving members of the decedent owner's family shall have succeeded to membership of the unit, by gift, bequest or otherwise, the new owner shall be admitted to membership. In the event the decedent shall have conveyed or bequeathed the membership to some designated person or persons other than a surviving spouse or members of his family, or if some other person is designated by the decedent's legal representative to receive the membership, or if under the laws of descent and distribution in the State of Florida the unit descends to some person or persons other than a surviving spouse or family member, the Directors, within thirty (30) days from the date the Corporation is given actual notice in writing of the name of the devisee or descendant, may express their refusal or acceptance of the individual or individuals so designated as a member. If the Directors consent, membership may be transferred by proper assignment of the proprietary lease and its appurtenant membership certificate to the person or persons so designated, who shall thereupon become Members of the Corporation subject to the provisions of this proprietary lease and the Bylaws and Articles of Incorporation. If the Directors shall refuse to consent, then the Corporation shall be given an additional thirty (30) days to exercise its first refusal to have the proprietary lease and membership certificate appurtenant thereto transferred to it for its own account upon the same terms and conditions of first refusal as provided for in subsection C above. The purchase price shall be for cash and if the Corporation and the personal representative are unable to agree upon a purchase price within fifteen (15) days from exercise of the Corporation's election to purchase, then the purchase price shall be determined by an appraiser appointed by the Corporation and the personal representative. The expense of appraisal shall be paid equally by the Corporation and the personal representative. In the event the Corporation does not exercise its first refusal right to purchase, then the person or persons named in the notice may take title to the unit by a proper assignment of the decedent's proprietary lease and its appurtenant membership certificate; but such transfer shall be subject in all other respects to the provisions of this proprietary lease and the Bylaws and Articles of Incorporation.

E. Leases, subleases and assignments to Assignees other than individual Assignees (natural persons) are expressly prohibited unless written consent therefor is first obtained from the Directors. Directors' consent therefor may be withheld without limitation or explanation. Such consent shall be withheld whenever it is the opinion of the Directors that the granting of such consent may jeopardize availability of I.R.C. Section 216 tax benefits for Members.

F. If the Sublessee or Assignee of a proprietary lease and membership certificate appurtenant thereto is a corporation,

the Directors' approval may be conditioned upon approval of the corporation's designated occupant of the unit.

17. Lease Subordinate to Mortgages. This lease is and shall be subject and subordinate to the mortgage to SOUTHTRUST BANK OF FLORIDA, NATIONAL ASSOCIATION, recorded in Official Records Book 2923, Page 2239, of the Public Records of Sarasota County, Florida, encumbering the cooperative property at or prior to execution of this agreement, any and all extensions, modifications, consolidations, renewals, refinances, future advances and replacements thereof and also any subsequent mortgage of the cooperative property. This clause shall be self-operative and no further instrument of subordination shall be required to give such mortgage priority over this lease. In confirmation of such subordination, the Lessee shall at any time, and from time to time, on demand, execute any instruments that may be required by any mortgagee for the purpose of more formally subjecting this lease to the lien of any such mortgage or mortgages, and the duly elected officers, of the Corporation are, and each of them is, hereby irrevocably appointed the attorney-in-fact and agent of the Lessee to execute the same upon such demand, and the Lessee hereby ratifies any such instrument executed by virtue of the power of attorney hereby given. A default in the terms of such Mortgage entitles the holder thereof to foreclose this lease and any assignment thereof.

18. Alterations to the Unit. The Lessee shall not, without first obtaining the written consent of the Corporation and all applicable governmental authorities, alter in any way the unit which is leased hereunder, or alter or add to the exterior mobile home presently its attachments or other permanent improvements located upon the unit. The Lessee shall not change the color of the mobile home located on the premises or any of its appurtenances, or substantially alter its outward appearance without first having obtained the approval thereof from the Directors.

19. Insurance. The Corporation shall procure insurance on the common areas. The Corporation shall also obtain casualty insurance on the cooperative property which shall insure against loss as a result of personal injury occurring thereon. The Lessee shall be responsible for any insurance premium insuring Lessee's mobile home or its contents and the Lessee shall be responsible for maintaining the same. Lessee shall be solely responsible for procuring flood insurance, if available, in such amounts and coverages as Lessee shall determine.

20. Construction or Mechanic's Lien. No Lessee shall have the right to cause the Corporation's interest in the land to become subject to a construction or mechanic's lien under the laws of Florida and, should a construction or mechanic's lien be filed against the unit, then the Lessee shall forthwith cause the lien to

be discharged by payment, removal to security, or otherwise, and, if the Lessee shall fail to do so within ten (10) days after notice from the Corporation, then the Corporation may cause the lien to be discharged by payment, without investigation as to the validity thereof or to any offsets or defenses thereto, and shall have the right to collect all amounts paid and all costs and expenses paid or incurred in connection therewith, including reasonable attorney's fees, if any, together with interest thereon from the time or times of payment at the maximum rate allowed by law, collectively referred to as "charges", which shall bear interest at the legal rate until paid in full and, if unpaid for thirty days, the Association shall have a cause of action for damages against the Lessee.

21. Pledge and/or Leasehold Mortgage of Membership Certificate and Lease.

A. A pledge and/or leasehold mortgage of this lease and the membership certificate to which it is appurtenant shall not be a violation of this lease; but, except as otherwise provided elsewhere herein, neither the pledgee or mortgagee nor any transferee of the pledged security shall be entitled to have the membership certificates transferred of record on the books of the Corporation, or to vote such membership certificates, or occupy or permit the occupancy by others of the unit, or sell such membership certificates or this lease, without first obtaining the consent of the Corporation in accordance with and after complying with all of the provisions of Paragraph 16. The acceptance by the Corporation of payments by the pledgee or any transferee of the pledged security on account of rent, common expenses, or assessments shall not constitute a waiver of the aforesaid provisions.

B. Secured Party - Notwithstanding the provisions of subsection A of this Paragraph 21 or any other provisions of this lease to the contrary, the following provisions of this paragraph shall govern and be binding:

(i) The Corporation agrees that it shall give to any holder of a security interest in the membership certificate of the Corporation specified in the recitals of this lease or pledgee or mortgagee of this lease who so requests (any such holder being hereinafter referred to as a "secured party") a copy of any notice of default which the Corporation gives to the Lessee pursuant to the terms of this lease, and if Lessee shall fail to cure the default specified in such notice within the time and in the manner provided for in this lease, then the secured party shall have an additional period of time, equal to the time originally given to Lessee, to cure said default for the account of the Lessee or to cause same to be cured, and the Corporation will not act upon said default or cause same to be cured as aforesaid, until such

additional period of time shall have elapsed and the default shall not have been cured.

(ii) If this lease is terminated by the Corporation as provided in Paragraph 29 of this lease, or by agreement with Lessee, then: (1) the Corporation shall give notice of such termination to the secured party and (2) upon request of the secured party made within thirty (30) days of the giving of such notice to the Corporation, the Corporation (i) shall commence and prosecute a summary dispossession proceeding to obtain possession of the unit, all at the expense of the secured party, and (ii) upon securing possession, shall be privileged to pay to secured party the full amount of its lien on the membership certificate in exchange for a release or satisfaction of said lien, or shall reissue the membership certificate to, and shall enter into a new proprietary lease for the unit with, the secured party or any individual designated by the secured party, all without the consent of the Directors to which reference is made in Paragraph 16. The holder of such certificate shall be a member of the Corporation and shall thereafter be liable to the share of rent, common expenses or assessments by the Corporation pertaining to such unit and be obligated to perform all of the Lessee's covenants under this lease.

(iii) As to the priority between the lien of a secured party and the lien for rental or assessment, whether a regular or special assessment, the lien for rent or assessment shall be subordinate and inferior to any institutional secured party regardless of when said rent or assessment was due, but not to any other secured party. The Corporation shall maintain a register of secured parties and said register shall designate whether said secured party is an institutional secured party or a non-institutional secured party. If the owner of an institutional security agreement-leasehold mortgage or any other purchaser or purchasers of a unit obtains title of the unit (proprietary lease and its appurtenant membership certificate) as a result of the foreclosure of an institutional security agreement-leasehold mortgage, or by voluntary conveyance in lieu of such foreclosure, such acquirer of title, his successors and assigns, shall not be liable for their share of rent, common expenses or assessments by the Corporation pertaining to such unit or chargeable to the former owner of such unit which became due prior to acquisition of title as a result of the foreclosure or voluntary conveyance in lieu of said foreclosure. Such unpaid share of rent, common expenses or assessments shall be deemed to be common expenses collectible from all of the members-owners of the units in the Cooperative including such acquirer, his successors and assigns. It is understood that such acquirer shall be liable for his share of rent, common expenses or assessments attributable to his unit from the date of acquisition of said unit (proprietary lease and appurtenant membership certificate for said unit). In the event of a foreclosure or a voluntary conveyance in lieu of foreclosure

pertaining to a noninstitutional security agreement leasehold mortgage, then such acquirer of title, his successors and assigns shall pay to the Corporation on behalf of the Lessee of the proprietary lease, all rents and additional rents, common expense or maintenance charges and other sums owed by the Lessee to the Corporation under this lease for the period ending on the date of reissuance of the aforementioned membership certificate of the Corporation including, without limitation, all sums owed under this lease.

(iv) If the purchase by the Lessee of the membership certificate allocated to the unit was financed by an institutional security agreement-leasehold mortgage, and a default or an event of default shall have occurred under the terms of the security agreement-leasehold mortgage or either of them entered into between the Lessee and the institutional secured party, notice of said default or event of default shall be given to the Corporation; Corporation shall have the option to pay the secured party the full amount of its lien on the membership certificate or shall reissue the membership certificate and enter into a new proprietary lease as directed by the secured party without further consent of the Directors. The holder of such certificate shall thereafter be liable for the share of rent, common expenses or assessments by the Corporation pertaining to such unit.

(v) If the purchase by the Lessee of the membership certificate allocated to the unit was financed by a noninstitutional security agreement-leasehold mortgage and a default or event of default shall have occurred under the terms of the security agreement-leasehold mortgage or either of them entered between the Lessee and the noninstitutional secured party, notice of said default or event of default shall be given to the Corporation. Thereupon, the Corporation shall have the option to pay the secured party the full amount of its lien on the membership certificate or reissue the membership certificate and enter into a new proprietary lease as directed by the secured party without further consent of the Directors. The holder of such certificate shall thereafter be liable for the share of rent, common expenses or assessments by the Corporation pertaining to such unit.

(vi) Without the prior written consent of any secured party who has requested a copy of any notice of default as hereinbefore provided in subparagraph A of this Paragraph 21: (a) the Corporation and the Lessee will not enter into any agreement modifying or canceling this lease, (b) no amendment to the form, terms or conditions of this lease, as permitted by Paragraph 45, shall eliminate or modify any rights, privileges or obligations of a secured party as set forth in this Paragraph 21, (c) the Corporation will not terminate or accept a surrender of this lease, except as provided in Paragraph 29 of this lease and in subparagraph B(i) of this Paragraph 21, (d) the Lessee will not assign this lease or sublet the unit, (e) any modification,



cancellation, surrender, termination or assignment of this lease or any sublease of the unit not made in accordance with the provisions hereof shall be void and of no effect, (f) the Corporation will not consent to any further pledge or mortgage of this lease or security interest created in the membership certificate, and (g) any such further pledge or mortgage or security interest shall be void and of no effect.

(vii) A secured party claiming or exercising any of the rights and privileges granted it pursuant to the provisions of this subparagraph B shall be deemed to have agreed to indemnify Corporation for all loss, liability, or expense (including reasonable attorneys' fees) arising out of claims by Lessee, or his successors or assigns, against Corporation or the secured party, or their respective successors or assigns, for acts or omissions to act on the part of either Corporation or secured party, or their respective successors or assigns, pursuant to this subsection B. The Corporation will give the secured party written notice with reasonable promptness of any such claim against Corporation, and the secured party may contest such claim in the name and on behalf of Corporation with counsel selected by the secured party at the secured party's sole expense. Corporation shall execute such papers and do such things as are reasonably necessary to implement the provisions of this subpart (vi).

(viii) Upon Lessee's final payment under the loan given by the secured party or upon prepayment of said loan, secured party will give Corporation notice of such final payment or prepayment.

22. Corporation's Right to Remedy Lessee's Default. If the Lessee shall fail for 30 days after notice to make repairs or perform maintenance to any part of the unit or maintain, repair or replace structural components of the mobile home(s) on the unit, or if mechanical, electrical or plumbing elements require repair or replacement to prevent damage to another unit, or shall fail to remedy a condition on the unit which has become objectionable to the Corporation, the Corporation shall give reasonable notice and opportunity to Lessee for a hearing. If Lessee shall fail to appear at such hearing or perform or comply with any of the covenants or provisions of this lease within the time required by a notice and hearing from Corporation (not less than 5 days, except in the case of an emergency), then Corporation may, but shall not be obligated to, levy a fine not to exceed fifty (\$50.00) dollars against Lessee for failure to comply with cooperative documents. The Corporation shall be entitled to charge the Lessee all expenses incurred, which charges shall bear interest at the legal rate, until paid in full, and if unpaid for thirty days, the Corporation shall have a cause of action for damages against the Lessee.

