

BY-LAWS

D.R. 4919 PAGE 1692

OF

MORNINGSIDE EAST III

(a non-profit Florida corporation)

ARTICLE I

GENERAL

1. These are the By-Laws of MORNINGSIDE EAST III, called the Association in these By-Laws, a corporation not for profit under the laws of the State of Florida, the Articles of Incorporation of which were filed in the Office of the Secretary of State on September 26, 1979.

2. The Association has been organized for the purpose of administering condominiums pursuant to Chapter 718, Florida Statutes, referred to herein as the Condominium Act. The condominium to be administered hereunder is to be known as MORNINGSIDE EAST III, a Condominium, upon lands located in _____, Pinellas County, Florida.

3. The principal office of the Association shall be upon the condominium property at 2500 Harn Boulevard, Clearwater, Florida, Pinellas County, or such other place as the Board of Directors may determine from time to time.

4. The fiscal year of the Association shall be the calendar year.

5. The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "corporation not for profit" and the year of incorporation, an impression of which is as follows:

6. For purposes of service of process, the Association shall designate a resident agent or agents, which designation may be changed from time to time, and his or their office shall be deemed an office of the corporation for the purpose of service of process.

MEMBERS' MEETINGS

1. Annual Members' Meetings: The annual members' meetings shall be held at the office of the corporation 2500 Harn Boulevard, Clearwater, 10:00 AM, eastern standard time, on the _____ in _____ of each year for the purpose of electing Directors and transacting any other business authorized to be transacted by the members; provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.
2. Special Members' Meetings: Special Members' Meetings shall be held whenever called by the President and Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast fifty (50) of the votes of the entire membership.
3. Notice of all Members' Meetings: Notice of all Members' Meetings stating the time and place and the objects for which the meeting is called shall be given by the President or Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than fourteen (14) days or more than sixty (60) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice. Notice of meetings may be waived before or after meetings.
4. Quorum: A quorum at members' meetings shall consist of persons entitled to cast a majority of the votes of the entire membership. The acts approved by a majority of the votes present at a meeting at which a quorum is present shall constitute the acts of the members, except when approval by a greater number of members is required by the Declarations of Condominium, the Articles of Incorporation or these By-Laws.
5. Voting Rights: The members of the Association shall be entitled to cast one vote for each unit owned by them. If a unit is owned by one person, his right to vote shall be established by the record title to his unit. If a unit is owned by more than one person, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association. If a unit is at any time owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificate shall be valid until revoked or until superseded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate designating the person entitled to cast the vote of a unit may be revoked by any owner of a unit. If such a certificate is not on file, or if such has been revoked, the vote of such owner shall not be considered in determining the requirement for a quorum nor for any other purpose.
6. Proxies: Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and must be filed with the Secretary before the appointed time of the meeting or any adjournment of the meeting.

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

8. Order of Business: The order of business at annual members' meetings and as far as practical at other members' meetings shall be:

- a. Election of Chairman of the Meeting.
- b. Calling of the roll and certifying of proxies.
- c. Proof of notice of meeting or waiver of notice.
- d. Reading and disposal of any unapproved minutes.
- e. Reports of officers.
- f. Reports of Committees.
- g. Election of inspectors of elections.
- h. Election of directors.
- i. Unfinished business.
- j. New business.
- k. Adjournment.

9. Proviso: The members are restricted in their rights to elect Board members, and the Developer has retained certain rights to protect its investment and to maintain the development. Transfer of control in the association shall be as follows:

"(1) When unit owners other than the Developer own 15% or more of the units that will be operated ultimately by the Association, the unit owners other than the Developer shall be entitled to elect not less than one (1) of the members of the Board of Directors of the Association. Unit owners other than the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association:

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

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

(c) When all of the units that will be operated ultimately by the Association have been completed, some

of them have been conveyed to Purchasers, and none of the others are being offered for sale by the Developer in the ordinary course of business; or

{d} When some of the units have been conveyed to Purchasers, and none of the others are being constructed or offered for sale by the Developer in the ordinary course of business, whichever occurs first. The Developer is entitled to elect at least 1 member of the Board of Administration of an Association as long as the Developer holds for sale in the ordinary course of business any unit in a condominium operated by the Association.

"(2) Within sixty (60) days after unit owners other than the Developer are entitled to elect a member or members of the Board of Directors of the Association, the Association shall call and give not less than thirty (30) days nor more than forty (40) days notice of a meeting of the unit owners for this purpose. Such meeting may be called and the notice given by any unit owner if the Association fails to do so."

Developer may, however, relinquish control sooner, at its option.

ARTICLE III

BOARD OF DIRECTORS

1. Management of Affairs: The affairs of the Association shall be managed by a Board of not less than three {3} nor more than fifteen (15) Directors, the exact number to be determined at the time of election.

2. Election of Directors: The election of Directors shall be conducted in the following manner:

a. Election of Directors shall be held at the annual members' meeting.

b. A nominating committee of three (3) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members' meeting. The committee shall nominate one person for each Director then serving. Nominations for additional Directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor at this time.

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

d. Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

e. Any Director may be removed by concurrence of two-thirds (2/3) of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

f. Provided, however, that all elections of the Board are subject to the retained rights of the Developer as set forth in Article II, Paragraph 9, above, and these restrictions relating to the election of Directors and the transfer of control are incorporated herein.

3. Term: The term of each director's service shall extend until the next annual meeting of the members and subsequently until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4. Organizational Meeting: The organization meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

5. Regular Meetings: The regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

6. Special Meetings: Special meetings may be called by the President and must be called by the Secretary at the written request of one-third (1/3) of the Directors. Not less than three (3) days notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

7. Waiver of Notice: Any Director may waive notice of a meeting before or after the meeting and such waiver may be deemed equivalent to the giving of notice.

8. Quorum of Directors: A quorum at Directors' meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a Board meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Declaration of Condominium, the Articles of Incorporation, or these By-Laws.

9. Adjourned Meetings of Directors: If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time 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 without further notice.

