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DECLARATION OF CONDOMINIUM

OF

O.R. 4919 PAGE 1671

MORNINGSIDE EAST III

A CONDOMINIUM

THIS IS A DECLARATION OF CONDOMINIUM by DYNAMIC INVESTMENTS, INC., a Florida corporation, hereinafter called "Sponsor", for themselves and their heirs, wherein the Sponsor establishes this Declaration of Condominium as the plan of condominium ownership for the lands and improvements herein described.

ARTICLE I

ESTABLISHMENT OF CONDOMINIUM

Sponsor hereby submits the properties described in Exhibit "A" attached hereto and improvements located, or to be located, thereon to condominium ownership pursuant to Chapter 718, Florida Statutes, and declares the same to be a condominium to be known and identified as:

MORNINGSIDE EAST III, a condominium
(Hereinafter referred to as "Condominium")

ARTICLE II

SURVEY AND DESCRIPTION OF IMPROVEMENTS

Annexed hereto and expressly made a part hereof as Exhibit "7", consisting of 5 pages, is a survey of the land and graphic description and the plot plan of the improvements constituting the condominium upon which is identified the apartment units, common elements and limited common elements as said terms are hereinafter defined, with their respective locations and approximate dimensions. Exhibit "7" is also recorded as a separate CONDOMINIUM PLAT, in the Public Records for Pinellas County, Florida. Each unit is identified by a specific number such that no unit bears the same designation as any other unit.

ARTICLE III

DEFINITIONS

SEP 28 3 58 PM '79 (A) The condominium consists of apartment units, common elements, and limited common elements as the same are hereinafter defined:

1. Apartment Units shall mean and comprise of 158 separate and numbered apartment units which are designated in Exhibit "7" to this Declaration of Condominium, excluding all spaces and improvements lying below the undecorated and/or unfinished inner surfaces of the perimeter walls and floors and above the undecorated and/or unfinished inner surfaces of the ceiling of each unit. The windows, screens and doors are included in the apartment unit and the responsibility of maintenance, repair and replacement of such items shall be that of the apartment unit owner; provided, nevertheless, that the Association reserves the right to make any necessary maintenance, repair or replacement for the exterior windows, screens and doors to insure that the exterior of the condominium building is kept neat and uniform. Any expenses incurred by the Association in correcting exterior windows, screens or doors shall be assessed against the apartment unit owner as provided for herein. No apartment unit owner shall be deemed to own any supporting columns, pipes, wires, conduits or other public utility lines running through his apartment unit which are utilized for or serve more than his one apartment unit and any such items are by this Declaration made a part of the common elements notwithstanding the fact they may be within the confines of the walls of his apartment unit as herein defined.

RECORDED IN PUBLIC RECORDS OF PINELLAS COUNTY, FLORIDA
BOOK 37 PAGE 16
SEP 28 1979

LOGAN, P.A.
CLEARWATER, FLA. 33517

Hold for
Pick up by

2. Developer hereby reserves the right to construct covered parking spaces on the condominium development, to sell said spaces to owners in the condominium and incident to such a sale to make an assignment of the parking space to the purchaser, which assignment, once made, may not be changed or separated from the apartment unit without the written consent of the owner of the parking space thus assigned. Should developer, at such time developer transfers control of the Association to the membership, or at such time as the Developer sells out all of its units, retain unsold covered parking spaces, then said Developer hereby expressly reserves the right to continue ownership of said covered parking spaces until the same are sold or otherwise transferred or conveyed by the Developer.

3. Limited Common Elements means the portions of the condominium property not included in the apartment units nor common elements and are designated in Exhibit "7". To maintain uniformity in exterior appearance, maintenance and repair, expenses of maintenance, repair or replacement relating to the surfaces, or involving structural maintenance, repair or replacement for all such areas shall be treated and paid for as a part of the common expenses of the Association.

(B) Association means MORNINGSIDE EAST, INC., a corporation not for profit and its successors.

(C) Common Expenses include:

1. Expenses of administration, expenses of maintenance, operation, repair or replacement of the common elements, and of the portions of apartment units to be maintained by the Association.

2. Expenses declared common expenses under the provisions of this Declaration of Condominium, or by the By-Laws or Management Contract.

3. Any valid charge against the condominium as a whole.

ARTICLE IV

OWNERSHIP OF APARTMENT UNITS AND APPURTENANT INTEREST IN COMMON PROPERTY

Each apartment unit shall be conveyed by a Warranty Deed and treated as individual property capable of independent use and as an appurtenance to the ownership, the owner shall have an undivided percentage interest appurtenant to each said apartment unit being that which is specifically assigned to each apartment unit in this Declaration. The percentage of any undivided interest in and to the common elements and limited common elements shall not be changed except with the unanimous consent of all of the owners of all of the apartment units.