23. Surrender on Expiration of Term. On the expiration or termination of this lease, the Lessee shall surrender to the

Corporation possession of the unit with all additions and improvements. Any personal property not removed by the Lessee on or before such expiration or termination of this lease shall, at the option of the Corporation, be deemed abandoned and shall become property of the Corporation and may be disposed of by the Corporation without liability or accountability to the Lessee. Any personal property not removed by the Lessee at or prior to the termination of this lease may be removed by the Corporation to any place of storage and stored for the account of the Lessee without the Corporation in any way being liable for trespass, conversion or negligence by reason of any acts of the Corporation or of the Corporation's agents, or of any carrier employed in transporting such property to the place of storage, or by reason of the negligence of any person in caring for such property while in storage.

24. Cooperation. The Lessee shall always in good faith endeavor to observe and promote the cooperative purposes for the accomplishment of which the Corporation is incorporated.

25. Waiver. The failure of the Corporation to insist, in any one or more instances, upon a strict performance of any of the provisions of this lease, or to exercise any right or option herein contained, or to serve any notice, or to institute any action or proceeding, shall not be construed as a waiver or a relinquishment for the future of any such provisions, options or rights, but such provisions, options or rights shall continue and remain in full force and effect. The receipt by the Corporation of rent, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Corporation of any provision hereof shall be deemed to have been made unless in a writing, expressly approved by the Directors.

26. Notices. Any notice by or demand from either party to the other shall be duly given only if in writing and sent by certified or registered mail, return receipt requested: if by the Lessee, addressed to the Corporation at the Mobile Home Village with a copy sent by regular mail to the Corporation's managing agent; if to the Lessee, addressed to the Lessee's unit or other mailing address reflected in the corporation's records. Either party may by notice served in accordance herewith designate a different address for service of such notice or demand. Notices or demands shall be deemed given on the date when mailed, except notices of change of address shall be deemed served when received.

27. Reimbursement of Corporation's Expenses. If the Lessee shall at any time be in default hereunder and the Corporation shall incur any expense (whether paid or not) in performing acts which the Lessee is required to perform or in instituting any action or proceeding based on such default or defending, or asserting a counterclaim in, any action or proceeding brought by the Lessee, the expense thereof to the Corporation, including reasonable

attorneys' fees and disbursements, appellate fees and costs, if any shall be charged to the Lessee by the Corporation, which charges shall bear interest at the legal rate until paid in full and, if unpaid for thirty days, the Corporation shall have a cause of action for damages against the Lessee.

28. Corporation's Immunities.

A. The Corporation shall not be liable nor shall there be an abatement of rent, maintenance or other compensation or claim, except by reason of Corporation's negligence, for any failure or insufficiency of water supply, sewage collection, electric current, gas, telephone or other service to be supplied by the Corporation hereunder or for interference with light, air, view or other interest of the Lessee, or damage to the unit or any home thereon resulting from trees or other vegetative growth or the subsidence or erosion of the unit. No abatement of rent or other compensation or claim of eviction shall be made or allowed because of the making or failure to make or delay in making any repairs or alterations to the common facilities or any fixtures or appurtenances therein or for space taken to comply with any law, ordinance or governmental regulation or for interruption or curtailment of any service agreed to be furnished by the Corporation, due to accidents, alterations or repairs or to difficulty or delay in securing supplies or labor or other cause beyond Corporation's control, unless due to Corporation's negligence.

B. Automobiles and Other Property - The Corporation shall not be responsible for any damage to any automobile or other vehicle left in the care of any employee of the Corporation by the Lessee, and the Lessee hereby agrees to hold the Corporation harmless from any liability arising from any injury to person or property caused by or with such automobile or other vehicle while in the care of such employee. The Corporation shall not be responsible for any property left with or entrusted to any employee of the Corporation, or for the loss of or damage to any property within or without the unit by theft or otherwise.

29. Termination of Lease by Corporation. If upon, or at any time after, the happening of any of the events mentioned in subsections A through G inclusive of this Paragraph 29, the Corporation shall give to the Lessee a notice stating that the term hereof will expire on a date at least five (5) days thereafter, the term of this lease shall expire on the date so fixed in such notice as fully and completely as if it were the date herein definitely fixed for the expiration of the term, and all right, title and interest of the Lessee hereunder shall thereupon wholly cease and expire, and the Lessee shall thereupon quit and surrender the unit to the Corporation, it being the intention of the parties to create hereby a conditional limitation, and thereupon the Corporation shall have the right to

reenter the unit and to remove all persons and personal property therefrom, either by summary dispossession proceedings or by any suitable action or proceeding at law or in equity, and to repossess the unit in its former state as if this lease had not been made, and no liability whatsoever shall attach to the Corporation by reason of the exercise of the right of reentry, repossession and removal herein granted and reserved:

A. If the Lessee shall cease to be the owner of the membership certificate to which this lease is appurtenant, or if this lease shall pass or be assigned to anyone who is not then the owner of said membership certificate;

B. If at any time during the term of this lease: (i) the then holder hereof shall be adjudicated a bankrupt under the laws of the United States; or (ii) a receiver of all of the property of such holder of this lease shall be appointed under any provision of the laws of the State of Florida or under any statute of the United States or any statute of any state of the United States and the order appointing such receiver shall not be vacated within thirty (30) days; or (iii) such holder shall make a general assignment for the benefit of creditors; or (iv) the membership certificate owned by such holder to which this lease is appurtenant shall be duly levied upon under the process of any court whatever unless such levy shall be discharged within thirty (30) days; or (v) this lease or the membership certificate to which it is appurtenant shall pass by operation of law or otherwise to anyone other than the Lessee herein named or a person to whom such Lessee has assigned this lease in the manner herein permitted, but this subsection (v) shall not be applicable if this lease shall devolve upon the personal representatives of the Lessee and provided that, within eight (8) months (which period may be extended by the Directors) after the death, said lease and membership certificate shall have been transferred to any Assignee in accordance with Paragraph 16 hereof; or (vi) this lease or the membership certificate to which it is appurtenant shall pass to anyone other than the Lessee herein named by reason of a default by the Lessee under a pledge or security agreement or a leasehold mortgage made by the Lessee;

C. If there be an assignment of this lease, or any subletting hereunder, without full compliance with the requirements of Paragraph 16 hereof or if any person not authorized by Paragraphs 15 or 16 shall be permitted to use or occupy the unit and the Lessee shall fail to cause such unauthorized person to vacate the unit within ten (10) days after written notice from the Corporation;

D. If the Lessee shall be in default for a period of three months in the payment of rent, sums, charges, common expenses or assessments or of any installment thereof and shall

fail to cure such default within ten (10) days after written notice from the Corporation;

E. If the Lessee shall be in default in the performance of any covenant or provision hereof, other than the covenant to pay rent, and such default shall continue for thirty (30) days after written notice from the Corporation; provided, however, that, if said default consists of the failure to perform any act, the performance of which requires any substantial period of time, then, if within said period of thirty (30) days such performance is commenced and thereafter diligently prosecuted to conclusion without delay and interruption, the Lessee shall be deemed to have cured said default;

F. If at any time the Corporation shall determine, upon the affirmative vote of seventy-five percent (75%) of its then Board of Directors, at a meeting duly called for that purpose, that, because of objectionable conduct on the part of the Lessee or of a person dwelling or visiting in the unit, repeated after written notice from Corporation, the tenancy of the Lessee is undesirable; it being understood, without limiting the generality of the foregoing, that to repeatedly violate or disregard the Rules attached to the Bylaws or hereafter established in accordance with the provisions of this lease or by the Bylaws or to permit or tolerate a person of dissolute, loose or immoral character to enter or remain in the unit, shall be deemed to be objectionable conduct;

G. If Lessee shall default in the payment or performance of any of Lessee's obligations under any pledge or leasehold mortgage or other security agreement (the "security agreement") given a secured party (who has complied with the provisions of said subsection B of Paragraph 16) and written notice of such default is given to Corporation by the secured party or its counsel;

H. If at any time the Corporation shall determine to terminate all proprietary leases upon: (i) the affirmative vote of two-thirds (2/3) of its then Board of Directors at a meeting of such Directors duly called for the purpose, and (ii) the affirmative vote of the record holders of at least eighty percent (80%) of its then Membership Certificates at a meeting duly called for that purpose;

I. If the common facilities shall be destroyed or damaged and the Corporation shall decide not to repair or rebuild upon: (i) the affirmative vote of two-thirds (2/3) of its then Board of Directors at a meeting of such Directors duly called for the purpose, and (ii) the affirmative vote of the recordholders of at least seventy-five percent (75%) of its then Membership Certificates at a meeting duly called for the purpose, then all proprietary leases shall be terminated.

30. Corporation's Rights After Lessee's Default.

A. In the event the Corporation resumes possession of the unit, either by summary proceedings, action of ejectment or otherwise, because of default by the Lessee in the payment of any rent, sums, charges, common expenses or assessments due hereunder, or on the expiration of the term pursuant to a notice given as provided in Paragraph 29 hereof upon the happening of any event specified in subsections A to G inclusive of Paragraph 29, Lessee shall continue to remain liable for payment of a sum equal to the sums which would have become due hereunder and shall pay the same in installments at the time such sums would be due hereunder. No suit brought to recover any installments of rent, sums, charges, common expenses or assessments shall prejudice the right of the Corporation to recover any subsequent installment. After resuming possession, the Corporation may, at its option, from time to time: (i) relet the unit for its own account, or (ii) relet the unit as the agent of the Lessee, in the name of the Lessee or in its own name, for a term which may be less than or greater than the period which would otherwise have constituted the balance of the term of this lease, and may grant concessions or free rent, in its discretion. Any reletting of the unit shall be deemed for the account of the Lessee, unless within ten (10) days after such reletting the Corporation shall notify the Lessee that the premises have been relet for the Corporation's own account. The fact that the Corporation may have relet the unit as agent for the Lessee shall not prevent the Corporation from thereafter notifying the Lessee that it proposes to relet the unit for its own account. If the Corporation relets the unit as agent for the Lessee, it shall, after reimbursing itself for its expenses in connection therewith, including leasing commissions and a reasonable amount for attorneys' fees and expenses, and repairs in and to the unit, apply the remaining avails of such reletting against the Lessee's continuing obligations hereunder. There shall be a final accounting between the Corporation and the Lessee upon the earliest of the four following dates: (i) the date of expiration of the term of this lease as stated on Page 1 hereof; (ii) the date as of which a new proprietary lease covering the unit shall have become effective; (iii) the date the Corporation gives written notice to the Lessee that it has relet the unit for its own account; (iv) the date upon which all proprietary leases of the Corporation terminate. From and after the date upon which the Corporation becomes obligated to account to the Lessee, as above provided, the Corporation shall have no further duty to account to the Lessee for any avails of reletting and the Lessee shall have no further liability for sums thereafter accruing hereunder, but such termination of the Lessee's liability shall not affect any liabilities theretofore accrued.

B. If the Lessee shall at any time sublet the unit and shall default in the payment of any sum due hereunder, the Corporation may, at its option, so long as such default shall

continue, demand and receive from the subtenant the sums due or becoming due from such subtenant to the Lessee, and apply the amount to pay sums due or to become due from the Lessee to the Corporation. Any payment by a subtenant to the Corporation shall constitute a discharge of the obligation of such subtenant to the Lessee, to the extent of the amount so paid. The acceptance of rent from any subtenant to the Lessee shall not be deemed a consent to or approval of any subletting or assignment by the Lessee or a release or discharge of any of the obligations of the Lessee hereunder.

C. Upon the termination of this lease under the provisions of subsections A to G inclusive of Paragraph 29, the Lessee shall surrender to the Corporation the membership certificate of the Corporation owned by the Lessee to which this lease is appurtenant. Whether or not said certificate is surrendered, the Corporation may reissue a new proprietary lease for the unit and issue a new certificate or the membership certificate of the Corporation owned by the Lessee and allocated to the unit when a purchaser therefor is obtained, provided that the issuance of such membership certificate and such lease to such purchaser is authorized by a resolution of the Directors, or by a writing signed by a majority of the membership certificates of the Corporation accompanying proprietary leases then in force. Upon such issuance the certificate owned or held by the Lessee shall be automatically canceled and rendered null and void. The Corporation shall apply the proceeds received for the issuance of such membership certificate first, towards the payment of Lessee's indebtedness hereunder (including interest, attorneys' fees (including appellate fees and costs, if any), and other expenses incurred by the Corporation); second, if said termination shall result pursuant to subsection G of Paragraph 29 by reason of a default under the security agreement towards the payment of Lessee's indebtedness under the security agreement (including costs, expenses and charges payable by Lessee thereunder); and third, if the proceeds are sufficient to pay the same, the Corporation shall pay over any surplus to the Lessee, but, if insufficient, the Lessee shall remain liable for the balance of the indebtedness due hereunder or (if applicable) under said security agreement. Upon issuance of any such new proprietary lease and certificate, the Lessee's liability hereunder shall abate and the Lessee shall only be liable for rent and expenses accrued to that time. The Corporation shall not, however, be obligated to sell such membership certificate and appurtenant lease or otherwise make any attempt to mitigate damages.