- e. To insure and keep insured said condominium property, in the manner set forth in the Declaration, against loss from fire and/or other casualties, and the unit owners against public liability, and to purchase such other and further insurance as the Board of Directors may deem advisable.
- f. To collect delinquent assessments by suit or otherwise, abate nuisances and enjoin or seek damages from the unit owners for violations of their By-Laws and the terms and conditions of the Declaration;
- g. To employ such personnel as may be required for the maintenance and preservation of the property;
- h. To make reasonable rules and regulations for the occupancy of the condominium parcels;
- i. To approve or disapprove the transfer, mortgage and ownership of the units in the manner provided in the applicable Declaration of Condominium.
- j. To contract for management of the Association, and to delegate to the contractor all powers and duties of the Association except such as specifically required by the applicable Declaration of Condominium or these By-Laws to have approval of the Board of Directors or the membership of the Association or the owners within a particular condominium property.
- k. To purchase units in the condominium, subject to the provisions of the applicable Declaration of Condominium.

ARTICLE IV

OFFICERS

1. Executive Officers: The executive officers of the Association shall be a President, who shall be a Director, a Vice President, who shall be a Director, a Treasurer, a Secretary, all of whom shall be elected annually by the Board of Directors and who may be preemptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President may not be also the Secretary or an Assistant Secretary. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

2. President: The president shall be the chief executive officer of the Association. He shall have all of the powers and duties usually vested to the office of President of an Association, including but not limited to the power to appoint

committees from among the members from time to time as he in his discretion may determine appropriate and to assist in the conduct of the affairs of the Association.

3. Vice President: The vice president in the absence of the president, or as a result of his disability, shall exercise the powers and perform the duties of the president. He shall also assist the president generally and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

4. Secretary: The Secretary shall keep the Minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all of the duties incident to the office of Secretary of an Association and as may be required by the Directors or the President. The Assistant Secretary shall perform the duties of the Secretary when the Secretary is absent.

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

ARTICLE V

FINANCES

The provisions for fiscal management of the Association set forth in the several Declarations of Condominium and Articles of Incorporation shall be supplemented by the following provisions:

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

- a. Current Expense, which shall include all receipts and expenditures within the year for which the budget is made, including a reasonable allowance for contingencies in working funds, except expenditures chargeable to reserve, to additional improvements or to operations. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expenses for the succeeding year.
- b. Reserve for deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
- c. Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
- d. Betterments, which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common elements.

2. Budget: The Board of Directors shall adopt a budget for each calendar year that shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserve according to good accounting practices as follows:

- a. Current expense, the amount for which shall not exceed 15% of the budget for the prior year.
- b. Reserve for deferred maintenance, the amount of which shall not exceed 10% of the budget for this account for the prior year.
- c. Reserve for replacement, the amount for which shall not exceed 10% of the budget for this account for the prior year.
- d. Provided, however, that the amount for each budgeted item may be increased over the foregoing limitations when approved by unit owners entitled to cast not less than fifty-one (51) percent of the votes of the entire membership of the Association.
- e. Copies of the budget and proposed assessments shall be transmitted to each member on or before December 1, preceding the year for which the budget is made. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member.

3. Assessments: The Board of Directors shall determine the method of payment of such assessments and the due dates thereof and shall notify the members thereof.

4. Bank Depository: The depository of the Association shall be such bank or banks as shall be designated, from time to time, by the Directors, and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks, signed by such persons as are authorized by the Directors.

5. An accountant's report of the accounts of the Association shall be made annually by a certified public accountant and a copy of the report shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

6. Fidelity Bonds: Fidelity bonds shall be required by the Board of Directors from all officers and employees of the Association and from any contractor handling or responsible for the Association funds. The amount of such bonds shall be determined by the Directors, but shall be at least the amount of the total annual assessments against the members for common expenses. The premiums on such bonds shall be paid by the Association.

7. Additional Assessments: Nothing herein contained shall be construed as restricting the right of the Board of Directors, at any time and in its sole discretion, to levy any additional assessment in the event the budget originally adopted shall appear to be insufficient to pay costs and expenses for operation and management, or in the event of an emergency.

ARTICLE VI

AMENDMENTS

Amendments to these By-Laws shall be proposed and adopted in the following manner:

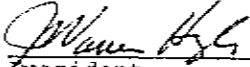
1. Notice: Notice of the subject matter of the proposed amendments shall be included in the notice of any meeting at which a proposed amendment is considered.

2. Proposal and Adoption of Amendments: A resolution adopting a proposed amendment may be proposed by either the Board of Directors or the Association or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by: not less than sixty-six and two-thirds (66 - 2/3%) percent of the entire membership of the Board of Directors and by not less than sixty-six and two-thirds (66 - 2/3%) percent of the votes of the entire membership of the Association; or, by not less than eighty (80%) percent of the votes of the entire membership of the Association.

The foregoing were adopted as the By-Laws of Morning-side East III, a corporation not for profit under the laws of the State of Florida, at the first meeting of the Board of Directors on _____, 19__.

Secretary

Approved:



President

MORNINGSIDE EAST III, a Condominium
PROJECTED BUDGET

	<u>Average Estimated Monthly Expense</u>	<u>Estimated Annual Expense</u>
Administrative		
Office Expense	\$ 25.00	\$ 300.00
Management Fee	948.00	11,376.00
Operating		
Electricity	480.00	5,760.00
Water/Sewer/Trash	1,916.00	23,000.00
Repair & Maintenance		
Lawn	600.00	7,200.00
Salaries	1,000.00	12,000.00
Building	200.00	2,400.00
Supplies	50.00	600.00
Fixed		
Tax & License	20.00	240.00
Payroll Tax	80.00	960.00
Insurance	400.00	4,800.00
Amenities		
Pool	200.00	2,400.00
*Reserve		
Contingency	<u>250.00</u>	<u>3,000.00</u>
 Total Expense	 \$6,169.00	 \$74,036.00
 Average per unit monthly fee:	 \$ 39.04 (Estimated)	
Average per unit annual fee:	\$ 468.58 (Estimated)	

*ALTHOUGH RESERVES ARE REFLECTED IN THE BUDGET, SO LONG AS THE DEVELOPER GUARANTEES THE BUDGET AND IS THEREBY OBLIGATED TO PAY EXPENSES, INCLUDING CAPITAL EXPENSES, NO RESERVES SHALL BE ESTABLISHED AND DEVELOPER SHALL NOT BE RESPONSIBLE FOR CONTRIBUTIONS TO A RESERVE FUND FROM ANY RECEIPTS.

PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 19____, by and between DYNAMIC INVESTMENTS, INC., a Florida corporation, Party of the First Part, whose mailing address is P.O. Box 281, Clearwater, Florida, hereinafter referred to as the "Seller" and

Party of the Second Part, hereinafter referred to as the "Purchaser", their heirs, executors, administrators, personal representatives, successors and assigns.

W I T N E S S E T H :

WHEREAS, Seller is in the process of developing a condominium known as MORNINGSIDE EAST III, on real property located in Pinellas County, Florida, as a condominium in accordance with Chapter 718 Condominium Act of the State of Florida;

WHEREAS, Purchaser desires to purchase a condominium parcel in MORNINGSIDE EAST III to be erected on the said property and agrees to be bound by the Declaration of Condominium, Articles of Incorporation of the Association of Condominium Owners, and by its By-Laws and Rules and Regulations, and the Laws of the State of Florida applicable thereto; and,

WHEREAS, the Seller is the owner of the following described condominium parcel, which it desires to sell and Purchaser desires to purchase said unit designated as:

That certain condominium parcel in MORNINGSIDE EAST III, described as Unit Number _____, Bldg. No. _____, and an undivided percentage share in the common elements appurtenant thereto, according to the Declaration of Condominium of MORNINGSIDE EAST III, and related documents recorded in the Official Record Book of Pinellas County Florida, and further in the Condominium Plat Books of Pinellas County, Florida.

WHEREAS, ownership of each condominium unit in said condominium will be evidenced by a Warranty Deed to the condominium unit and improvements appurtenant thereto, subject to the items aforesaid.

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

IT IS NOW, THEREFORE, in consideration of these premises and mutual covenants contained herein, agreed between the parties hereto that Purchaser shall buy and Seller shall sell the above-described property under the following terms and conditions:

1. Purchase Price \$ _____
 - (a) Cash deposit made herewith \$ _____
 - (b) Credit for deposits heretofore made \$ _____
 - (c) Balance upon completion of building and the closing of this transaction (subject to adjustments for pro-rations, costs or any extras approved in writing) \$ _____
- Total \$ _____

2. Closing and delivery of possession to be on or before _____, 19__.

3. Taxes, insurance, monthly maintenance charges and other proratable items will be pro-rated as of the date of closing.

4. From and after the date of closing, Purchaser agrees to pay the management corporation his share of the monthly maintenance fee. Purchaser agrees to pay his pro-rata share of the first month's fee, if any, at the time of closing.

5. This contract is for the transfer of the unit that is subject to a lien for common expenses and assessments, and failure to pay any common expenses and assessments to the Association or to its designated agent or contractor may result in foreclosure of the lien.

6. The unit sold under this contract is used and has been occupied.

7. By Execution of this contract, the Purchaser acknowledges that he has received the following information relative to the condominium projects:

Prospectus and all Exhibits, (Declaration of Condominium, Association Charter and By-Laws, Management Contract, Estimated Budget, Sales Brochure and Floor Plan).

8. Seller shall pay for costs of Title Insurance and all Documentary Stamps and Surtax on the Deed; Purchaser shall pay for recording the Deed, and any and all costs relating to acquisition of any mortgage.

9. In the event the Purchaser does not rescind this Purchase Agreement within the fifteen (15) days allotted, and the Purchaser thereafter fails to perform this contract, the deposits paid by Purchaser as foreshaid shall be retained by or for the account of Seller as consideration for the execution of this Agreement and in full settlement of any claims or damages and this Agreement shall be null and void.

10. The Purchaser hereby agrees to conform with and abide by all of the terms, conditions and provisions of the final Declaration of Condominium recorded in the Public Records of Pinellas County, Florida, relative to the property hereinabove described.

11. Purchaser understands and agrees that Seller is contracting with him/her personally and agrees that this Purchase Agreement or any of the right hereunder may not be transferred or assigned by the Purchaser without first obtaining the written consent of the Seller.

12. This Agreement contains the full understanding of the parties and may not be amended or discharged except in writing signed by the party sought to be charged or by its or their duly authorized agents.

13. It is agreed by and between the parties hereto that time is of the essence to this Agreement and that all covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the respective parties.

14. Deposits held hereunder shall be escrowed in accordance with the Florida Condominium Act, and may be used as authorized by law.

15. Purchaser has the following right to rescind;

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 BUYER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. 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.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year hereinabove written.

In the presence of:

_____ By: _____ (SEAL)
"Seller"

_____ "As to Seller"

_____ (SEAL)
"Purchaser"

_____ "As to Purchaser"

MAP OF LINDSEY EASST CONDOMINIUM III

SECTION 19, TOWNSHIP 29S, RANGE 16E, CLEARWATER, PINELAS COUNTY, FLORIDA

DESCRIPTION

From the east 1/4 corner of Section 19, Township 29 S., Range 16 E., ...

Together with:

From the east 1/4 corner of Section 19, Township 29 S., Range 16 E., ...

DEEDS

Some of the above have been previously filed in the public records of ...

IN WITNESS WHEREOF, I have hereunto set my hand and seal...

Signature of the surveyor or official.

Witness signatures.

APPROVED AND FORWARDED: STATE OF FLORIDA

Notary Public for the State of Florida. Signature and name.