Parking spaces shall be part of the common elements, and the Association may establish rules governing assignment and use thereof; provided, nevertheless, said rights are subject to the retained rights of Developer pertaining to constructing and assigning parking spaces.

ARTICLE V

PERCENTAGE OF OWNERSHIP OF COMMON ELEMENTS

The percentage of ownership or fractional ownership in the common elements for each apartment unit is as shown on Exhibit 7.

ARTICLE VI

COMMON EXPENSES AND
COMMON SURPLUS

Each unit owner shall share that percentage of the common expenses, and own that percentage of common surplus, as designated in Article V of this Declaration.

ARTICLE VII

AMENDMENT OF PLANS AND COMPLETION
OF IMPROVEMENTS

(A) The Sponsor herein reserves the right to change or alter the interior design and arrangement of all apartment units and to alter the boundaries between apartments so long as the interest of the Sponsor has not been sold, provided that no such changes shall increase the number of apartments nor alter the boundaries of the common elements nor the boundaries of any apartments in which the Sponsor has sold his interest without amendment of this Declaration of Condominium. Sponsor may make dimensional changes in the size of the rooms in the apartments, but may not change overall apartment area or structural walls except as herein provided.

(B) Any Amendment of this Declaration reflecting such alteration or modification of the interior design and arrangement of apartments need be signed and acknowledged only by the Sponsor and need not be approved by the Association, members of the Association, Apartment Owners or Lienors or Mortgagees of Apartments or of the Condominium, whether or not elsewhere required for an Amendment.

ARTICLE VIII

EASEMENTS

(A) Easements are reserved by the undersigned through the condominium property as may be required for utility services in order to serve the occupants of the apartment units; provided, however, that such easements through an apartment unit shall be only according to the plans and specifications for the apartment building, or as the building is constructed, unless approved in writing by the apartment unit owner.

(B) Easements are reserved by the undersigned as may be required for utility services in order to adequately serve the condominium. Easements are further reserved for vehicular traffic over and across such portions of the common elements as may be from time to time paved and used for that purpose.

(C) If any apartment units shall encroach upon any common elements, or upon any other apartment by reason of original construction or by the unintentional and non-negligent act of the apartment owner, then an easement appurtenant to such encroaching apartment, to the extent of such encroachment shall exist so long as such encroachment shall exist.

(D) The easements reserved herein cannot be terminated or restricted by the Association except as authorized in writing by the Developer and ratified by the Board of Directors of the Association and by the affirmative vote of 100% of the apartment unit owners.

ARTICLE IX

ADMINISTRATION BY CONDOMINIUM ASSOCIATION

To facilitate efficient and effective administration of the condominium, a non-profit corporation known and designated as MORNINGSIDE EAST, INC., herein referred to as the Association, has been organized. Said corporation shall administer the operation and management of the condominium and undertake and perform all acts and duties incident thereto in accordance with the terms, provisions and conditions of this Declaration of Condominium and in accordance with the terms of the Articles of Incorporation of the Association from time to time. A true copy of said Articles of Incorporation and initial By-Laws are annexed hereto and expressly made a part hereof as Exhibits "3" and "4", respectively.

Membership in the Association shall be automatically extended to the owner or owners of each apartment unit and the appurtenant undivided interest in the common elements and limited common elements; membership shall likewise terminate automatically upon the owner or owners being divested of any such ownership interest regardless of the means by which such ownership is divested. Membership does not extend to any person, firm or corporation holding any lien, mortgage or other encumbrance by virtue of said lien, mortgage or encumbrance.

In the administration of the operation and management hereunder, the Association shall have and is hereby granted the authority and power to enforce the provisions of this Declaration of Condominium, levy and collect assessments in the manner herein provided and to adopt, promulgate and enforce such rules and regulations governing the use of the apartment units and common elements as the Board of Directors of the Association may deem to be in the best interest of the condominium.

Anything contained herein to the contrary notwithstanding, the Sponsor has retained control of the Association as set forth in the Articles of Incorporation and the By-Laws attached hereto, and all provisions contained in this Article relating to administration of the condominium by the Association and any other articles in the Declaration of Condominium relating to voting rights or any other Association functions or rights are expressly made subject to the retained control of the Sponsor.

ARTICLE X

ASSOCIATION VOTING RIGHTS

(A) Ownership of an apartment unit shall entitle the owner thereof to membership in the Association.