31. Waiver of Right of Redemption. The Lessee hereby expressly waives any and all right of redemption in case the Lessee shall be dispossessed by judgment or writ of any court or judge. The words "enter", "reenter" and "reentry" as used in this lease are not restricted to their technical legal meaning.

32. Surrender of Possession. Upon the termination of this lease under the provisions of subsections A to G inclusive of Paragraph 29, the Lessee shall remain liable as provided in Paragraph 29 of this lease. Upon the termination of this lease under any other of its provisions, the Lessee shall be and remain liable to pay all rent, additional rent and other charges due or accrued and to perform all covenants and agreements of the Lessee up to the date of such termination. On or before any such termination the Lessee shall vacate the unit and surrender possession thereof to the Corporation or its assigns and, upon demand of the Corporation or its assigns, shall execute, acknowledge and deliver to the Corporation or its assigns any instrument which may reasonably be required to evidence the surrendering of all estate and interest of the Lessee in the unit.

33. Continuation of Cooperative Management of the Mobile Home Village After All Leases Terminated. No later than thirty (30) days after the termination of all proprietary leases, whether by expiration of their terms or otherwise, a special meeting of the Members of the Corporation shall take place to determine whether: (a) to continue to operate the Mobile Home Village, (b) to alter, demolish or rebuild the common facilities or any part thereof, or (c) to sell the Mobile Home Village and liquidate the assets of the Corporation. The Directors shall carry out the determination made at said meeting of the Members of the Corporation, and all of the holders of membership certificates of the Corporation shall have such rights as inure to shareholders of corporations having title to real estate. Each Member shall own his equity interest in the Corporation equal to his percentage of ownership of equity interest and percentage of sharing of common expenses as set out in the Bylaws of the Corporation.

34. Unsold Membership Certificates. The term "unsold membership certificates" means and has exclusive reference to the membership certificates of the Corporation which are unsold which shall retain their character as such until such membership certificates become the property of a purchaser for bona fide occupancy (by himself or a member of his family) of the unit to which such membership certificate is allocated.

35. Foreclosure - Receiver of Rents and Maintenance. Notwithstanding anything contained in this lease, if any action shall be instituted to foreclose any mortgage on the Mobile Home Village, the Lessee shall, on demand, pay to the receiver of the rents and maintenance appointed in such action rent and maintenance, if any, owing hereunder on the date of such appointment and shall pay thereafter to such receiver in advance, on the first day of each month during the pendency of such action, the rent and maintenance for the unit as last determined and established by the Directors prior to the commencement of said action, and such sums shall be paid during the period of such receivership, whether or not the Directors shall have determined



and established the sums payable hereunder for any part of the period during which such receivership may continue. The provisions of this paragraph are intended for the benefit of present and future mortgagees of the land or the common facilities and may not be modified or annulled without the prior written consent of any such mortgage holder.

36. To Whom Covenants Apply. The references herein to the Corporation shall be deemed to include its successors and assigns, and the references herein to the Lessee or to a Member of the Corporation shall be deemed to include the personal representatives, legatees, distributees and assigns of the Lessee or of such Member; and the covenants herein contained shall apply to, bind and inure to the benefit of the Corporation and its successors and assigns, and the Lessee and the personal representatives, legatees, distributees, successors and assigns of the Lessee, except as hereinabove stated.

37. Corporation's Additional Remedies. In the event of a breach or threatened breach by Lessee of any provision hereof, the Corporation shall have the right of injunction and the right to invoke any remedy at law or in equity, as if reentry, summary proceedings and other remedies were not herein provided for, and the election of one or more remedies shall not preclude the Corporation from any other remedy. All remedies of the Corporation are cumulative to each other and any other remedies given by law.

38. Lessee More Than One Person. If more than one person is named as Lessee hereunder, the Corporation may require the signatures of all such persons in connection with any notice to be given or action to be taken by the Lessee hereunder, including, without limiting the generality of the foregoing, the surrender or assignment of this lease or any request for consent to assignment or subletting. Each person named as Lessee shall be jointly and severally liable for all of the Lessee's obligations hereunder. Any notice by the Corporation to any person named as Lessee shall be sufficient and shall have the same force and effect, as though given to all persons named as Lessee.

39. Effect of Partial Invalidity. If any clause or provision herein contained shall be adjudged invalid, the same shall not affect the validity of any other clause or provision of this lease or constitute any cause of action in favor of either party as against the other.

40. Notice to Corporation of Default. The Lessee may not institute an action or proceeding against the Corporation or defend or make a counterclaim in any action by the Corporation related to the Lessee's failure to pay rent, if such action, defense or counterclaim is based upon the Corporation's failure to comply with its obligations under this lease or any law, ordinance or governmental regulation unless such failure shall have continued

for thirty (30) days after Lessee has given written notice thereof to the Corporation.

41. Unity of Membership Certificate and Lease. The membership certificate of the Corporation held by the Lessee and allocated to the unit has been acquired and is owned subject to the following conditions agreed upon with the Corporation and with each of the other proprietary lessees for their mutual benefit:

A. The membership certificate represented by each certificate is transferable only as an entirety and only in connection with a simultaneous transfer of this lease.

B. The membership certificate shall not be sold except to the Corporation or to an Assignee of this lease after compliance with all the provisions of Paragraph 16 of this lease relating to assignments.

42. Unit Boundaries. The boundaries of each unit in the Mobile Home Village leased by the Corporation shall be as follows:

A. Boundaries abutting streets and driveways in the Mobile Home Village shall be the edge of the street or driveway as shown on the plot plan, "Exhibit B".

B. Boundaries between units on the side and to the rear shall be the boundaries currently maintained on the date of recording of this proprietary lease.

C. Boundaries not covered under either A or B of this paragraph shall be the boundaries currently observed on the date of the recording of the proprietary lease.

D. Should any dispute arise over the location of any boundary of a unit, the Directors shall determine such boundary by a majority vote of a quorum of the Directors, which determination shall be final.

43. Payment of Taxes and Other Costs by the Corporation. To the limit of its resources and out of funds provided by Members of the Corporation, the Corporation shall:

A. Pay all taxes and assessments that may be levied against the property of Corporation, except that, if taxes and assessments are assessed and billed to separate units, then the Lessee of the unit shall pay same;

B. Pay the premium on all necessary insurance required to be carried by the Corporation under this lease;

C. Pay all necessary expenses incurred for operation and maintenance of the Corporation property.

D. Pay any required mortgage payments to the mortgagees holding the blanket mortgage on the Corporation's property.

44. Interest Rate in the Event of Default of Lessee. Any payment required under this lease that the Lessee fails to make bears interest at the highest rate allowed by law from the due date until paid.

45. Amendment of this Lease. This proprietary lease may be amended by the approval of a resolution adopting such amendment by not less than sixty six and two-thirds percent (66 2/3%) of the Members of the Corporation. Amendments may be proposed by either the Board of Directors or by not less than fifty percent (50%) of the Members of the Corporation.

Notice of the intention to propose an amendment together with the text of the proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered. Members not present at the meeting considering the amendment may appoint a Member to act as proxy for the purpose of voting at any such meeting.

No amendment shall change the configuration or size of any unit in any material fashion, materially alter or modify the appurtenances to such unit, or change the proportion or percentage by which a member shares the common expenses and the common surplus unless the member and all lienors of record on the affected unit shall join in the execution of the amendment.

No amendment shall be effective which shall impair or prejudice the rights or priorities of the Mortgagee holding the blanket mortgage on the Cooperative Property unless the written consent of such mortgagee is obtained prior to the recording thereof.

No amendment shall be effective which shall impair or prejudice the rights or priorities of any mortgages or security interests or change the provisions of this proprietary lease with respect to institutional mortgagees without the written approval of all institutional mortgagees of record.

An amendment to this proprietary lease will be binding upon and inure to the benefit of all Lessees and will become effective when recorded in the public records of Sarasota County, Florida.

46. Articles of Incorporation, Bylaws, Rules and Regulations. This lease is subject to, and Corporation and Lessee shall abide by the provisions of, the Articles of Incorporation, the Bylaws and the Rules and Regulations of the Corporation. These Articles of Incorporation, Bylaws and Rules and Regulations, and any amendments made to them in the future, are made a part of this lease by reference. Lessee acknowledges that he has been provided

with a copy of the Amended and Restated Articles of Incorporation, the Bylaws and the present Rules and Regulations of the Corporation and that he has read them and understands their contents. Copies of the Amended and Restated Articles of Incorporation, Bylaws and Rules and Regulations, are recorded immediately after this Lease.

47. Indemnity. Lessee shall indemnify the Corporation and hold it harmless from any claims or demands arising from:

A. Lessee's use or possession of the property and the conduct of Lessee on the property and anything done or permitted by Lessee in or about the property, or any of them;

B. Any default of Lessee under this lease;

C. The negligence of Lessee and his agents, contractors or employees, or any of them;

D. Any damage to the property of Lessee or others or injury to any person on or about the property from any cause;

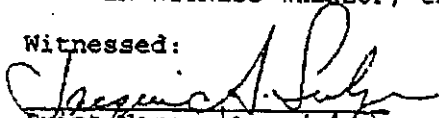
E. Any legal or administrative proceeding in which Corporation is made a party without its fault and due to default of Lessee;

F. All costs, attorneys' fees and expenses (including appellate fees) incurred by Corporation in connection with matters indemnified against. Lessee shall defend any legal action or proceeding resulting from a claim or demand indemnified against, at his expense, by attorneys satisfactory to Corporation on receipt of written notice from Corporation to do so.

48. Changes to be in Writing. The provisions of this lease cannot be changed orally.

IN WITNESS WHEREOF, the parties have executed this lease.

Witnessed:

  
Print Name Jacob A. Sulzer

  
Print Name Kathleen A. Kelly

VENICE ISLE HOME OWNERS, INC.

By:   
WALTHER LEUCHNER, President

LESSOR

Print Name \_\_\_\_\_

LESSEE

Print Name \_\_\_\_\_

Print Name \_\_\_\_\_

LESSEE

Print Name \_\_\_\_\_

STATE OF FLORIDA  
COUNTY OF SARASOTA

This instrument was acknowledged before me this 30 day of October, 1996, by WALTHER LEUCHNER, as President of VENICE ISLE HOME OWNERS, INC., a Florida corporation, on behalf of said corporation and who acknowledged before me that the execution thereof is his free act and deed. He is personally known to me.



KATHLEEN A. KELSEY  
NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXPIRES DEC. 20, 1998  
COMMISSION # CC 411465

Kathleen A. Kelsey  
Signature of Notary Public

Print Name of Notary Public

My Commission Expires:

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_\_\_, by \_\_\_\_\_ as Lessee(s), (Notary choose one) [ ] who is personally known to me or [ ] who has produced \_\_\_\_\_ as identification.

Signature of Notary Public

Print Name of Notary Public

My Commission Expires:

VenIsle.MHP\MastProp.?

RECORDER'S MEMO: Legibility of writing, typing, or  
printing for reproduction purposes may be unsatisfactory in  
this document when received.

PARCEL 11

A PART OF THOSE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1729, PAGES 822  
AND 823, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA, BEING MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SECTION 17, TOWNSHIP 39 SOUTH,  
RANGE 19 EAST, SARASOTA COUNTY, FLORIDA. RUN THENCE SOUTH 89° 34' 48"  
EAST, ALONG THE NORTHERLY BOUNDARY LINE OF SAID SECTION 17, 683.38 FEET;  
THENCE SOUTH 0° 18' 04" EAST, 1,368.18 FEET TO THE EASTERLY R/W LINE  
OF U.S. HIGHWAY NO. 41 BY-PASS (STATE ROAD NO. 42); THENCE SOUTH  
34° 35' 31" EAST, ALONG SAID R/W LINE, 421.88 FEET TO A R/W BREAK;  
THENCE NORTH 53° 24' 29" EAST, ALONG SAID R/W BREAK, 7.00 FEET; THENCE  
SOUTH 34° 35' 31" EAST, ALONG SAID R/W LINE, 148.18 FEET FOR A POINT OF  
BEGINNING; THENCE NORTH 53° 24' 29" EAST, 291.00 FEET; THENCE NORTH  
34° 34' 31" WEST, 877.34 FEET; THENCE NORTH 53° 24' 29" EAST, 359.16  
FEET; THENCE SOUTH 80° 11' 31" EAST, 1542.58 FEET; THENCE SOUTH  
83° 47' 00" EAST, 602.44 FEET TO THE SOUTHEAST CORNER OF THOSE  
LANDS OWNED BY W.C.L.M.D., RECORDED IN OFFICIAL RECORDS BOOK 358,  
PAGE 213, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA; THENCE  
NORTH 0° 01' 17" EAST, ALONG THE EASTERLY BOUNDARY LINE OF SAID  
W.C.L.M.D. LANDS, 1,390.04 FEET TO THE NORTHEAST CORNER OF SAID LANDS,  
SAID POINT ALSO BEING ON THE SOUTHERLY R/W LINE OF GULF COAST BOULEVARD;  
THENCE SOUTH 89° 34' 18" EAST, ALONG SAID R/W LINE, 1,873.61 FEET  
TO THE EASTERLY BOUNDARY LINE OF SECTION 17, TOWNSHIP 39 SOUTH, RANGE  
19 EAST, SARASOTA COUNTY, FLORIDA; THENCE SOUTH 0° 11' 38" WEST,  
ALONG SAID SECTION LINE, 2,676.85 FEET TO THE NORTHEAST CORNER OF  
SANDALWOOD MOBILE HOME PARK; THENCE NORTH 89° 18' 41" WEST, ALONG  
THE NORTHERLY BOUNDARY LINE OF SANDALWOOD MOBILE HOME PARK AND THE  
NORTHERLY BOUNDARY LINE OF "OAKWOOD BUSINESS PARK", AS PER PLAT THEREOF  
RECORDED IN PLAT BOOK 31, PAGE 73, OF THE PUBLIC RECORDS OF SARASOTA  
COUNTY, FLORIDA, 1,260.18 FEET TO THE NORTHWEST CORNER OF A/C 1  
DESCRIBED "OAKWOOD BUSINESS PARK"; THENCE NORTH 34° 35' 31" WEST,  
871.00 FEET; THENCE SOUTH 53° 24' 29" WEST, 293.00 FEET TO THE  
EASTERLY R/W LINE OF ABOVE DESCRIBED U.S. HIGHWAY NO. 41 BY-PASS;  
THENCE NORTH 34° 35' 31" WEST, ALONG SAID R/W LINE, 150.00 FEET TO  
THE POINT OF BEGINNING. ALL Lying IN AND BEING A PART OF SECTION 17,  
TOWNSHIP 39 SOUTH, RANGE 19 EAST, SARASOTA COUNTY, FLORIDA.  
DESCRIPTION: "VENICE ISLES PLAZA" 178.04 ACRES