PROPERTY'S OBLIGATION

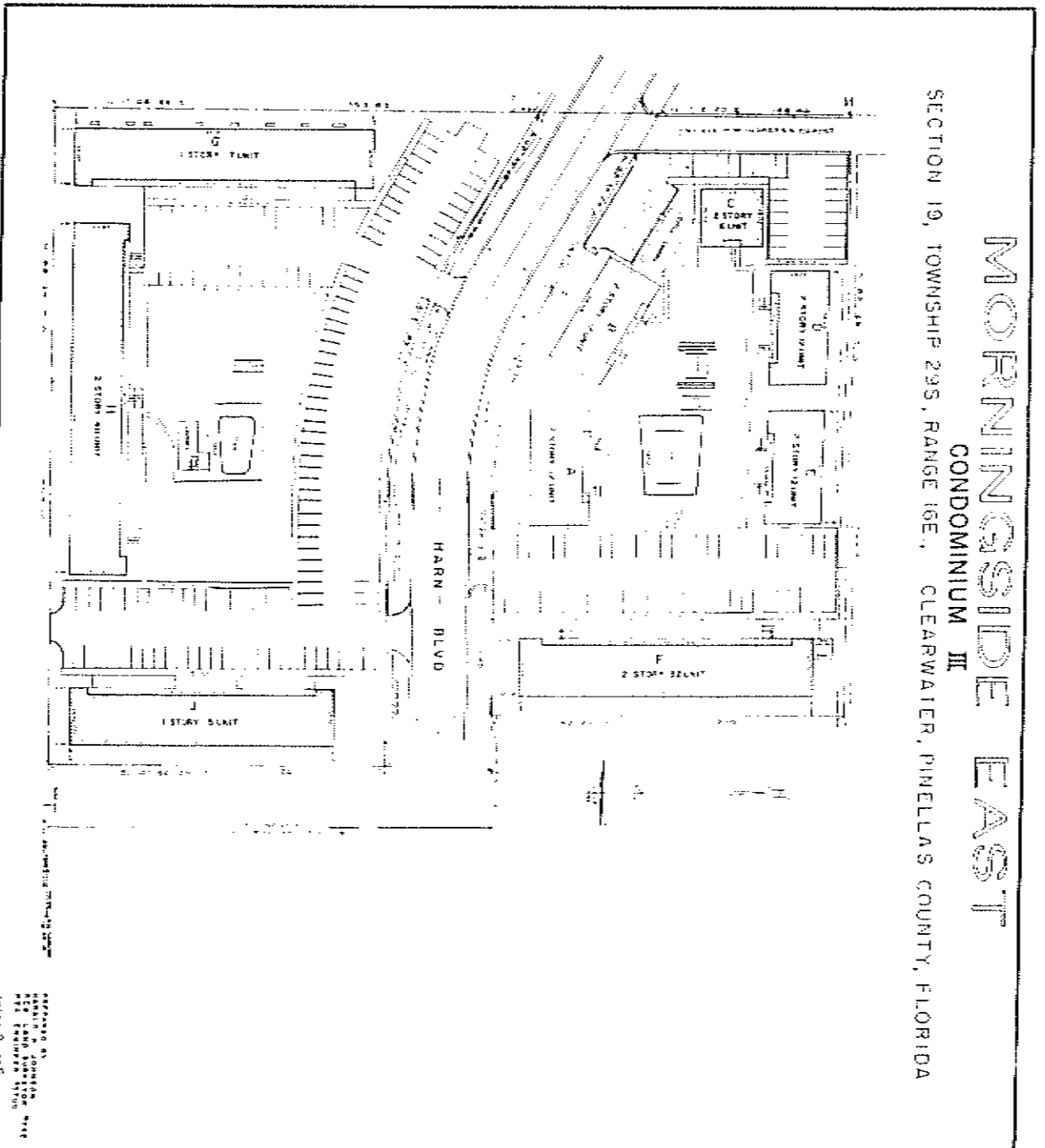
I hereby certify that on this 15th day of September, A.D. 1971, this ...



Notary Public Signature and Name.