(B) Each condominium apartment unit shall be entitled to one vote which shall be cast by the apartment unit owner. In the event any unit is owned by more than one owner, the total owners of such unit shall collectively be entitled to cast the one vote attributable to such unit, in the manner provided in the Articles of Incorporation and By-Laws.

ARTICLE XI

AMENDMENT OF DECLARATION

(A) Except as may otherwise be provided herein, this Declaration may be amended at any regular or special meeting of the Association called noticed in accordance with its By-Laws, by an affirmative vote of 75% of the apartment unit owners.

(B) Sub-section A of this Article shall not apply to any amendment attempting to change any condominium parcel, voting rights, percentages of sharing common expenses and owning common surplus, or any provisions contained herein pertaining to termination. In order to change any of the foregoing by amendment or otherwise, the affirmative vote of all unit owners, together with the joinder of all record owners of liens in execution of such amendment shall be required.

(C) All amendments shall be recorded.

ARTICLE XII

TRANSFER OF CONDOMINIUM PARCEL

(A) SALES: Prior to the sale or transfer of a condominium parcel, any unit owner desiring to sell or transfer his condominium parcel shall first submit the name of the proposed purchaser, and the contract of sale, to the Board of Directors for their approval, or disapproval, which shall be given within thirty (30) days from the date of the submission of the contract of sale. If approved, the approval by the Board shall be in writing and executed in such manner as to entitle it to be recorded in the Public Records of Pinellas County, Florida.

If neither approved or disapproved within thirty (30) days, the transfer shall be deemed to have been approved by the Directors.

If the Directors fail to exercise their option to purchase within said thirty (30) day period, then the unit owner shall be free to sell and convey to the intended purchaser.

The above and foregoing provisions shall not be applicable to any transfer by the undersigned, to any sale or transfer made by an institutional mortgagee acquiring title as a result of the foreclosure of its mortgage lien, or due to a voluntary acceptance of a transfer of title in lieu of such foreclosure, to a purchaser acquiring title in such foreclosure proceedings, or the acceptance of a transfer of title in lieu of such foreclosure or to sales made pursuant to order or decree of a court in connection with the foreclosure of an institutional first mortgagee.

(B) SUBLEASING: No unit shall be leased or rented by the respective unit owner thereof for transit or hotel purposes, which are hereby defined as (a) rentals for less than thirty (30) days, or (b) rentals where the occupants of the unit are to be provided services, such as room service for food and beverage, maid service, furnishings of laundry and linens, and bell boy services. Other than for the foregoing, the owner or owners of the respective units shall have the right to lease same, provided that all such leases are made subject to this Declaration and the Condominium Act, and the lessee has been approved for occupancy in writing by the Directors of the Association, which approval shall not be unreasonably withheld.

(C) Notwithstanding any of the provisions hereinabove contained, the provisions of this Article shall not be applicable to the Sponsor; to any sale or transfer made by an institutional mortgagee acquiring title as a result of the foreclosure of its mortgage or by voluntary acceptance of a transfer of title in lieu of such foreclosure; to a purchaser acquiring title in such foreclosure proceedings, or accepting title in lieu of foreclosure, or to sales made pursuant to order or decree of court in connection with the foreclosure of an institutional first mortgage. And, until said Sponsor sells all of the units or releases control of the development as hereinabove provided, it is irrevocably authorized,

permitted and empowered to sell condominium parcels to any purchaser approved by it, or to refuse to sell condominium parcels to any purchaser disapproved by it. Sponsor shall likewise have the right to lease or rent all unsold units without and prior consent from the association. Sponsor shall have the right to transact any business necessary to consummate sales, including but not limited to the right to maintain models, the right to post signs and promote sales in the condominium building or upon the common elements and it shall have the right to use the common elements and to show units for sale. Any sales office or model, any furniture therein, signs and all items pertaining to sale shall remain the property of the Sponsor. In the event there are unsold condominium units, Sponsor retains the right to be the owner of said units the same as any other apartment unit owner, excepting that the Sponsor will not be subject to the provisions of this Article relating to resale or other transfers of title.

ARTICLE XIII

MORTGAGES SUBJECT TO APPROVAL

No apartment unit owner may mortgage his apartment unit nor any interest therein without the prior approval of the Association, except to a bank, life insurance company or savings and loan association, or to his vendor to secure a portion, or all, of the purchase price. Such approval may not be arbitrarily withheld.

ARTICLE XIV

ASSESSMENTS

Common expenses, including those required by virtue of any Management Contract shall be assessed against each apartment unit owner by the Association as provided herein. All such assessments, including reasonable attorneys' fees and other costs of collection of same, shall be secured by lien against the apartment unit against which it is made and such lien shall arise in favor of the Association and shall come into effect upon recordation. Such liens shall be superior to the creation of any nonestead status and every purchaser consents to the imposition thereof. It is specifically provided that the right to collect the common expenses, to make assessments and enforce liens against apartment units for the collection of such common expenses may be delegated in accordance with the terms of the Association's corporate charter and its By-Laws.