LESS the canal, further described as follows:

From the Northeast corner of said Section 17, Township 39 South,  
Range 19 East, also the center line of Gulf Coast Boulevard, run  
South 80° 37' 24.5" West, 70.00 feet along the East line of said  
Section 17, to a point along the Southerly right-of-way Gulf  
Coast Boulevard; thence along the said Southerly right-of-way  
line of Gulf Coast Boulevard North 89° 30' 22.3" West, 219.92 feet  
to a Point of Beginning; thence continuing along the said  
right-of-way line, North 89° 30' 22.3" West, 43.42 feet; thence  
South 22° 25' 34.9" East, 394.37 feet; thence South 42° 52' 24.7"  
West, 333.15 feet; thence South 64° 37' 02.8" West, 910.12 feet;  
thence South 40° 52' 23.9" West, 404.52 feet; thence South

File No: 7L96-66688

EXHIBIT "A", Page 1

RECORDEE'S MEMO: Legibility of writing, typing, or  
printing for reproductive purpose may be unsatisfactory in  
this document when received.

81°36'36.6" West, 269.91 feet; thence North 83°24'13.1" West,  
194.18 feet; thence South 00°29'37.7" West, 40.23 feet; thence  
South 83°24'13.3" East, 195.37 feet; thence North 81°36'36.6"  
East, 290.02 feet; thence North 40°52'23.9" East, 412.96 feet;  
thence North 64°37'02.8" East, 909.39 feet; thence North  
42°52'24.7" East, 366.46 feet; thence North 22°25'34.9" West,  
403.09 feet to the Point of Beginning.

EXHIBIT "A"

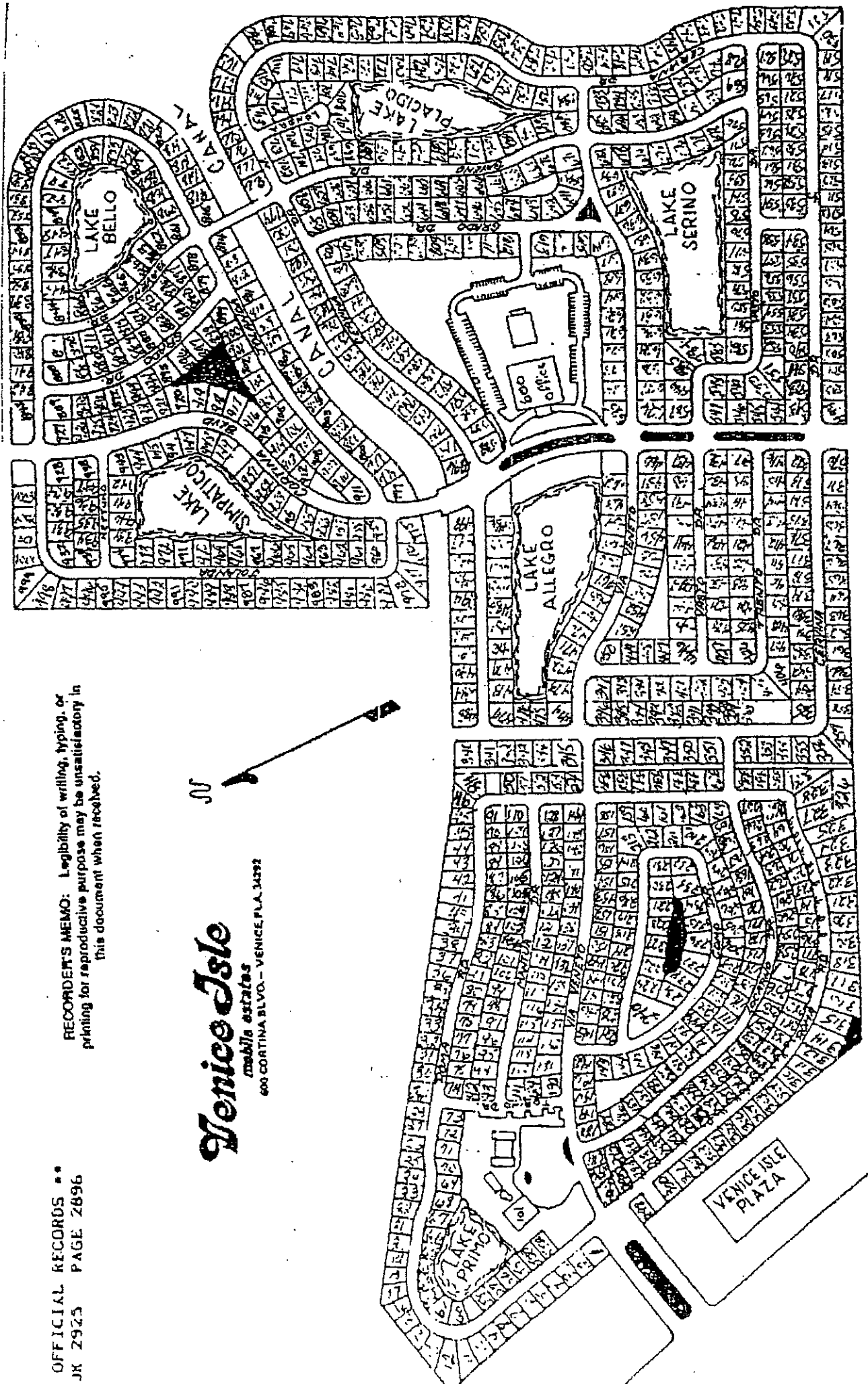
File No: YL96-66688

RECORDER'S MEMO: Legibility of writing, typing, or  
printing for reproductive purpose may be unsatisfactory in  
this document when received.

# Venice Isle

mobile estates

600 CORTINA BLVD. - VENICE, FLA. 33592







RECORD:

THIS INSTRUMENT PREPARED BY  
WILLIAM R. Korp, ESQUIRE, of  
Abel Band Russell Collier  
Pitchford & Gordon, Chartered  
333 S. Tamiami Trail, Suite 199  
Venice, Florida 34285

MEMORANDUM OF PROPRIETARY LEASE

VENICE ISLE HOME OWNERS, INC., a Florida non-profit  
corporation, as Lessor, hereby leases to \_\_\_\_\_  
\_\_\_\_\_, as Lessee, whose address is \_\_\_\_\_  
\_\_\_\_\_, the following described premises:

Unit #\_\_\_\_\_ of VENICE ISLE, a Residential Cooperative,  
according to Exhibit "B" (Plot Plan) of the Master Form  
Proprietary Lease recorded in Official Records Book 2925,  
Pages 2868-2926, of the Public Records of Sarasota  
County, Florida,

for a term of years from the 31st day of December, 1996, until the  
30th day of December, 2095, in consideration of the mutual  
covenants contained in that certain Master Form Proprietary Lease  
which form of lease and all amendments thereto are incorporated  
herein by reference, the original of which is maintained in the  
office of Lessor at 600 Cortina Boulevard, Venice, Florida 34292.  
(Lessee is the owner of appurtenant Membership Certificate #\_\_\_\_\_  
of Venice Isle Home Owners, Inc., a Florida non-profit  
corporation.)

The percentage of sharing in the common expense and common  
surplus and equity ownership for the above captioned membership  
certificate in Venice Isle Home Owners, Inc. is 1/992.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

WITNESSES:

VENICE ISLE HOME OWNERS, INC.  
a Florida non-profit corporation

Print Name \_\_\_\_\_

By: \_\_\_\_\_ (SEAL)  
President

Print Name \_\_\_\_\_

LESSOR

Print Name \_\_\_\_\_

\_\_\_\_\_ (SEAL)

Print Name \_\_\_\_\_

\_\_\_\_\_ (SEAL)

LESSEE

EXHIBIT "B"

STATE OF FLORIDA  
COUNTY OF SARASOTA

Before me, personally appeared \_\_\_\_\_, who  
(Notary chose one) [ ] is personally known to me or [ ] has  
produced \_\_\_\_\_ as identification, and who  
executed the foregoing instrument as President of VENICE ISLE HOME  
OWNERS, INC., a Florida non-profit corporation, and acknowledged to  
and before me that he executed such instrument as such officer and  
the seal is affixed to the foregoing instrument by due and regular  
corporate authority, and that said instrument is the free act and  
deed of said corporation.

Witness my hand and official seal, this \_\_\_\_ day of \_\_\_\_\_,  
199\_\_.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Print Name of Notary Public

My Commission Expires:

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

Before me, personally appeared \_\_\_\_\_,  
who (Notary choose one) [ ] are personally known to me or [ ]  
have produced \_\_\_\_\_ as identification,  
who executed such instrument for the purpose therein expressed.

Witness my hand and official seal this \_\_\_\_ day of \_\_\_\_\_,  
199\_\_.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Print Name of Notary Public

My Commission Expires:

RECORD:  
DOC. STAMPS:

THIS INSTRUMENT PREPARED BY  
WILLIAM R. KORP, ESQUIRE  
Abel Band Russell Collier  
Pitchford & Gordon Chartered  
333 South Tamiami Trail, Suite 199  
Venice, Florida 34285

ASSIGNMENT OF PROPRIETARY LEASE

KNOW THAT, \_\_\_\_\_, Assignors,  
in consideration of the sum of Ten Dollars (\$10.00) paid by \_\_\_\_\_, Assignee,  
whose address is \_\_\_\_\_,  
and for other good and valuable consideration, do hereby assign  
unto the Assignee all of the Assignors' right, title and interest  
in and to a certain 99-year proprietary lease, dated \_\_\_\_\_,  
19\_\_ made by VENICE ISLE HOME OWNERS, INC., a Florida corporation,  
to \_\_\_\_\_, leasing:

Unit # \_\_\_\_\_, Venice Isle, A Residential Cooperative,  
according to Exhibit "B" (Plot Plan) of the Master Form  
Proprietary Lease recorded in Official Records Book 2925,  
Pages 2868 through 2926, of the Public Records of  
Sarasota County, Florida.

TO HAVE AND TO HOLD the same unto the Assignee, and Assignee's  
executors, administrators, legal representatives, heirs,  
distributees, successors and assigns, on and after the date hereof,  
for all the rests of the term of said lease, subject to the  
covenants, conditions and limitations therein contained.

IN WITNESS WHEREOF, the Assignors have executed this Agreement  
this \_\_\_\_ day of \_\_\_\_\_, 199\_\_.

In presence of:

\_\_\_\_\_  
Print Name \_\_\_\_\_ (SEAL)

\_\_\_\_\_  
Print Name \_\_\_\_\_ (SEAL)

ASSIGNORS

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_  
day of \_\_\_\_\_, 199\_\_ by \_\_\_\_\_,  
who has produced \_\_\_\_\_ as  
identification.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Print Name of Notary Public  
My Commission Expires:

EXHIBIT "9"

Assignee, by the acceptance of this Assignment, agrees to be bound by the Master Form Proprietary lease and the Articles of Incorporation and Bylaws of VENICE ISLE HOME OWNERS, INC., a Florida corporation.

In presence of:

\_\_\_\_\_  
Print Name \_\_\_\_\_ (SEAL)

\_\_\_\_\_  
Print Name \_\_\_\_\_ (SEAL)

ASSIGNEE

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_\_  
day of \_\_\_\_\_, 199\_\_ by \_\_\_\_\_  
, who have produced \_\_\_\_\_ as  
identification.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Print Name of Notary Public  
My Commission Expires:

Assignee's Social Security Number: \_\_\_\_\_  
Assignee's Social Security Number: \_\_\_\_\_

Account No.:

CERTIFICATE NUMBER \_\_\_\_\_

\* See Reverse side for restrictions on transfer and conditions to the rights of the Holder.