MORNINGSIDE EAST CONDOMINIUM III

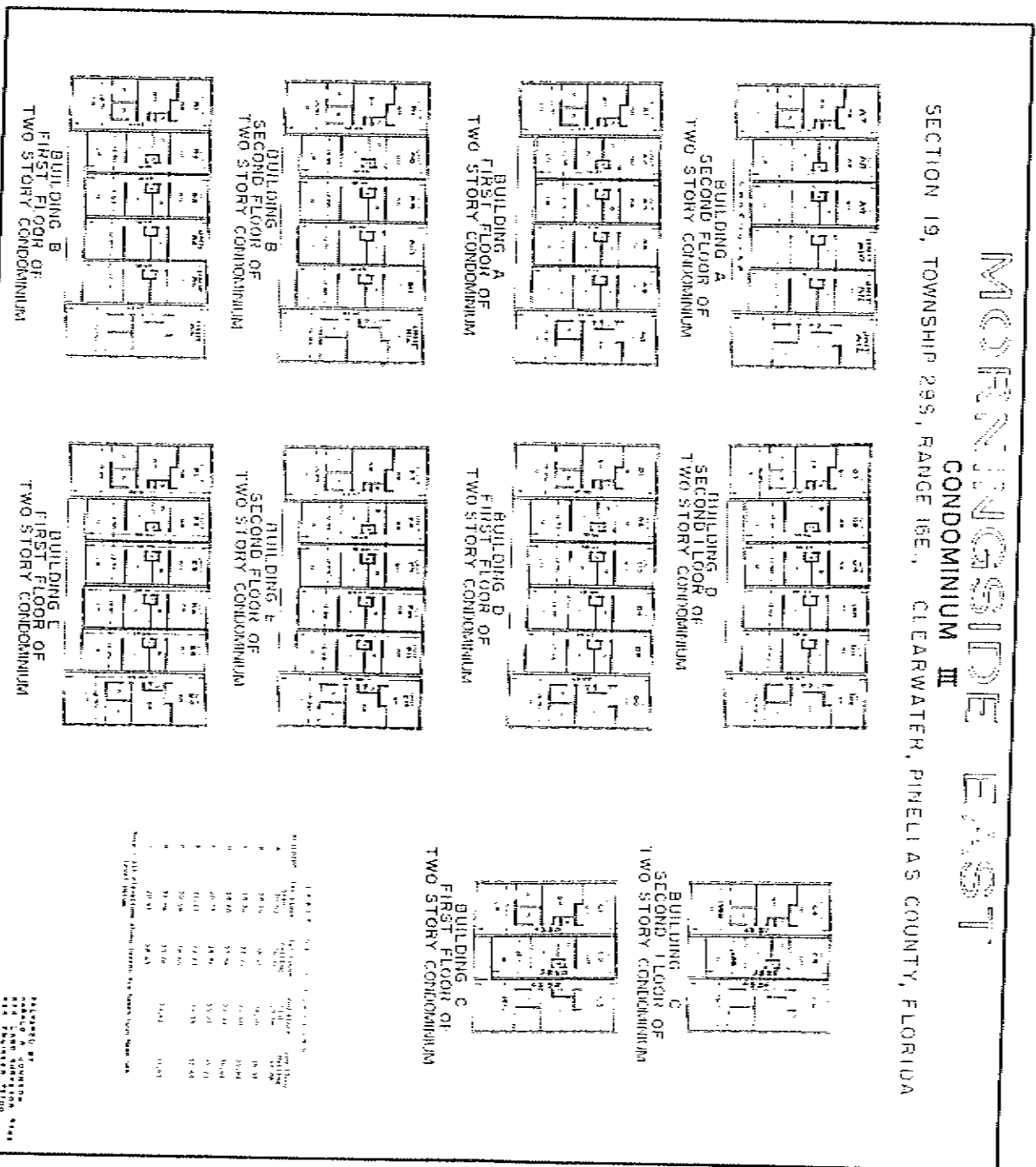
SECTION 19, TOWNSHIP 29S, RANGE 16E, CLEARWATER, PINELLAS COUNTY, FLORIDA



PREPARED BY:
 HENRY S. JOHNSON
 150 EAST BAYVIEW AVENUE
 TAMPA, FLORIDA 33602
 DATE: 11-1-78

MOONINGSIDE EAST CONDOMINIUM III

SECTION 19, TOWNSHIP 29S, RANGE 16E, CLEARWATER, PINELLAS COUNTY, FLORIDA

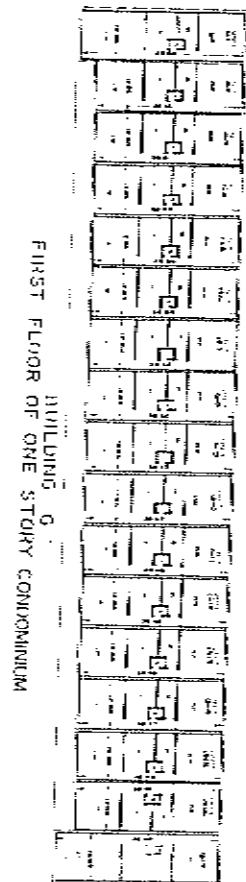
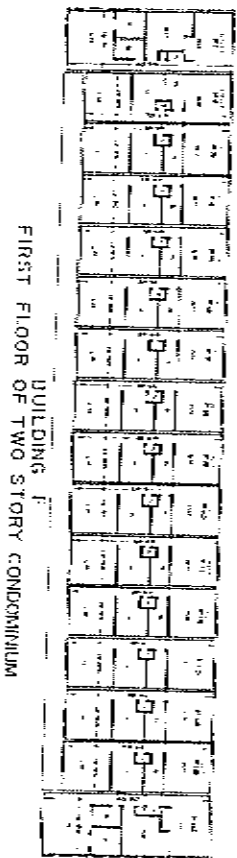
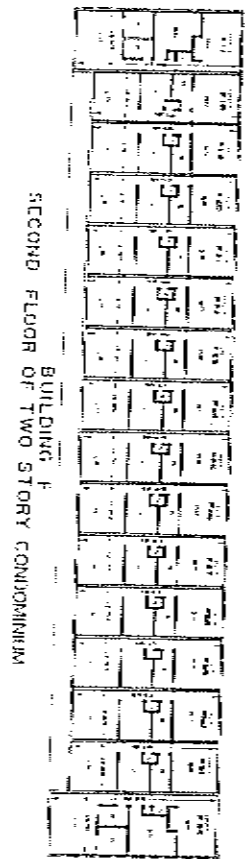


UNIT NO.	FLOOR	AREA (SQ. FT.)	PERCENTAGE OF TOTAL AREA
101	1st	1,200	10.0%
102	1st	1,200	10.0%
103	1st	1,200	10.0%
104	1st	1,200	10.0%
105	1st	1,200	10.0%
106	1st	1,200	10.0%
107	1st	1,200	10.0%
108	1st	1,200	10.0%
109	1st	1,200	10.0%
110	1st	1,200	10.0%
111	1st	1,200	10.0%
112	1st	1,200	10.0%
113	1st	1,200	10.0%
114	1st	1,200	10.0%
115	1st	1,200	10.0%
116	1st	1,200	10.0%
117	1st	1,200	10.0%
118	1st	1,200	10.0%
119	1st	1,200	10.0%
120	1st	1,200	10.0%
121	1st	1,200	10.0%
122	1st	1,200	10.0%
123	1st	1,200	10.0%
124	1st	1,200	10.0%
125	1st	1,200	10.0%
126	1st	1,200	10.0%
127	1st	1,200	10.0%
128	1st	1,200	10.0%
129	1st	1,200	10.0%
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150	1st	1,200	10.0%
151	1st	1,200	10.0%
152	1st	1,200	10.0%
153	1st	1,200	10.0%
154	1st	1,200	10.0%
155	1st	1,200	10.0%
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193	1st	1,200	10.0%
194	1st	1,200	10.0%
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197	1st	1,200	10.0%
198	1st	1,200	10.0%
199	1st	1,200	10.0%
200	1st	1,200	10.0%