In the event an institutional mortgagee obtains title to an apartment unit as the result of foreclosure of a first mortgage thereon, or by voluntarily conveying in lieu thereof, such mortgagee shall not be liable for the share of common expenses or assessments due and owing by the former apartment unit owner which became due prior to the acquisition of title by said mortgagee. Any such unpaid share of common expenses or assessments shall be deemed to be common expenses and collectible from all apartment unit owners in the condominium.

ARTICLE XV

INSURANCE

Insurance shall be carried upon the condominium property as follows:

(A) Liability Insurance. The Board of Directors of the Association shall obtain public liability insurance covering all of the common elements of the condominium and insuring the Association and the unit owners as it and their interests appear, in such amounts as the Board of Directors may determine from time to time. Premiums for the payments of such insurance shall be chargeable as

common expenses to be assessed and paid by each of the unit owners. The Association shall not be responsible for purchasing liability insurance to cover accidents occurring within individual units.

(B) Hazard Insurance:

1. Purchase of Insurance - The Association shall at all times obtain and maintain fire, windstorm and extended coverage insurance and vandal and malicious mischief insurance, insuring all of the insurable improvements within the condominium property in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, together with such other insurance as the Association deems necessary. The premiums for such coverage and other expenses in connection with said insurance shall be assessed against the unit owners as part of the common expense. The Association shall not be responsible for purchasing any insurance on any of the contents or interior walls or equipment of any of the apartment units.

2. Loss Payable Provisions - All original copies or certificate copies shall be held by the Association and shall be for the benefit of and payable to the Association, with institutional first mortgagees to be named in the policies as their interest may appear. Certificates of insurance shall be furnished to institutional first mortgagees.

3. Utilization of Insurance Premiums - In the event of loss, the Association shall use the net insurance proceeds to repair and replace damage to real or personal property covered by the policy, with any excess to be payable to the unit owners and their mortgagees as their interests may appear. If the insurance proceeds are insufficient to cover the loss, the Association shall levy an assessment against the unit owner in accordance with this Declaration to cover any deficiency. Apartment unit owners shall have the responsibility for paying for the repair and redecorating of the damaged portions of the interior of their unit, including, but not limited to, all appliances, utilities and non-load bearing walls.

In the event the common elements are totally destroyed or damaged, or in the event that said common elements are damaged or destroyed in excess of 50% of their then value, the common elements shall nevertheless be rebuilt as heretofore provided, unless 75% of all unit owners shall elect within thirty (30) days not to rebuild, in which event the condominium shall be terminated, the insurance proceeds to be disbursed to the unit owner and their mortgagees as their interests may appear.

4. Under all circumstances the Association hereby has the authority to act as the agent of all owners for the purpose of compromising or settling insurance claims for damage to improvements constituting common elements or common property.

(C) Workmen's Compensation Insurance: The Association shall, if required by state laws, carry workmen's compensation insurance policies which shall comply with the requirements of the laws of the State of Florida. Premiums for the payment of such insurance shall be chargeable as a common expense to be assessed against and paid by each of the unit owners.

RESTRICTIONS

(A) The use of the property as a condominium shall be in accordance with the following provisions so long as the condominium exists and any condominium apartment buildings exist upon the premises:

1. No apartment shall be used for any purposes other than residential. No apartment may be permanently divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without amending this Declaration of Condominium to show the changes in the apartment units to be affected thereby. Anything in this Article to the contrary notwithstanding the Sponsor shall be entitled to use apartment units as model apartments to promote sales until after the Sponsor has closed the sales of all of the apartment units.

2. The common elements shall be used for the purposes for which they are intended in furnishing services and facilities for the enjoyment of the apartments.

3. All unit owners shall keep and maintain their respective units in good condition and repair and shall promptly pay for all utilities which are separately needed by the units.

4. Except for name plates of uniform size and design approved by the Board of Directors of the Association, and except for signs promoting sales or rentals used by the Sponsor, or its successors, no unit owner shall cause any signs to be posted or affixed to any of the common elements or in any unit in which such sign may be seen from the common elements.

5. No nuisances shall be allowed upon the condominium property nor any use or practice which is a source of annoyance to residents or which interferes with the peaceable possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition and no rubbish, refuse or garbage allowed to accumulate nor any fire hazard allowed to exist.