NOTICE

This membership certificate is subject to a lien in favor of the issuing corporation in the sum of \$ \_\_\_\_\_. This certificate may not be sold, pledged or hypothecated without prior written consent of the issuing corporation pursuant to the bylaws and proprietary lease.

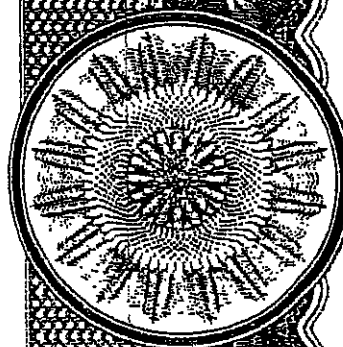
INCORPORATED UNDER THE LAWS OF THE STATE OF FLORIDA

# VENICE ISLE HOME OWNERS, INC.

A NON-PROFIT CORPORATION

## Membership Certificate

This is to Certify that \_\_\_\_\_ is a member of  
VENICE ISLE HOME OWNERS, INC.,  
a membership corporation incorporated under the Laws of the State of Florida and  
is entitled to the full benefits and privileges of such membership, subject to the duties and  
obligations, as more fully set forth in the Corporation's By-Laws, Rules and Regulations.  
In Witness Whereof, the Corporation has caused this Certificate to be executed by its  
duly authorized officers this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_,  
and its corporate seal to be hereunto affixed.



THE RIGHTS OF ANY HOLDER OF THIS MEMBERSHIP CERTIFICATE ARE SUBJECT TO THE PROVISIONS OF THE ARTICLES OF INCORPORATION AND THE BYLAWS OF THE CORPORATION AND TO ALL THE TERMS, COVENANTS, CONDITIONS AND PROVISIONS OF A CERTAIN PROPRIETARY LEASE MADE BETWEEN THE CORPORATION, AS LESSOR, AND THE PERSON IN WHOSE NAME THIS CERTIFICATE IS ISSUED, AS LESSEE, FOR A UNIT IN THE PERSON WHOSE NAME THIS CERTIFICATE IS ISSUED, AS LESSEE, FOR A UNIT IN THE MOBILE HOME VILLAGE WHICH IS OWNED BY THE CORPORATION AND OPERATED AS A "COOPERATIVE", WHICH PROPRIETARY LEASE LIMITS AND RESTRICTS THE TITLE AND RIGHTS OF ANY TRANSFEREE TO THIS CERTIFICATE AND IMPOSES A LIEN ON THIS CERTIFICATE TO SECURE PAYMENT OF ASSESSMENTS, COMMON EXPENSES AND OTHER SUMS WHICH MAY BECOME DUE TO THE CORPORATION FROM THE HOLDER THEREOF.

VENICE ISLE HOME OWNERS, INC.  
MEMBERSHIP CERTIFICATE POWER

FOR VALUE RECEIVED, \_\_\_\_\_  
hereby sell, assign and transfer unto \_\_\_\_\_  
that certain membership certificate of VENICE ISLE HOME OWNERS,  
INC., a Florida non-profit corporation, standing in the name of the  
undersigned on the books of the corporation represented by  
Certificate No. \_\_\_\_\_ herewith, and do hereby irrevocably transfer  
the said membership certificate on the books of the corporation  
with full power of substitution in the premises.

In presence of:

\_\_\_\_\_

\_\_\_\_\_  
Transferor

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
Transferor

Dated: \_\_\_\_\_

EXHIBIT "11"

WRK:VENISLE.MHP\CERTPWR.11





RECEIPT FOR COOPERATIVE DOCUMENTS

The undersigned acknowledges that the documents checked below have been received or, as to plans and specifications, made available for inspection.

NAME OF COOPERATIVE - VENICE ISLE  
A RESIDENTIAL COOPERATIVE  
ADDRESS: - 600 Cortina Boulevard  
Venice, Florida 34292

Place a check in the column by each document received or, for the plans and specifications, made available for inspection. If the term does not apply, place an "N/A" in the column.

<u>DOCUMENT</u>	<u>RECEIVED</u>
Prospectus Text	_____
Articles of Incorporation	_____
Bylaws	_____
Estimated Operating Budget	_____
Subscription Agreement	_____
Purchase Agreement	_____
Membership Certificate	_____
Rules and Regulations	_____
Covenants and Restrictions	_____ N/A
Ground Lease	_____ N/A
Management & Maintenance Contracts-Over 1 Yr.	_____ N/A
Renewable Management Contracts	_____ N/A
Lease of Recreational & Other Facilities to be Used Exclusively by Unit Owners of Subj. Coop.	_____ N/A
Master Form Proprietary Lease	_____
Memorandum of Proprietary Lease	_____
Assignment of Proprietary Lease	_____
Declaration of Servitude	_____ N/A
Phase Development Description [see 719.503(2)(k) and .504(14)]	_____ N/A
Lease of Recreational & Other Facilities to be Used by Unit Owners with other Cooperatives [see 719.503(2)(h)]	_____ N/A
Description of Management for Single Management of Multiple Cooperatives [see 719.503(2)(k)]	_____ N/A
Conversion Inspection Report	_____ N/A
Conversion Termite Inspection Report	_____ N/A
Plot Plan	_____
Floor Plan	_____ N/A
Survey of Land & Graphic Description of Improvements	_____
Executed Escrow Agreement	_____
Plans and Specifications	<u>MADE AVAILABLE</u>
Frequently Asked Questions & Answers	_____
Evidence of Developer's Ownership of Cooperative Property	_____

THE PURCHASE AGREEMENT IS VOIDABLE BY BUYER BY DELIVERING WRITTEN NOTICE OF THE BUYER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THE PURCHASE AGREEMENT BY THE BUYER AND RECEIPT BY BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 719.503, FLORIDA STATUTES. THE PURCHASE AGREEMENT IS ALSO VOIDABLE WITHIN 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 15 DAYS AFTER THE BUYER HAS RECEIVED ALL OF THE ITEMS REQUIRED. BUYER'S RIGHT TO VOID THE PURCHASE AGREEMENT SHALL TERMINATE AT THE CLOSING.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_.

\_\_\_\_\_  
Purchase or Lessee

\_\_\_\_\_  
Purchaser or Lessee

EXHIBIT "12"

WRK:VENISLE.MHP\RECEIPT.12



VENICE ISLE HOME OWNERS, INC.

Description of the Recreational & Other Facilities

Venice Isle Estates Mobile Home Park has two recreation buildings, two swimming pools, shuffleboard courts, putting green, boccie court and a picnic/barbecue area which are all available for use by the Park residents. The maximum number of lots that will use these facilities at the present time is 992, which is the total number of lots within the Park. Residents and their guests may use the shared facilities in a careful and reasonable manner, must leave such facilities in a clean, neat and sanitary condition and must comply with the Park rules applicable thereto.

Clubhouse I is located towards the front of the Park near the main entrance off US 41 Bypass. The building contains approximately 7,000 square feet and consists of a recreation hall, a stage, kitchen, ceramics room, library, rest rooms and a storage area. The hall is intended to be used as a social hall for parties, dances, concerts and meetings. The capacity of Clubhouse I is 460 people.

Swimming Pool I is located adjacent and to the east of Clubhouse I. It is approximately 20' x 40' in size with a depth of 3 feet to 6 feet. The surrounding deck area is approximately 490 square feet. The pool is heated from November 1 to April 1 as needed and at the Association's discretion. The approximate capacity of Swimming Pool I is 7 persons.

Adjacent to Clubhouse I and Swimming Pool I is a separate building of approximately 750 square feet which contains coin-operated laundry facilities (7 washers/7 dryers), ladies' and men's showers and restrooms and a pool filter room.

Clubhouse II is located toward the rear of the Park and east of Clubhouse I. The building contains approximately 13,000 square feet and consists of a recreation hall, a stage, a "Gold Room" or lounge, kitchen, pool and card room, meeting room front and rear foyer, two storage areas on both sides of the stage, restrooms and an office. The hall is intended to be used as a social hall for parties, dances, concerts and meetings and has a capacity of 600 people.

Swimming Pool II is located adjacent and to the east of Clubhouse II. It is approximately 30 x 55 feet with a depth of 3 feet 4 inches to 8 feet 6 inches. The surrounding deck area is approximately 1,116 square feet and the pool is heated from November 1 to April 1 as needed and at the discretion of the Association. The approximate capacity of Swimming Pool II is 26 persons.

Adjacent to Clubhouse II and Swimming Pool II is a separate building of approximately 1,000 square feet which contains coin-operated laundry facilities (6 washers/6 dryers), ladies' and men's showers and restrooms and a pool filter room.

Other facilities available to the residents and their guests are sixteen (16) lighted shuffleboard courts with appropriate equipment, one horseshoe court and equipment, putting green, picnic/barbecue area, one bocce court and a courtesy bus.

The Association facilities are available at all reasonable times. The Clubhouses are generally open daily from 8 a.m. to 10 p.m. including weekends. The Association reserves the right to approve uses of the Clubhouses and to use the Clubhouses for occasions beneficial to the public good. The swimming pools are generally open daily from 8 a.m. to 10 p.m. including weekends. Rules for pool usage are prominently posted and must be obeyed.

The Association may from time to time close said facilities on a temporary basis for purposes of maintenance, repair, alteration, improvement or any other reasonable reason. The right to use the facilities and equipment described above does not extend to service and storage facilities contained in and related to the facilities mentioned above including heating, ventilating, air conditioning, electrical, pump, filtration, chlorination and storage rooms or areas.

The maintenance and operation of the Park is the responsibility of the Park Manager who is under the supervision of the Board of Directors of the Association. Any problems which arise concerning the Park property should be directed to the attention of the Park Manager.

The maintenance and operation of the Park is the responsibility of the Park Operating Committee under the supervision of the Board of Directors of the cooperative. Any problems which arise concerning the Park property should be directed to the attention of the Park Operating Committee.

Water and sewer is provided by Sarasota County Utilities and is billed directly to the homeowner for payment. Sarasota County Utilities is responsible for maintenance of all water and sewer lines to the meter or sewer line at each mobile home. Lines from the water meter and the mobile home sewer lines are the responsibility of the homeowner.

Garbage and trash collection is provided by the Englewood Disposal and is billed to Venice Isle. The times and conditions for such service are subject to change. Providing adequate containers and making them available for pick-up is the homeowner's responsibility.

Cable TV is provided through COMCAST whose charges for basic service is billed to the Park. Charges for certain premium services are billed directly to the homeowner.

# *Venice Isle*

mobile estates  
800 CORTINA BLVD. - VENICE, FLA. 34292

- Legend:
- "A" Clubhouse I & Swimming Pool I
  - "B" Clubhouse II & Swimming Pool II
  - "C" Common Areas

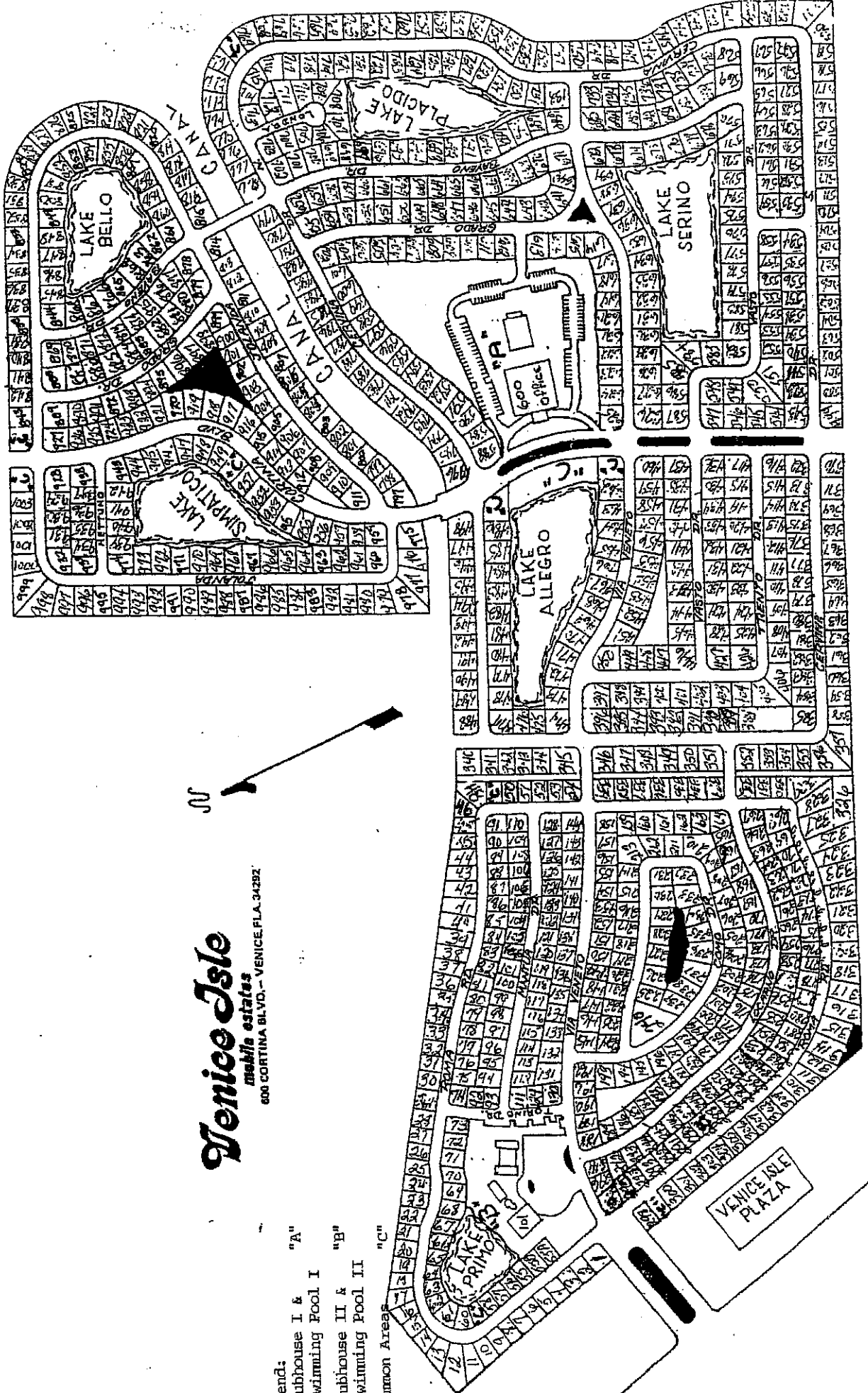


EXHIBIT "14"



VENICE ISLE HOME OWNERS, INC.