PREPARED BY:
 ARCHITECTURAL FIRM
 1111 BAY STREET, SUITE 100
 CLEARWATER, FLORIDA 34615

MORNINGSIDE EAST CONDOMINIUM III

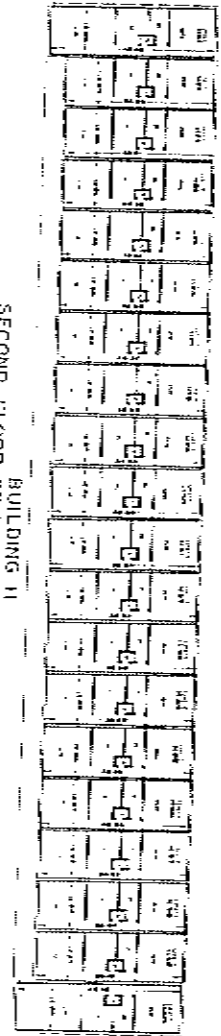
SECTION 19, TOWNSHIP 29S., RANGE 16E., CLEARWATER, PINELLAS COUNTY, FLORIDA



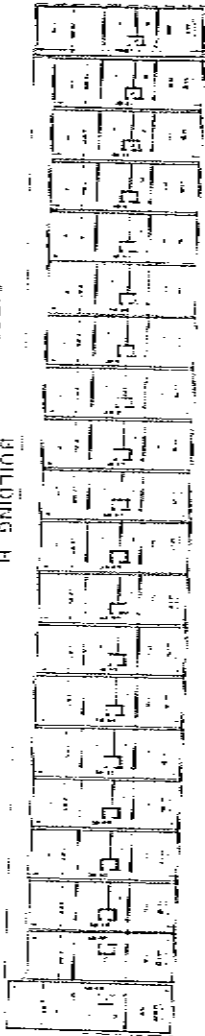
OFFICE OF
COUNTY CLERK
215 INDIAN LANE
CLEARWATER, FLORIDA 34615
PAGE 4 OF 5

NEW PLANNING SITE EAST
CONDOMINIUM III

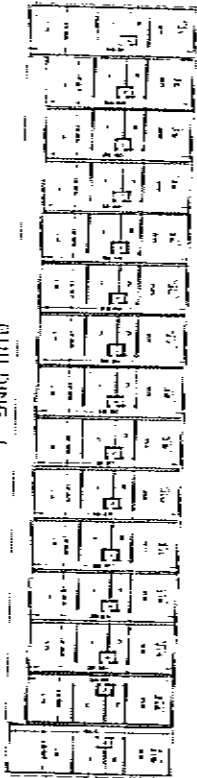
SECTION 19, TOWNSHIP 29S, RANGE 16E., CLEARWATER, HILLS COUNTY, FLORIDA



BUILDING II
SECOND FLOOR OF TWO STORY CONDOMINIUM



BUILDING H
FIRST FLOOR OF TWO STORY CONDOMINIUM



BUILDING J
FIRST FLOOR OF ONE STORY CONDOMINIUM

PREPARED BY
CONDOMINIUM
AND ASSOCIATES, INC.
1111 N. W. 11th Street
MIAMI, FLORIDA 33136

SUPPLEMENT TO EXHIBIT 7
MORNINGSIDE EAST III, a Condominium
Percentage Ownership in Common Elements

- I. There are 126 standard one-bedroom units, each having a 0.005900% ownership in the common elements. Said units are described as follows:
- Building A, Units: 2, 3, 4, 5, 8, 9, 10, 11.
 Building B, Units: 2, 3, 4, 5, 8, 9, 10, 11.
 Building C, Units: 2, 5.
 Building D, Units: 2, 3, 4, 5, 8, 9, 10, 11.
 Building E, Units: 2, 3, 4, 5, 8, 9, 10, 11.
 Building F, Units: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16,
 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31.
 Building G, Units: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16.
 Building H, Units: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16,
 17, 18, 19, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35,
 36, 37, 38, 39.
 Building J, Units: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14.
- II. There are 8 deluxe one-bedroom units, each having a 0.006803% ownership in the common elements. Said units are described as follows:
- Building C, Units: 1, 17.
 Building H, Units: 1, 20, 21, 40.
 Building J, Units: 1, 15.
- III. There are 24 two-bedroom units, each having a 0.008424% ownership in the common elements. Said units are described as follows:
- Building A, Units: 1, 6, 7, 12.
 Building B, Units: 1, 6, 7, 12.
 Building C, Units: 1, 3, 4, 6.
 Building D, Units: 1, 6, 7, 12.
 Building E, Units: 1, 6, 7, 12.
 Building F, Units: 1, 17, 18, 32.

The foregoing percentages have been determined based upon the approximate square footage of each unit.

RECEIPT FOR CONDOMINIUM DOCUMENTS

The undersigned acknowledges receipt of the items, checked below, as required by the Condominium Act, relating to MORNINGSIDE EAST III, a condominium, physically located at 2530 Harn Boulevard, Clearwater, Florida.

Place a check in the column by each item received. If an item does not apply, place "N/A" in the column.

<u>Item</u>	<u>Received</u>
Prospectus	<u>X</u>
Declaration of Condominium	<u>X</u>
Articles of Incorporation	<u>X</u>
By-Laws	<u>X</u>
Estimated Operating Budget	<u>X</u>
Form of Agreement for Sale	<u>X</u>
Covenants and Restrictions	<u>N/A</u>
Ground Lease	<u>N/A</u>
Management and Maintenance Contracts for more than one year	<u>N/A</u>
Renewable Management Contracts	<u>X</u>
Lease of Recreational and other facilities to be used exclusively by unit owners of subject condominium	<u>N/A</u>
Form of Unit Lease if a leasehold	<u>N/A</u>
Declaration of Servitude	<u>N/A</u>
Statement of Conversion Conditions	<u>X</u>
Plot Plan	<u>X</u>
Floor Plan	<u>N/A</u>
Survey of Land and Graphic Description of Improvements	<u>X</u>

THIS AGREEMENT IS VOIDABLE BY PURCHASER DELIVERING WRITTEN NOTICE OF THE PURCHASER'S INTENTION TO CANCEL WITHIN 15 DAYS AFTER THE DATE OF EXECUTION OF THIS AGREEMENT BY THE PURCHASER, AND RECEIPT BY PURCHASER OF ALL OF THE ITEMS REQUIRED TO BE DELIVERED TO HIM BY THE DEVELOPER UNDER SECTION 718.503, FLORIDA STATUTES. PURCHASER MAY EXTEND THE TIME FOR CLOSING FOR A PERIOD OF NOT MORE THAN 15 DAYS AFTER THE PURCHASER HAS RECEIVED ALL OF THE ITEMS REQUIRED.