6. Apartment unit owners, their families, guests, invitees, or lessees shall in no way deface or mar or make any alteration, repair or replacement, or change, in or to the common elements and shall be liable for damages therefor.

7. All common hallways, balconies and passages shall be kept free for their intended use by the apartment unit owners and in no event shall the same be used as storage areas for either temporary or permanent storage.

8. No clothing, bedding or other similar items, shall be dried or aired in any outdoor area, nor shall any such items be hung over or on any balconies.

9. No owner or occupant of any apartment unit shall install any type of television antenna, machines or air conditioning units on the exterior, or which can be seen from the exterior, of the condominium property.

10. No pets are allowed in the condominium development without the prior written approval of the Board of Directors. Any approval granted can be withdrawn by the Board at anytime if any pet, in the Board's sole discretion, becomes a nuisance. No pets shall be allowed which are larger than 15 pounds.

11. No apartment unit shall be permanently occupied by more than one family. The number of bedrooms in each apartment is determined by the plans attached as Exhibit 7.

(B) The Association shall have the right to make and amend reasonable rules and regulations respecting the normal day-to-day use of the property but the above use restrictions are restrictive covenants and the same shall be changed or amended only in the manner as provided for the amendment of this Declaration of Condominium.

(C) No amendment to this Declaration of Condominium, to the Articles of Incorporation, the By-Laws, or any other documents creating this condominium shall be made which shall change, amend or alter the reserved rights of the Sponsor relating to easements reserved and not included in this submission to condominium ownership.

(D) Each unit owner by purchasing takes subject to and agrees to abide by all of the rules and regulations and restrictions promulgated from time to time by the Association and by the rules and regulations set forth in this Declaration of Condominium.

ARTICLE XVII

TERMINATION

The condominium project shall continue until there is a voluntary termination in the manner provided for in Section 718 of the Florida Statutes, as amended. In addition thereto, the condominium may be terminated by the affirmative vote of 100% of the condominium unit owners in the development and further provided that the holders of all liens affecting any of the condominium units consents thereto.

ARTICLE XVIII

MISCELLANEOUS PROVISIONS

(A) The invalidity in whole or in part of any covenant or restriction or any section, sub-section, sentence, clause, phrase or word, or other provision of this Declaration of Condominium and the By-Laws and regulations of the Association shall not affect the validity of the remaining portions thereof.

(B) The common elements shall remain undivided and no owner shall bring any action for his contribution towards the common expenses by waiver of the use and enjoyment of any of the common elements, limited common elements or by the abandonment of his apartment unit.

(C) No owner of a condominium apartment unit may exempt himself from liability for his contribution towards the common expenses by waiver of the use and enjoyment of any of the common elements, limited common elements or by the abandonment of his apartment unit.

IN WITNESS WHEREOF, the Sponsors have executed this Declaration of Condominium the day and year first above written.

In the Presence of:

[Signature]
[Signature]



Dynamic Investments, Inc.

By: [Signature] (SEAL)
Chairman

[Signature] (SEAL)
Attest, Secretary

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY, that on this 27 day of September,
1979, before me personally appeared

J. Warren Hughes and Frank C. Logan, *Chairman of the Board and Secretary, respectively*
each to me known to be the persons described in and who executed the fore-
going instrument and acknowledged the execution thereof to be their free act
and deed for the uses and purposes therein mentioned.

WITNESS my hand and official seal at Clearwater, Pinellas County,
Florida, the day and year last aforesaid.

Marilyn F. Lewis
Notary Public
My Commission Expires:
Notary Public, State of Florida at Large
My Commission Expires June 26, 1981
Bonded by American Fire & Casualty Company

EXHIBIT AParcel No. 1

From the East quarter corner of Section 19, Township 29 South, Range 16 East; run North $89^{\circ}29'13''$ West along the East-West centerline of said Section 19, 600 feet for a Point of Beginning; thence continue North $89^{\circ}29'13''$ West, 509.62 feet to a point on the easterly right-of-way line of that certain parcel of land owned by Florida Power Corporation as described in O.R. Book 1416, page 182, Public Records of Pinellas County, Florida (Said point being 223.11 feet easterly of the Southwest corner of the Southeast quarter of the Northeast quarter of said Section 19); run thence North $01^{\circ}08'25''$ East along the east line of said right-of-way line, 353.83 feet; run thence North $01^{\circ}12'20''$ East, 18.33 feet to a point on the southerly right-of-way line of Harn Boulevard (See deed to the City of Clearwater as recorded in O.R. Book 2582, page 417, Public Records of Pinellas County, Florida); run thence South $58^{\circ}45'29''$ East along the south right-of-way line of Harn Boulevard, 110.90 feet; thence run southeasterly along a curve to the left of 395 foot radius (chord bearing South $74^{\circ}07'21''$ East, chord distance 209.32 feet), 211.85 feet; thence run South $89^{\circ}29'13''$ East, 209.99 feet; run thence South $00^{\circ}52'25''$ West, 260 feet to the Point of Beginning.