Rules and Regulations -- Effective \_\_\_\_\_, 1997

The purpose of these Rules and Regulations is to promote the comfort, welfare and safety of the Members and Tenants of VENICE ISLE, A RESIDENTIAL COOPERATIVE, (hereinafter called the "Park") and to improve and maintain the appearance and reputation of the Park. These rules have been established by the Board of Venice Isle Home Owners, Inc. (hereinafter called the "Corporation") owner of the Park, and may be changed from time to time to achieve this and other purposes. Notices of changes in these rules shall be circulated at least thirty (30) days prior to implementation.

I. Definitions

1.1 "Corporation" "Board of Directors" or "Management" shall mean Venice Isle Home Owners, Inc., the owner of the Park and Landlord to both Members and Tenants.

1.2 "Member" shall be the person or persons owning a membership certificate issued by the Corporation pursuant to the Articles of Incorporation and Bylaws.

1.3 "Tenant" shall mean the non-member owner of a manufactured home in the Park.

1.4 "Renter" shall mean an occupant of a manufactured home who is subletting from a Member or Tenant.

1.5 "Park" shall mean the residential cooperative known as Venice Isle.

1.6 "Guests" are persons who stay with a Member or Tenant overnight, but are not identified in the lease/rental agreement.

1.7 "Unit" shall mean a manufactured home and its appurtenances.

II. Occupancy

2.1 Before buying into the Park, prospective residents (Members, Tenants and Renters) must be interviewed and approved by Park Management and shall sign a statement indicating they know and will abide by Park Rules and Regulations. Failure to gain Management approval, including signing such statement adhering thereto, will be cause to void any residency contract, implied or expressed.

EXHIBIT "15"



2.2 Park Management reserves the right to evict any violator or any person or persons or vehicle for being a nuisance, for improper conduct, for violating Park Rules and Regulations or the law or for conduct that may be detrimental to other residents.

2.3 Guests and Renters are entirely the responsibility of the Member or Tenant and must comply with any all Rules and Regulations of the Park. Failure to so comply, following a written warning, may result in fines up to \$100 per day (up to a maximum of \$1,000 for a continuing violation), or a court action for damages or injunctive relief, or both against a Unit Member, Tenant or any other invitee occupying a Unit.

2.4 Members, Tenants and Renters are responsible for registering their guests with the Park Office upon or prior to the Guest's arrival and departure. Failure to do so may result in a fine of up to \$100 per day (up to a maximum of \$1,000 for a continuing violation).

2.5 Guests of Members or Tenants may not stay beyond thirty (30) days per year, calculated from the first day of Guest's arrival. Failure to comply with this Rule may result in a fine of up to \$100 per day. Such fine will be imposed beginning with the 31st day of the Guest's occupancy, up to a maximum of \$1,000.

2.6 Members or Tenants may lease their premises only in conformance with the Bylaws of the Corporation and the Master Form Proprietary Lease after receiving written approval of the Park Management. Failure to comply with this rule shall constitute a default of the Member/Tenant's lease and/or rental agreement. Members who rent out their Units may forfeit their Homestead Exemption for that year. Unapproved sub-leases may result in denial of occupancy or Park privileges or the right to future subleases.

2.7 Members or Tenants may rent their Units only for a minimum period of one month to a maximum group of two (2) persons, one of whom must be age 55 or older, and none under age 45. Rental applications must receive written approval of Park Management prior to occupancy. Failure to comply may result in eviction of the renter(s) plus a fine of up to \$100 per day (up to a maximum of \$1,000) to be levied against the Member/Tenant.

2.8 Members' or Tenants' rent, maintenance fee or other charges are due and payable on or before the first day of each quarter. Payments received after the fifth workday of the quarter shall be considered delinquent and a late charge of \$15 will be assessed.

2.9 Quiet hours will be maintained between 11 p.m. and 8 a.m. Unnecessary inconsiderate disturbance may result in a fine of up to \$100. Continued violations may result in eviction.

2.10 Except with Park Management's prior written approval, commercial peddling or soliciting within the Park is prohibited. Violators will be subject to arrest. This rule in no way precludes the rights of Park residents to peaceably assemble and communicate as set forth in Florida Statutes 719.109 and Florida Statutes 723.054.

### III. CARE OF THE UNIT

3.1 A sketch of a home with attachments, indicating size, must be filed with and approved by Park Management at the time of purchase and prior to the time the home is placed on its lot. Park Management will respond within 15 days.

3.2 All homes must comply with county, state and federal codes and with the standards set by Park Management.

3.3 Pre-owned homes must be in "new" or "like new" condition at the time of installation. Park Management will be solely responsible for such determination and for approval or disapproval of acceptance of such homes.

3.4 To assure that each home contributes to the good appearance of the Park, the following improvements will be standard: block skirting, a planter, a carport, a utility room, a covered porch and landscaping that has the approval of Park Management. These improvements must be contracted for and installed within thirty (30) days after placement of the home on its site. Should these requirements not be met, occupancy may be denied.

3.5 Changes in the outside dimensions of a house or its appurtenances must have the prior written approval of Park Management as well as all required local permits. Violation of this rule will result in the requirement that the house must be restored to its original size and shape, insofar as possible, at the expense of the Member or Tenant. Member/Tenant must be in compliance within thirty (30) days of the Park Management's written instruction. Non-compliance may result in a fine of up to \$100 per day, beginning with the 31st day of non-compliance to a maximum of \$1,000 for continuing violation.

3.6 Tenants and Members must give the Corporation at least 30 days' written notice before removing homes from the Park. Tenant/Member shall be responsible for any charges or rents up to and including the last day of the month of the month during which the home is removed. Such charges, rents or other unpaid fees or fines shall be due and payable one week prior to removal of the home. The prior written approval of Park Management for removal will include a statement of the amounts due and the due date. Failure to make payment may result in Management's refusal to permit removal.

3.7 Units and appurtenances shall be kept neat, clean and free of litter and mildew. Landscaping is the responsibility of the Member or Tenant and must be in good taste and without danger or disturbance to others. The Beautification Committee will help if requested. Failure to comply with this rule will result in a warning letter and if compliance is not forthcoming, may result in a fine up to \$100 per day, up to a maximum of \$1,000.

3.8 Should a home or lot become unsightly because of neglect, it shall be the responsibility of the Member/Tenant to bring the appearance up to Park standards. If the response is not satisfactory, Park Management will notify the Member/Tenant in writing and have the necessary work done at the expense of the Member/Tenant. Non-payment of such charges may result in withholding Management authorization for the sale of the Unit until payment is made.

3.9 Physical damage to any structure, such as the home exterior, carport, driveway, screened area, utility shed, skirting, planter or other appurtenances due to fire, force of nature or actions of Member, Tenant or Guests shall be repaired, restored or replaced and the Unit cleared of debris within thirty (30) calendar days from date such damage occurred. If Member/Tenant is unable to complete repairs, etc. he shall furnish evidence that such repairs have been contracted for and of a reasonably anticipated completion date. Failure to comply with this rule may result in fines of up to \$100 per day, up to a maximum of \$1,000.

3.10 The Corporation will mow the grass. Machines will cut only to within 6" of building, trees or appurtenances. Mowing under trees will be limited to the extent of clearance for the operator. Trimming, watering, weeding and general care of lawn, planters and shrubs or fertilizing of same is the responsibility of Member/Tenant. Neglect of the part of Member/Tenant will bring a warning from the Park Management. If the Member/Tenant does not improve the Unit's appearance satisfactorily within one week, Park Management will do so at a minimum charge of \$50 to the Member/Tenant.

3.11 Members or Tenants leaving the Park for two weeks or more shall arrange for maintenance of their Units to standards satisfactory to Park Management. Before leaving, Member/Tenant must notify Management of the name and phone number of the person who is to maintain the vacated premises. If maintenance by the Corporation is necessary, Park Management will notify Member/Tenant in writing and Member/Tenant shall be charged a minimum of \$50 for the service. Non-payment of such charges may result in withholding Management's authorization to sell the Unit until payment is made.

3.12 Erection of fences, walls, curbing, additional planters, patios (temporary or permanent), changes in types of ground cover or landscaping, etc. must have prior written approval of Park

Management as well as all required local permits. Violation of this rule will result in the requirement that the premises be returned to their original condition, insofar as possible, at the expense of the Member/Tenant. Member/Tenant must be in compliance within thirty (30) days of the Park Management's written instruction. Non-compliance will subject Member/Tenant to a fine of up to \$100 per day, beginning with the 31st day of non-compliance, (up to a maximum of \$1,000) for continuing violation.

3.13 Storage on porches, patio area or carport will be limited to items in general use such as furniture specifically designed for outdoor use. Tools, lawn care equipment and the like shall be stored in utility sheds. Violators will be warned. Repeated violations will result in a fine of up to \$100 per day to a maximum of \$1,000.

3.14 Carport, law or estate sales are not permitted. Violation of this rule may result in a fine of up to \$100 to be levied on Member/Tenant.

3.15 A single "For Sale," "For Rent" or "Open House" sign, not to exceed 20" x 30" is permitted on Member/Tenant's own Unit site only. A 3" x 5" notice may also be placed on the bulletin board in each Clubhouse. Such notices must carry the date of posting and will be removed after thirty (30) days. Violators will be subject to a fine of up to \$100.

#### IV. COMMON AND RECREATION AREAS

4.1 Recreation activity areas are for the mutual use of Members, Tenants, Guests and Renters. Children under the age of 18 will not be permitted to use pianos, organs, pool tables, shuffleboard courts, boccie courts, horseshoe court, ping-pong table or other recreational facilities unless accompanied by a supervising Member, Tenant or Renter.

4.2 Smoking is prohibited inside common area buildings such as clubhouses, rest rooms, exercise room, laundries and on pool decks inside fences. Violators will be warned to stop. Continued violations will result in being fined and/or barred from access to these common areas.

4.3 Use of activity areas for Park functions shall require prior approval from the Activities Chairperson and shall not conflict with any scheduled commitments.

4.4 Rules for the use of each activity area (pools, etc.) shall be posted in a conspicuous place within the confines of the activity. Residents and Guests shall comply with all posted Rules and Regulations. Residents are responsible for the behavior of their Guests. Failure to adhere to posted rules may result in

being banned from the activity and/or being fined up to \$100 per incident.

4.5 Chairs, tables and other equipment in clubhouses, around the pools or other recreation areas may be removed only with prior approval of the Park Management.

4.6 Members or Tenants shall be responsible for any damage or injury to Park property or premises or any other loss incurred as a result of acts of the Members, Tenants, their Guests or other persons on Park premises at the invitation or with the consent of a Member or Tenant. Prompt restitution shall be made within thirty (30) days after delivery of an itemized statement of such damage, injury or loss. Failure to provide such restitution may result in withholding Management authorization to sell or rent a unit until payment is made.

4.7 Shirts or cover-ups must be worn in the Park except inside the fenced pool areas or around Member, Tenant or Renter's own Unit.

4.8 For safety reasons, persons in wet bathing suits or bare feet may not enter the recreation halls, laundry rooms or health rooms. This rule does not apply to pool shower/restrooms. Showers in the pool restrooms are provided for the comfort and convenience of those using the pool.

4.9 In compliance with Florida Statute 849.093, only Members, Tenants and their overnight Guests, 18 years or older, may play Bingo.

4.10 Alcoholic beverages are not permitted in the recreation areas or common park buildings except with the approval of the Park Management or the Board of Directors. Violators will be subject to arrest and/or fine.

## V. VEHICLES

5.1 All drivers within the Park are subject to the rules of the Florida Department of Motor Vehicles.

5.2 Speed limit in the Park is 15 miles per hour. Violators will be reported to the County Sheriff.

5.3 Motorbikes, motor scooters, motorcycles, go-carts or other gas-powered cycles shall not be driven in the Park at any time. Violators will be reported to the County Sheriff.