Executed this _____ day of _____, 19__.

Purchaser

Purchaser

MANAGEMENT AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 19__, by and between MORNINGSIDE EAST, INC., a Florida not-for-profit corporation (hereinafter referred to as the Association), and DYNAMIC MANAGEMENT, INC., a Florida corporation, (hereinafter referred to as the Agent).

WITNESSETH:

WHEREAS, there has been submitted to condominium ownership, in accordance with the Condominium Act of the State of Florida, certain property known as MORNINGSIDE EAST III, a condominium; and

WHEREAS, under the provisions of the By-Laws of the Association and the Declaration of Condominium Ownership with regard to the said property, the membership of the Association consists of all of the unit owners of the said property; and

WHEREAS, the Association has been formed with a Board of Directors to act on behalf of its members collectively as their governing body with respect to the administration, maintenance, repair and replacement of the said property; and

WHEREAS, the Association desires to employ the Agent and the Agent desires to become employed by the Association exclusively to manage the said property upon the terms, hereinafter set forth:

NOW, THEREFORE, BE IT AGREED AS FOLLOWS:

1. Commencing with the date of the within Agreement, the Association employs the Agent as its exclusive managing Agent to manage the said property upon the terms hereinafter set forth. Such employment shall continue from the date hereof for a period of three years (3).

2. In the name of and on behalf of the Association, the Agent shall render services and perform duties as follows:

(a) Collect all monthly assessments, rents and other charges due to the Association from its members. The Association hereby authorizes the Agent to request, demand, collect, receive and receipt for any and all assessments, charges or rents which may at any time be or become due to the Association and to take such action with respect thereto as the Board of Directors is authorized under the Declaration of Condominium.

The Agent shall furnish to the Association an itemized list of all delinquent accounts promptly following the tenth, (10th), day of each month.

(b) Cause the common facilities buildings, recreational areas, appurtenances and common grounds of said property to be maintained according to standards acceptable to the Board of Directors, including cleaning and such maintenance and repair work as may be necessary, subject to any limitations imposed by the Association in addition to those contained herein. The Agent shall not incur any expense for any single item of repair or replacement which exceeds the sum of five hundred Dollars, (\$500), unless specifically authorized by the board of Directors, except, however, such emergency repairs as may involve a danger to life or property or are immediately necessary for the preservation and safety of the members and occupants, or required to avoid the suspension of any necessary service to the property.

(c) Take such action as may be necessary to promptly comply with any governmental agency having jurisdiction over the same, unless specifically instructed by the Board of Directors that it intends to contest such orders or requirements and that the Agent shall not comply with the same. The Agent shall promptly notify the Association of any such orders or requirements upon the receipt of the same.

(d) Enter into agreements on behalf of the Association for water, electricity, gas, telephone, vermin extermination and such other services as may be necessary or as the Association may determine advisable. The Agent shall also purchase on behalf of the Association such materials and supplies as are necessary for the proper maintenance of the property, subject to the approval of the Board of Directors. All such purchases and contracts shall be in the name of the Association.

(e) Supervise and, where authorized by the Board of Directors in writing, cause to be placed and kept in force all insurance necessary to protect the Association, including, but not limited to, workmen's compensation insurance, public liability insurance, fire and extended coverage insurance and burglary and theft insurance. The Agent shall promptly investigate and report to the Board of Directors with respect to all accidents or claims for damages relating to the ownership, operation and maintenance of the common elements of the property including any damage or destruction thereto, and shall cooperate with and make such reports as are required by the insurance company in connection therewith. Insurance obtained by Agent will be at a competitive price.

(f) From the funds of the Association, cause to be paid regularly and punctually:

- (1) All taxes required to be paid by the Association;
- (2) Building inspection fees, water rates and other governmental charges;
- (3) Such sums which become due and payable for expenses or other obligation, incurred by the Agent on behalf of the Association; and
- (4) Such other amounts or charges as may be authorized by the Association.

(g) In conjunction with such accounting personnel as may be employed by the Board of Directors, prepare for execution and filing by the Association, all forms and reports and returns required by law in connection with unemployment insurance, workmen's compensation insurance, disability benefits, social security withholding taxes and other similar taxes now in effect or hereafter imposed; and such other requirements as may relate to the operation of the property and the employment of personnel.

(h) Maintain a system of office records, books and accounts in accordance with acceptable accounting principles and practices, which records shall be subject to examination by the officers and directors of the Association and the duly authorized agents of the Association, and, not later than fifteen, (15), days after the end of each month, a statement in duplicate of receipt and disbursements will be available with respect to the prior month.

(i) Investigate, hire, pay, supervise and discharge the personnel necessary to be employed in order to properly maintain and operate the property. Such personnel shall, in every instance, be independent contractors or in the employ of the Agent. Compensation for the services of such employees shall be considered an operating expense of the Association.

(j) The Agent shall endeavor to secure full compliance by the members or other occupants with the By-Laws of the Association and such rules or regulations as may be established by the Association from time to time.

(k) In addition to the foregoing responsibilities, the Agent shall:

- (1) Inventory all equipment, furniture and other items of personalty belonging to the Association;
- (2) handle all requests for work from unit owner, file and act upon the requests in a timely manner;

- (3) Serve as the Association's representative in obtaining satisfactory corrective work and repairs;
- (4) Maintain bank accounts in and with banking institutions acceptable to the Board of Directors, and maintain fiduciary bonds, satisfactory to the Board, on all employees involved in the handling of funds;
- (5) Attend, upon request, meetings of the Board of Directors;
- (6) Prepare annually a proposed budget for the Board of Directors; and
- (7) On behalf of the Association, provide the services as set forth in the attached schedule.