Parcel No. 2

From the east $\frac{1}{4}$ corner of Section 19, Township 29 South, Range 16 East, run N. $89^{\circ}29'13''$ W. along the East-West centerline of said Section 19, 100.00 feet; run thence N. $00^{\circ}52'25''$ E. along the westerly right-of-way line of U.S. Highway 19 (said line being parallel to and 100 feet westerly of the east line of said Section 19), 340.00 feet; run thence N. $89^{\circ}29'13''$ W. parallel to said East-West centerline along the northerly right-of-way line of Harn Boulevard, as conveyed to the City of Clearwater in O.R. Book 2582, page 417, Public Records of Pinellas County, Florida, 275.00 feet for a Point of Beginning; thence continue N. $89^{\circ}29'13''$ W. along said right-of-way line, 435.49 feet; run thence northwesterly along a curve to the right of 315.00 foot radius (Chord bearing N. $74^{\circ}07'21''$ W., chord distance 166.92 feet), 168.94 feet; run thence N. $58^{\circ}45'29''$ W., 157.16 feet; run thence N. $01^{\circ}12'20''$ E. along the east line of Florida Power Corporation right-of-way, as conveyed in O.R. Book 1416, page 182, Public Records of Pinellas County, Florida, 145.46 feet; run thence S. $89^{\circ}29'13''$ E., 731.47 feet; run thence S. $00^{\circ}52'25''$ W., 270.00 feet to the P.O.B. Less the easterly 265 feet thereof.

MORNINGSIDE EAST III, a Condominium
JOINDER OF MORTGAGEE

FIRST FEDERAL SAVINGS and LOAN ASSOCIATION OF
CLEARWATER, FLORIDA, holder of that certain mortgage on real estate
described in Exhibit A to this Declaration, and as described in the herein-
after referenced mortgage, the description being incorporated by reference,
and said mortgage being dated the 23rd day of April, 1974, and
duly recorded in Official Records Book 4165, Page 495, et seq.
Pinellas County, Florida, hereby consents to the recording of the Declara-
tion of Condominium for MORNINGSIDE EAST III, a Condominium, submitting
said properties to condominium ownership.

Executed this 24th day of September, 1979.

FIRST FEDERAL SAVINGS and LOAN
ASSOCIATION OF CLEARWATER,
FLORIDA

Attest: (Corporate Seal)

Francis A. Brown
Secretary

By: James E. Phillips
Sr. Vice President

STATE OF FLORIDA
COUNTY OF PINELLAS

I, an officer authorized to take acknowledgments according to the
laws of the State of Florida, duly qualified and acting, hereby certify that
James E. Phillips as Senior Vice Presi-
dent of the FIRST FEDERAL SAVINGS and LOAN ASSOCIATION OF CLEAR-
WATER, FLORIDA, to me personally known, this day personally appeared
and acknowledged before me that he executed the foregoing Joinder of
Mortgagee on behalf of said institution and affixed thereto the corporate seal
of said institution; and I further certify that I know the said person making
said acknowledgment to be the individual described in and who executed the
said Joinder of Mortgagee.

IN WITNESS WHEREOF, I have hereunto set my hand and seal in
Clearwater, said County and State, this 24th day of September,
1979.

Diana J. Leonard
Notary Public

My Commission Expires:

NOTARY PUBLIC, State of Florida At Large
My Commission Expires February 27th, 1983.



MORNINGSIDE EAST III, a Condominium
JOINDER OF MORTGAGEE

HERBERT C. SCHWARTZ and FREDERICK E. FISHER, holders of that certain mortgage on real estate described in Exhibit A to this Declaration, and as described in the hereinafter referenced mortgage, the description being incorporated by reference, and said mortgage being dated the 25th day of September, 1979, and duly recorded in Official Records Book 4918, Page 1854, et seq. Pinellas County, Florida, hereby consents to the recording of the Declaration of Condominium for MORNINGSIDE EAST III, a Condominium, submitting said properties to condominium ownership.

Executed this 25th day of September, 1979.