5.4 No unlicensed or inoperative vehicles shall be kept within the Park except in a duly-rented storage space in the Maintenance Compound. After a written warning, any such vehicles illegally parked will be towed at the owner's expense.

5.5 Parking on the grass at any time is prohibited. Vehicles must be parked in a carport, on the driveway of a residence or on the roadway pavement. Overnight parking on the roadway is prohibited. Violators will be subject to a fine of up to \$100.

5.6 Vehicles must not obstruct the free passage of emergency vehicles along any roadway. Violators will be subject to a fine of up to \$100 or prosecution.

5.7 Permission must be obtained from neighbors before parking in their driveways. Persons parking in a neighbor's drive and/or carport assume all responsibility for damage or oil stains caused by their vehicles or those of their Guests.

5.8 Non-emergency repair of vehicles, motors, boats, etc. is prohibited except in the Maintenance Compound storage area. Violators will be subject to a fine.

5.9 Recreational vehicles such as motor homes, camping trailers and boats may not park on the streets of Venice Isle except to load an unload. A limited number of rental storage areas (through Park Office) are available for such vehicles. Some short-term parking for recreational vehicles is available at both clubhouses with prior Management approval. Violations may result in fines of up to \$100 per day with a maximum of \$1,000 to be levied against the Member, Tenant or Renter.

5.10 While in the Park, recreational vehicles may not be used as dwellings, i.e. for sleeping, cooking, bathing or entertaining. Such violations may result in expulsion of the vehicle from the Park and fines of up to \$100 for each violation with a maximum of \$1,000 levied against the Member, Tenant or Renter.

5.11 Members and Tenants must attach a VI sticker, available from the Park office to the front left and right rear bumpers of their vehicles.

5.12 Vehicles offered for sale shall not be displayed in the Park at any time. Violation will result in towing the vehicle at the expense of the owner.

5.13 For security reasons, residents and guests are required to turn on their vehicle dome lights when entering the Park at night.

5.14 For safety reasons, golf carts used within the Park should be equipped with reflectors on rear and headlights on front if used after dark.

## VI. PETS

6.1 A maximum of 2 pets (dogs, cats and birds) weighing no more than 20 pounds each shall be permitted to reside in the Park with a park resident whose home is located in the Pet Section only. (See map in Park Office). This excludes fish, gerbils, hamsters and the like which may be kept in any home in the Park. Violation may result in a fine of up to \$100 per day to a maximum of \$1,000 or eviction.

6.2 Residents and visitors with pets referred to in 6.1 must confine them to a Pet Section. With the except of guide dogs which are acceptable in all areas other than the pools. Positively no pets are permitted in recreation areas, common buildings or pools. Violation may result in a fine of up to \$100 per incident with a maximum of \$1,000.

6.3 Pets are not permitted outside the house except on a leash. Violation may result in a fine of up to \$100 per incident with a maximum of \$1,000.

6.4 Pet owners are responsible for cleaning up after their pets. Pets are not permitted on the premises of any home in the Non-Pet areas. This includes the area of payment abutting a Non-Pet lot. Violations may result in a fine of up to \$100 per incident with a maximum of \$1,000.

6.5 The feeding of wild or stray animals and reptiles is prohibited. Violation may result in a fine of up to \$100 per incident with a maximum of \$1,000.

## VII. LAUNDRY

7.1 Laundry facilities are for the use of Members, Tenants, Renters and their Guests only. The appliances are coin operated. All users are responsible for the proper handling and supervision of their own laundry and the laundry equipment they use.

7.2 Laundry, bathing suits, etc. must be dried in the area provided by the Corporation or inside the home or utility room. Visible clothes lines or clothes drying racks are prohibited. Violators may be subject to a fine of up to \$100 per incident.

7.3 The Corporation assumes no liability for damage to or loss of clothing, improper use of equipment or mechanical or electrical failure of equipment.

## VIII. REFUSE

8.1 Refuse and recyclables must be stored out of sight until scheduled pick-up day. They must be bundled or stored in a manner prescribed by the disposal company and left for collection where

that company directs. Violators may be fined up to \$100 per incident.

8.2 Garbage in plastic or paper bags or boxes should not be put out before 7 a.m. on the day of collection.

8.3 When leaving the Park for a week or more, arrangements must be made to protect your refuse and recyclables and have them picked up the next collection day. (At specified times of the year a dumpster is provided by Management for disposal of trash prior to leaving the Park.) Violation may result in a fine of up to \$100 per incident with a maximum of \$1,000.

#### IX. UTILITIES

9.1 Utility lines in the Park are underground. Florida law requires that no less than 48 hours prior to digging or drilling, you must call 1-800-432-4770. This service contacts all involved utilities who will locate and mark any buried lines where you wish to dig. After this is completed you will receive a clearance number and you may dig, avoiding the marked utilities. Damage to utility lines caused by unauthorized digging shall be the responsibility of the perpetrator.

9.2 Any clogging of sewer lines from home to main line is the responsibility of the Member/Tenant. All water lines from water meter to home are the responsibility of the Member/Tenant. All electric equipment not provided by FPL installation is the responsibility of the Member/Tenant. Such Member/Tenant responsibility includes but is not limited to meter socket, meter posts, main disconnect switch and main feeder conduit wire to unit.

#### X. COMPLAINTS, VIOLATIONS, PENALTIES

10.1 Report rules infractions orally to Park Manager or Park Manager's designee during regular office hours. If report requires attention after regular office hours, follow instructions posted at the Park Office.

10.2 More serious or repetitive infractions should be presented to Park Manager or Board of Directors in writing, signed and dated by complainant.

10.3 In the event of a violation of any of these Rules and Regulations, the Bylaws or the Master Form Proprietary Lease (including the non-payment of any assessment) the Corporation may personally contact or serve written notice of such breach to the offender by certified mail. If such violation shall continue beyond a maximum of thirty (30) days, the Corporation shall treat such violation as an intentional material breach of the Rules and Regulations, the Bylaws or the Master Form Proprietary Lease, as



applicable, and shall implement any action required including eviction proceedings to ensure compliance.

10.4 In the event of a violation of any of these Rules and Regulations, the Prospectus, Lot Rental Agreement or Chapter 723, Florida Statutes, by a Tenant, Renter or their Guest, the Corporation shall notify the Tenant and/or Renter of said breach in accordance with the requirements of Chapter 723, Florida Statutes and shall be entitled to exercise all remedies provided therein, including but not limited to eviction proceedings.

#### XI. DISCLAIMERS

11.1 Reasonable effort will be made to notify residents promptly of emergency calls such as those reporting a serious illness but the Corporation does not assume any responsibility for the delivery of any message received at the Park Office.

11.2 The Corporation shall not be responsible for loss or damage caused by accident, fire, theft or act of God to any manufactured home or personal property left by the Member or Tenant or their Guests within the boundaries of the Park. Nor will the Corporation be responsible for supplies or equipment sent to the clubhouse or Park Office for private use by any resident.

11.3 The Corporation shall not be liable for accident or injury to any person or property through use of any recreation facilities by Members, Tenants, Renters or their Guests.

#### XII. VALIDITY

12.1 If any provision of these Rules and Regulations be contrary to any law of any jurisdiction in which the Park is located, it shall not apply or be enforced; however, the other provisions of these Rules and Regulations shall be affected and shall continue in full force and effect.

FREQUENTLY ASKED QUESTIONS AND ANSWERS SHEET

VENICE ISLE HOME OWNERS, INC.

As of August 1, 1997  
Date

- Q: What are my voting rights in the residential cooperative?
- A: The owner of each membership certificate shall be entitled to one vote. If an owner owns more than one membership certificate, he shall be entitled to one vote for each certificate. Each membership certificate's vote shall not be divisible. More detailed information can be found in Section 2.2 Voting of the Bylaws, Exhibit "4" of the Prospectus.
- Q: What restrictions exist on my right to use my Unit?
- A: Use restrictions existing on membership in VENICE ISLE HOME OWNERS, INC. can be found in the Rules and Regulations as Exhibit "15" of the Prospectus.
- Q: What restrictions exist on the leasing of my unit?
- A: The Lessee shall not sublet the whole or any part of the unit or renew or extend any previously authorized sublease unless consent thereto shall have been duly authorized by resolution of the Directors or given in writing by a majority of the Directors. More detailed information can be found in Section 15 Subletting - Assignment of the Master Form Proprietary Lease, Exhibit "7" of the Prospectus.
- Q: How much are the assessments to the residential cooperative for my unit type and when are they due?
- A: The 1997 Proposed Budget indicates that the monthly maintenance fee is \$75.
- 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 residential cooperative 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

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

EXHIBIT "16"



THIS INSTRUMENT PREPARED BY:

Ron J. Hoyl, Esq.  
Liddell, Sapp, Zivley, Hill & LaBoon, L.L.P.  
2200 Ross Avenue, Suite 900  
Dallas, Texas 75201

Receipt #: 0000000468/67-05  
Doc Stamp-Deed : 162050.00  
Karen E. Foshing, Sarasota Co.  
By: AMC D.C.

Tax Folio No. \_\_\_\_\_

**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED made as of the 23<sup>rd</sup> day of December, 1996 by KEYSTONE PROPERTIES, L.P., a Delaware limited partnership, doing business in Florida as Keystone Properties (Delaware) Limited Partnership, having an address at c/o GE Capital Realty Group, Inc., Two Bent Tree Tower, 16479 Dallas Parkway, Suite 400, Dallas, Texas 75248, Attention: Legal Department ("Grantor") in favor of VENICE ISLE HOME OWNERS, INC., a Florida not-for-profit corporation, having an address at 600 Cortina Drive, Venice, Florida 34292 ("Grantee").

**WITNESSETH:**

That Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and for other good and valuable consideration in hand paid to Grantor by said Grantee, the receipt and sufficiency of which are hereby acknowledged and confessed, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto Grantee, all right, title and interest of Grantor in and to that certain land situate, lying and being in Sarasota County, Florida and more particularly described on Exhibit A attached hereto and made a part hereof (the "Premises").

TOGETHER with all right, title and interest of Grantor in and to the improvements of any kind or nature located on, in, under or along the Premises and all hereditaments, privileges, tenements and appurtenances belonging to the Premises, all right, title and interest of Grantor, if any, in and to all open or proposed highways, streets, roads, avenues, alleys, easements, strips, gores and rights-of-way in, on, across, in front of, contiguous to, abutting or adjoining the Premises, together with any and all reservations and reversionary interests of Grantor in and to the Premises (all of the foregoing, together with the Premises being hereinafter collectively referred to as the "Property").

TO HAVE AND TO HOLD, the same in fee simple forever.

The conveyance of the Property is subject to real estate taxes and assessments for the year 1996 and subsequent years and to those matters listed on Exhibit B attached hereto and made a part hereof (without intending to reimpose same).

RETURN TO:  
FIRST AMERICAN TITLE INSURANCE CO.  
25400 U.S. Highway 19 N., Suite 212  
CLEARWATER, FL 34623

File-tele-PPV

2025-00  
278.00

Grantor fully warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through or under the said Grantor, but not otherwise.

IN WITNESS WHEREOF, Grantor has hereunto executed this Special Warranty Deed as of the day and year first above written.

Signed, sealed and delivered  
in the presence of:

KEYSTONE PROPERTIES, L.P.,  
a Delaware limited partnership, doing business in  
Florida as Keystone Properties (Delaware) Limited  
Partnership

By: [Signature]  
Name: Scott E. Gordon

By: Keystone Properties, GP, Inc.,  
a Delaware corporation,  
its only general partner

By: [Signature]  
Name: WILLIAM R. FORD

By: [Signature]  
Kenneth Helton  
Agent and Attorney-in-Fact

STATE OF FLORIDA  
COUNTY OF SARASOTA

§  
§  
§

*See*  
*on behalf*  
*of the*  
*corporation,*  
*(c)*  
This instrument was acknowledged before me on the 20 day of December, 1996, by Kenneth Helton, Agent and Attorney-in-Fact of Keystone Properties, GP, Inc., a Delaware corporation, general partner of Keystone Properties, L.P., a Delaware limited partnership, doing business in Florida as Keystone Properties (Delaware) Limited Partnership on behalf of said partnership. He is personally known to me or has produced a driver's license as identification.

[Signature]  
Notary Public in and for  
the State of \_\_\_\_\_

Printed Name of Notary Public  
My Commission Expires: \_\_\_\_\_



"OFFICIAL SEAL"  
Scott E. Gordon  
My Comm. Exp. Mar. 20, 1999  
Comm. No. CC 446505

RECORDER'S MEMO: Legibility of writing, typing, or  
printing for reproductive purpose may be unsatisfactory in  
this document when received.