(1) All acts performed by the Agent pursuant to the provisions of the Agreement shall be performed as Agent on behalf of the Association and all obligations or expenses shall be for the account and on behalf of and at the expense of the Association. The Agent shall not be obligated to make any advance to or for the account of the Association, or to pay any sum except out of funds of the Association held or provided as aforesaid, nor shall the Agent be obligated to incur any liability or obligation on behalf of the Association unless the necessary funds for the discharge of the same are provided. The Agent acknowledges receipt of the proposed budget for the Association, and represents and agrees that it will not exceed such budget nor will it incur expenses in excess of, or not contemplated by, said budget without prior approval of the Board of Directors for the Association.

(2) In addition to such other duties and obligations which may be set forth herein, the duties and responsibilities of the Association shall be as follows:

(a) The Association shall indemnify and hold the Agent harmless of and from all expenses, court

costs, attorney's fees, penalties or damages of any kind whatsoever, incurred in connection with the management of the property; in connection with liability arising out of injuries sustained by any person in or about the property, in connection with any violation of any federal, state or municipal law, regulation or ordinance or any claim for taxes or other charges which may be made against the Agent by reason of the management of the property. The Association shall carry, at its expense, all necessary liability and compensation insurance adequate to protect the interests of the Association and the Agent in the same manner and to the same extent as the Association.

(b) For the purposes of the within Agreement, ordinary operating expenses shall be those expenses which are normal, routine and recurring in nature and ordinary to the normal operation of a property of the type and nature which is the subject hereof. Such term shall not include expenses which, by their nature normally occurs less frequently than annually or those expenses which, by the terms of this Agreement, are to be paid from any reserve for repairs and replacements as hereinafter provided.

The management fee of the Agent shall be:
Six dollars (\$6.00) per month, per unit, as management fees to the contractor.

4. The Agent shall furnish for the use of the Association such ordinary and usual janitorial supplies as the Agent may deem to be necessary for the maintenance of the property. Such supplies shall be purchased in the name of the Association.

5. All notices desired or required to be sent pursuant to the provisions of this Agreement shall be delivered by United States Certified Mail, return receipt requested, addressed to the Association to the attention of its president at 2500 Harn Blvd., Clearwater, Florida, and to the Agent at 420 Indian Rocks Rd. N., Belleair Bluffs, Florida, 33540 or at such other address as either party may direct from time to time in writing.

6. This Agreement shall terminate _____ year(s)
from date, or by the mutual consent of both parties prior
thereto.

IN WITNESS WHEREOF, the parties have executed this
Agreement as of the day and year first above written.

Attest:

MORNINGSIDE EAST, INC.

W. H. Hughes
President,

BY: _____
"ASSOCIATION"

Attest:

DYNAMIC MANAGEMENT, INC.

[Signature]

J. M. L. Bailey
"AGENT"

SCHEDULE TO MANAGEMENT AGREEMENT

The Management Company, as Agent for the Association, shall employ a minimum of one (1) part-time employee to perform and/or supervise the performance of the services pursuant to the Management Agreement. The actual time to perform these services cannot be accurately projected, and shall be performed as required; however, in an attempt to comply with 718.3025, Florida Statutes, the approximate frequency and the projected, estimated cost, for the services to be performed is set forth below:

Services to be Performed and Supervised	Estimated Frequency of Performing Services	Est. Monthly Payment for Each Service Per Unit	Est. Annual Payment for Each Service Per Unit
2a. Collection of Assessments	Monthly	\$ 2.00	\$ 24.00
2b. Maintenance of Common Facilities	As Required	14.00	168.00
2c. Advice re: Governmental Requirements	As Required	---	---
2d. Provide Utilities	Daily	15.16	181.92
2e. Maintain Insurance	As Required	2.54	30.48
2f. Payment of Taxes and Expenses	As Required	.50	6.00
2g. Work with Association Accountants	As Required	.35	4.20
2h. Maintain Books and Records	Quarterly	1.00	12.00
2i. Hire and Supervise Personnel	As Required	2.50	30.00
2j. Enforce Rules	As Required	---	---
2k. Inventory Personalty; process Work Requests; Propose Budgets; Maintain Bank Accts.	As Required	1.00	12.00
2l. Miscellaneous Acts Authorized by the Association	As Required	---	---

PETER  BROWN,
INC.CONTRACTORS/ENGINEERS
COMMERCIAL/INDUSTRIAL

6111 - 142nd Ave., N. P. O. Box 4700, Clearwater, Fla. 33516 Telephone 531-1466

26 September 1979

Mr. J. W. Hughes
DYNAMIC INVESTMENTS, INC.
P.O. BOX 281
Clearwater, Fl. 33516RE: Morningside East Condominium III
2500 Harn Boulevard
Clearwater, Florida
Engineer's Cert. # PE 0006915

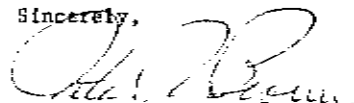
Dear Mr. Hughes:

The undersigned Engineer, Peter R. Brown has performed an inspection of the rental apartments known as Morningside East Rental Apartments. Pursuant to Florida Statute 718.504 (15) and states as follows:

- A. The construction is one/two story load bearing masonry construction with wood truss roof and asphalt shingles there on. The units were built during the period 1971 to 1973.
- B. The present use of the buildings is for rental living units.
- C. To the best of my knowledge and belief the condition of the roof and mechanical, electrical, plumbing and structure appear to be in satisfactory condition for structures of this age.

The undersigned does not make any special warranties as to the above matters but is merely stating their condition as they exist as of 25 September 1979.

Sincerely,


Peter R. Brown, P.E.
PresidentEXHIBIT NO. 10
0053

26 September 1979
Mr. J. W. Hughes
Page Two

Peter R. Brown, Registered Engineer in the State of Florida,
hereby certifies that the above information is true and correct
to the best of his knowledge and belief.



Peter R. Brown
Peter R. Brown
Florida Engineer
Registration #6915