Signed, Sealed and Delivered
In the Presence of:

Robert M. Schwartz
Anna P. Schwartz

Herbert C. Schwartz (SEAL)
Herbert C. Schwartz

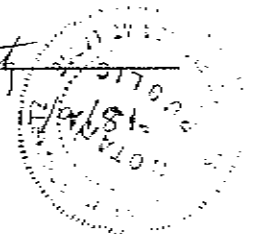
Frederick E. Fisher (SEAL)
Frederick E. Fisher

STATE OF FLORIDA
COUNTY OF PINELLAS

I hereby certify that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgments, HERBERT C. SCHWARTZ and FREDERICK E. FISHER, to me well known and known to be the persons described in and who executed the foregoing Joinder of Mortgagee, and they acknowledged before me that they executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County, Florida, this 25th day of September, 1979.

Robert M. Schwartz
Notary Public
My Commission Expires:



DECLARATION INDEX

Part A - Declaration of Condominium of Morningside East III	
Part B - Restrictions	
Part C - Articles of Incorporation	
Part D - By-Laws	Book
Part A - Declaration of Condominium of Morningside East III	Page

Article	Subject	
I	Establishment of Condominium	1
II	Survey and Description of Improvements	
III	Definitions	
IV	Ownership of Apartment Units and Appurtenant Interest in Common Property	2
V	Percentage of Ownership of Common Elements	
VI	Common Expenses and Common Surplus	3
VII	Assessment of Plans and Completion of Improvements	
VIII	Easements	
IX	Administration by Condominium Association	4
X	Association Voting Rights	
XI	Amendment of Declaration	5
XII	Transfer of Condominium Parcel	6
XIII	Mortgages Subject to Approval	
XIV	Assessments	6,7
XV	Insurance	

<u>(Part B - Restrictions)</u>		
XVI	Section 1: Single family residence	8
	Section 2: Common elements usage	
	Section 3: Maintaining interior	
	Section 4: Name plates, signs	
	Section 5: No nuisances; garbage and trash	
	Section 6: No defacement, alterations, repairs, replacements	
	Section 7: Common hallways, balconies and passages must be kept free	
	Section 8: No clothing, bedding, etc. shall be hung outdoors or off balconies	
	Section 9: No antennae, machines, air conditioner units installed on the exterior	
	Section 10: Pet regulations	
	Section 11: Single family occupancy per unit	9
XVII	Termination	
XVIII	Miscellaneous Provisions	

<u>Exhibit A</u>		
Parcel No. 1 - Legal Description		11
Parcel No. 2 - Legal Description		
Index of Mortgages		12, 13

<u>Part C - Articles of Incorporation</u>		
Article	Subject	
I	Name	14
II	Purpose	
III	Members	
IV	Term	
V	Directors	15
VI	Officers	16
VII	Indemnification	17
VIII	By-Laws	
IX	Amendments	
X	Powers	18
XI	Definitions	20
XII	Subscribers	

Part D - By-Laws

<u>Article</u>	<u>Subject</u>
I	General
II	Members' meetings
III	Board of Directors
IV	Officers
V	Finances
VI	Amendments

Book

Page

22

23

25

28

29

31

P R O S P E C T U S

FOR

MORNINGSIDE EAST III
a Condominium

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

MORNINGSIDE EAST III, A Condominium

RECORDED IN THE
PLAT BOOK 10-008
PLAT 10-008
PLAT 10-008

CERTIFICATE OF AMENDMENT
TO DECLARATION AND EXHIBITS

DYNAMIC INVESTMENTS, INC., a Florida corporation, Developer of MORNINGSIDE EAST III, A Condominium, and MORNINGSIDE EAST, INC., the Association for said condominium certify that the following is a true and correct copy of a Resolution amending the Declaration of Condominium as originally recorded in Official Records Book 4919, Page 1671, et. seq. as set forth in the Public Records of Pinellas County, Florida.

Said Resolution was adopted by 100% of all owners of units present and voting at a meeting duly noticed and constituted for the amendment, which said meeting was held on the 1st day of November, 1979. The adoption of the Resolution appears in the minutes of said meeting and is unrevoked. The Resolution adopted, and the amendment made, is as follows:

1. PERCENTAGE OWNERSHIP IN COMMON ELEMENTS: The Supplement to Exhibit 7, set forth as at attachment to the said Declaration, Page 41 thereof, and which appears in Official Records Book 4919, at Page 1711, contains a scrivener's error:

(a) In Paragraph I, as to Building F; Apartment 16 is a two-bedroom apartment, and the said supplement is amended to show Apartment 16 as appearing under Paragraph III, Building F, as a two-bedroom apartment.

(b) Paragraph III under Building F, erroneously included Apartment 18; Apartment 18, Building F, is a one-bedroom apartment and the said supplement is amended to reflect that Apartment 18 is a one-bedroom apartment, and is properly placed in Paragraph I, Building F.