**PARCEL I:**

A PART OF THOSE LANDS DESCRIBED IN OFFICIAL RECORDS BOOK 1229, PAGES 822  
AND 823, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA, BEING MORE  
PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SECTION 17, TOWNSHIP 39 SOUTH,  
RANGE 19 EAST, SARASOTA COUNTY, FLORIDA. RUN THENCE SOUTH 89° 56' 49"  
EAST, ALONG THE NORTHERLY BOUNDARY LINE OF SAID SECTION 17, 683.59 FEET;  
THENCE SOUTH 0° 18' 06" EAST, 1,369.18 FEET TO THE EASTERLY R/W LINE  
OF U.S. HIGHWAY NO. 41 BY-PASS. (STATE ROAD NO. 45); THENCE SOUTH  
36° 35' 31" EAST, ALONG SAID R/W LINE, 425.89 FEET TO A R/W BREAK;  
THENCE NORTH 53° 24' 29" EAST, ALONG SAID R/W BREAK, 7.00 FEET; THENCE  
SOUTH 36° 35' 31" EAST, ALONG SAID R/W LINE, 449.11 FEET FOR A POINT OF  
BEGINNING; THENCE NORTH 53° 24' 29" EAST, 293.00 FEET; THENCE NORTH  
36° 35' 31" WEST, 677.34 FEET; THENCE NORTH 53° 24' 29" EAST, 359.16  
FEET; THENCE SOUTH 80° 11' 31" EAST, 1540.59 FEET; THENCE SOUTH  
83° 47' 00" EAST, 602.44 FEET TO THE SOUTHEAST CORNER OF THOSE  
LANDS OWNED BY W.C.I.N.D., RECORDED IN OFFICIAL RECORDS BOOK 558,  
PAGE 215, OF THE PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA; THENCE  
NORTH 0° 01' 17" EAST, ALONG THE EASTERLY BOUNDARY LINE OF SAID  
W.C.I.N.D. LANDS, 1,390.04 FEET TO THE NORTHEAST CORNER OF SAID LANDS,  
SAID POINT ALSO BEING ON THE SOUTHERLY R/W LINE OF GULF COAST BOULEVARD;  
THENCE SOUTH 89° 56' 49" EAST, ALONG SAID R/W LINE, 1,875.61 FEET  
TO THE EASTERLY BOUNDARY LINE OF SECTION 17, TOWNSHIP 39 SOUTH, RANGE  
19 EAST, SARASOTA COUNTY, FLORIDA; THENCE SOUTH 0° 11' 38" WEST,  
ALONG SAID SECTION LINE, 2,676.65 FEET TO THE NORTHEAST CORNER OF  
SANDALWOOD MOBILE HOME PARK; THENCE NORTH 89° 19' 41" WEST, ALONG  
THE NORTHERLY BOUNDARY LINE OF SANDALWOOD MOBILE HOME PARK AND THE  
NORTHERLY BOUNDARY LINE OF "OAKWOOD BUSINESS PARK", AS PER PLAT THEREOF  
RECORDED IN PLAT BOOK 31, PAGE 25, OF THE PUBLIC RECORDS OF SARASOTA  
COUNTY, FLORIDA, 3,260.18 FEET TO THE NORTHWEST CORNER OF ABL'S  
DESCRIBED "OAKWOOD BUSINESS PARK"; THENCE NORTH 36° 35' 31" WEST,  
871.09 FEET; THENCE SOUTH 53° 24' 29" WEST, 293.00 FEET TO THE  
EASTERLY R/W LINE OF ABOVE DESCRIBED U.S. HIGHWAY NO. 41 BY-PASS;  
THENCE NORTH 36° 35' 31" WEST, ALONG SAID R/W LINE, 150.00 FEET TO  
THE POINT OF BEGINNING. ALL LYING IN AND BEING A PART OF SECTION 17,  
TOWNSHIP 39 SOUTH, RANGE 19 EAST, SARASOTA COUNTY, FLORIDA.  
DESCRIPTION: "VENICE ISLES PLAZA" 178.01 ACRES

**LESS the canal, further described as follows:**

From the Northeast corner of said Section 17, Township 39 South,  
Range 19 East, also the center line of Gulf Coast Boulevard, run  
South 00° 37' 24.5" West, 70.00 feet along the East line of said  
Section 17, to a point along the Southerly right-of-way Gulf  
Coast Boulevard; thence along the said Southerly right-of-way  
line of Gulf Coast Boulevard North 89° 30' 22.3" West, 219.92 feet  
to a Point of Beginning; thence continuing along the said  
right-of-way line, North 89° 30' 22.3" West, 43.42 feet; thence  
South 22° 25' 34.9" East, 394.37 feet; thence South 42° 52' 24.7"  
West, 333.15 feet; thence South 64° 37' 02.8" West, 910.12 feet;  
thence South 40° 52' 23.9" West, 406.52 feet; thence South

File No: FL96-666BB

81°36'36.6" West, 269.91 feet; thence North 83°24'13.3" West, 194.38 feet; thence South 00°29'37.7" West, 40.23 feet; thence South 83°24'13.3" East, 195.37 feet; thence North 81°36'36.6" East, 290.02 feet; thence North 40°52'23.9" East, 412.96 feet; thence North 64°37'02.8" East, 909.39 feet; thence North 42°52'24.7" East, 366.46 feet; thence North 22°25'34.9" West, 403.09 feet to the Point of Beginning.

RECORDER'S MEMO: Legibility of writing, typing, or printing for reproductive purpose may be unsatisfactory in this document when received.

EXHIBIT "A"

File No: FL96-666BB

**EXHIBIT B****PERMITTED ENCUMBRANCES**

1. Rights or claims of parties in possession of portions of the subject property pursuant to any lease agreement or as previously disclosed to Grantee.
2. Terms and conditions of the Right-of-Way Agreement and easements between Florida Power & Light Company and Saraven Corp., recorded in O.R. Book 547, Page 78, as affected by:  
Supplement to Right-of-Way Agreement, dated December 31, 1970, recorded January 6, 1971 in O.R. Book 873, Page 1126;  
Supplement to Right-of-Way Agreement, dated December 31, 1970, recorded January 6, 1971 in O.R. Book 873, Page 1128; and  
Supplement to Right-of-Way Agreement, dated December 13, 1973, recorded December 21, 1973, in O.R. Book 1027, Page 841, Sarasota County Records. (As to Parcel I)
3. Utility Contract dated as of September 10, 1969, recorded in O.R. Book 842, Page 279, Sarasota County Records. (As to Parcel I)
4. Terms and conditions of easement for ingress and egress contained in Declaration of Easements by G W L Real Estate Corporation, a Florida corporation, dated September 21, 1970, recorded September 29, 1970 in O.R. Book 859, Page 724, Sarasota County Records. (As to Parcel I)
5. Easement granted to Florida Power & Light Company, recorded in O.R. Book 971, Page 1318, Sarasota County Records. (As to Parcel I)
6. Terms and conditions of the Drainage Easement Agreement, dated September 22, 1981, recorded November 10, 1981 in O.R. Book 1476, Page 1071, Sarasota County Records. (As to Parcel I)
7. Notice of Mobile Homeowner's Association Right to Purchase Mobile Home Park, dated December 1, 1986, recorded December 2, 1986 in O.R. Book 1904, Page 366; as affected by:  
Corrective Notice, dated March 27, 1987, recorded March 30, 1987 in O.R. Book 1932, Page 2327; as re-recorded March 29, 1989 in O.R. Book 2109, Page 2014, Sarasota County Records. (As to Parcel I)
8. Standard Florida Laundry Space Lease recorded March 19, 1987 in O.R. Book 1930, Page 2018, Sarasota County Records. (As to Parcel I)

RECORDER'S MEMO: Legibility of writing, typing, or  
printing for reproductive purpose may be unsatisfactory in  
this document when received.



\*\* OFFICIAL RECORDS \*\*  
BOOK 2923 PAGE 2213

9. Easement granted to Florida Power & Light Company, dated March 3, 1987, recorded March 26, 1987 in O.R. Book 1932, Page 421, Sarasota County Records. (As to Parcel I)
10. Grant of Easement granted to Storer Cable TV of Florida, Inc., dated January 14, 1988, recorded February 1, 1988 in O.R. Book 2006, Page 1706, Sarasota County, Records. (As to Parcel I)
11. Survey prepared by International Land Services, Inc., dated December 14, 1996, discloses the following:
- (a) Utility pole line with overhead lines, drainage canal over and across the land.
  - (b) Internal access to the North and South portion of Parcel I encroach across WCIND Canal.
12. The Net Rent freeze as defined and provided for in the Agreement Waiving Section 723.071, dated December 13, 1995, executed by and between Cynwyd Investments and Grantee.
13. Grantor's right to the Participation Payment upon a Transfer, as such terms are defined in that certain Purchase and Sale Agreement (the "Purchase Agreement") dated December 23, 1996 by and between Grantor and Grantee for the purchase and sale of the Property. To secure the full and timely payment of the Participation Payment, Grantee by its acceptance of this Special Warranty Deed, does hereby grant, bargain, sell and convey to Grantor a security interest in and to the Net Sales Proceeds (as defined in the Purchase Agreement) and a lien on the Property, until the Participation Payment is made to Grantor or Grantor's right to the Participation Payment terminates pursuant to the Purchase and Sale Agreement. Grantor's right to said Participation Payment upon a Transfer is specifically subordinate and inferior to: the Mortgage; Assignment of Pledge of Leases, Rents, and Profits; Assignment and Pledge; and UCC-1 Financing Statement granted to South Trust Bank of Florida, N.A. by Grantee and recorded subsequent to this deed, which secure a loan to Grantee in the original principal amount of \$12,500,000 ("South Trust Loan"), subsequent mortgages and other security agreements given by Grantee in connection a refinancing of the South Trust Loan.

RECORDER'S MEMO: Legibility of writing, typing, or  
printing for reproductive purpose may be unsatisfactory in  
this document when received.

CLERK OF THE COURT  
SARASOTA COUNTY, FL

96 DEC 26 AM 11:47

RECORDED  
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## ESCROW AGREEMENT FOR SUBSCRIPTION DEPOSITS

THIS ESCROW AGREEMENT, made and entered into this 16<sup>th</sup> day of November, 1996, by and between VENICE ISLE HOME OWNERS, INC., a Florida corporation not-for-profit, organized under Chapter 723, Florida Statutes, (hereinafter referred to as "Converter") and WILLIAM R. KORP, (hereinafter referred to as "Escrow Agent").

### **RECITALS:**

A. The Converter is the representative of the tenants of VENICE ISLE PARK and intends in the future, upon acquiring title to the real property on which such mobile home park is located, to convert the same to a residential cooperative located in Sarasota County, Florida, to be known as VENICE ISLE COOPERATIVE (hereinafter "VENICE ISLE").

B. The Escrow Agent is WILLIAM R. KORP.

C. The Converter is about to enter into an agreement for the purchase of the Park and is soliciting subscriptions from among the tenants in the Park for the purchase of Membership Certificates in the Converter and for the ninety-nine (99) year lease of the individual unit subject to such Subscription Agreement, all pursuant to a certain Master Proprietary Lease to be recorded upon conversion of VENICE ISLE, and the Escrow Agent has agreed to hold such deposits.

D. The Converter wants to establish an escrow account to hold payments received pursuant to such subscription agreements in an Escrow Account with the Escrow Agent.

E. The parties desire to set forth in writing the terms and conditions of the Escrow and Subscription Agreements.

### **AGREEMENT:**

1. An Escrow Account is hereby established with the Escrow Agent whereby the Escrow Agent shall hold deposits pursuant to certain Subscription Agreements, a form copy of which is attached hereto.

2. The Earnest Money Deposit Account shall be maintained at SouthTrust Bank of Florida, N.A. in Venice, Florida and the Additional Payment Purchase Account shall be maintained at SouthTrust Bank of Florida, N.A. in Venice, Florida.

3. The funds deposited in the Escrow Account shall be released from the provisions of this Escrow Agreement as follows:

a. Should the conditions set forth in the Subscription Agreement be met so that

the Converter is in position to purchase the mobile home park property as set forth in the Subscription Agreement, then all of the funds in the Escrow Account, together with interest earned thereon, shall be paid over to the Converter at or before the closing of the purchase of VENICE ISLE.

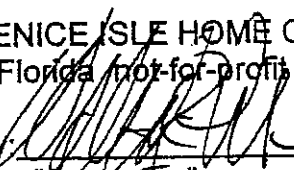
b. If the conditions set forth in the Subscription Agreement are not met, then the funds held in the Escrow Account shall be paid over to the individual subscribers as their interest may appear.

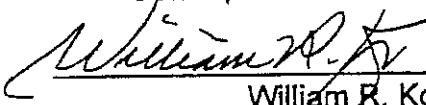
4. This Agreement is entered into as an accommodation by the Escrow Agent to the Converter and under no circumstances shall the Escrow Agent be liable to the Converter or any subscriber who may deposit funds under the aforementioned Subscription Agreements except in the case of the gross negligence of the Escrow Agent or willful and wanton misconduct.

5. If any dispute between the Converter and a third party arise, either directly or indirectly, dealing with the funds held by the Escrow Agent pursuant to this Agreement, the Escrow Agent may interplead such funds in a Court of competent jurisdiction and shall be entitled to the payment of its attorney's fees and costs in connection with such interpleader action and Escrow Agent shall have a lien on the escrowed funds to the extent of such costs and fees.

The parties hereto have hereunto set their hands and seals the day and year first above written.

VENICE ISLE HOME OWNERS, INC.,  
a Florida not-for-profit corporation

By:  PRES  
"Converter"

  
William R. Korp  
"Escrow Agent"