2. BUDGET: Exhibit No. 5 to the Declaration, Page 32 of the Declaration, and appearing at Official Records Book 4919, Page 1702, sets forth a projected budget for the condominium. The budget sets forth average unit monthly fees and average unit annual fees. The budget is amended to include the following breakdown for monthly and annual fees, based upon

RECORDED
PLAT BOOK 10-008
PLAT 10-008
PLAT 10-008

Nov 21 10 22 AM '79

"Condominium Plats pertaining hereto are filed in Condominium Plat Book 37, Pages 16-20 Incl."

McMillen, Everett, Logan, Marquardt & Cline
FIRST NATIONAL BANK BUILDING
CLEARINGHOUSE, FLORIDA 33500

WITTO: No. 4
McMILLEN, EVERETT, LOGAN,
MARQUARDT & CLINE, P.A.
1100 1st St. N.W.
TAMPA, FLORIDA 33602

the percentage of ownership and the common elements.

	<u>Monthly</u>	<u>Yearly</u>
Projected Budget, one-bedroom units:	\$ 26.40	\$436.60
Projected Budget, deluxe one-bedroom units:	41.97	503.64
Projected Budget, two-bedroom units:	51.97	623.64

3. BY-LAWS: Exhibit No. 4 to the Declaration, By-Laws, Article II (9) (1) (3) recorded in Official Records Book 4919, Page 1695, is amended to read:

(ii) 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 one member of the board of administration of an association as long as the developer holds for sale in the ordinary course of business at least 5 percent in condominiums with fewer than 500 units and 2 percent in condominiums with more than 500 units in a condominium operated by the association.

4. BY-LAWS: Exhibit No. 4 to the Declaration, By-Laws, Article III, (2) (e) recorded in Official Records Book 4919, Page 1696, is amended to read:

(e) Subject to the developer's retained rights, any director may be removed and recalled from office, with or without cause by the vote or agreement in writing by a majority of all unit owners.

5. BY-LAWS: Exhibit No. 4 to the Declaration, By-Laws, Article 3 (14) (j) recorded in Official Records Book 4919, Page 1696, is amended to read:

(j) To contract with any person or entity for the operation, maintenance and repair of the condominium property. The association shall, however, retain at all times the powers and duties granted it by the Condominium Act.

Executed this 8th day of November, 1979.

Signed, Sealed and Delivered
in the Presence of:

[Signature]
[Signature]

Signed, Sealed and Delivered
in the Presence of:

[Signature]
[Signature]

DYNAMIC INVESTMENTS, INC.

By: [Signature]

Attest: [Signature]

MORNINGSIDE EAST, INC.

By: [Signature]

Attest: [Signature]

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me,
an officer duly authorized to administer oaths and to take acknowledgments,
J. Warren Hughes and Frank C. Logan
Chairman and Secretary
respectively of DYNAMIC INVESTMENTS, INC., to me well known and known
to be the persons described in and who executed the foregoing Certificate of
Amendment, and they acknowledged before me that they executed the same
freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County,
Florida, this 5th day of November, 1979.

Barbara J. [Signature]
Notary Public
My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR 15 1983
SCORED THRU GENERAL U.S. MACHINISTS

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me,
an officer duly authorized to administer oaths and to take acknowledgments,
J. Warren Hughes and Frank C. Logan
President and Secretary
respectively of MORNINGSIDE EAST, INC., to me well known and known
to be the persons described in and who executed the foregoing Certificate of
Amendment, and they acknowledged before me that they executed the same
freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County,
Florida, this 9th day of November, 1979.

Barbara J. [Signature]
Notary Public
My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR 15 1983
SCORED THRU GENERAL U.S. MACHINISTS

79199407

OR 4946 PAGE 136

MORNINGSIDE EAST III, a Condominium

RESOLUTION FOR, AND AMENDMENT OF, CORPORATE CHARTER

OF

MORNINGSIDE EAST, INC.

The undersigned officers and directors of Morningside East, Inc., and Dynamic Investments, Inc., Developer of the Condominium known as Morningside East, said Developer being the owner of all units in said condominium, met on November 5, 1979 to discuss amendment the Articles of Incorporation for Morningside East, Inc. Following discussion, the following resolution was, upon motion duly made and seconded, unanimously adopted.

WHEREAS, Morningside East, Inc., was duly chartered on the 27th day of September, 1979 under Chapter 617, to administer Morningside East, a Condominium located at 2500 Harn Boulevard, Clearwater, Florida; and

WHEREAS, the Department of Business Regulations has required specific language in the corporate charter regarding the delegation of authority to any management company, it is

RESOLVED, that the Board of Directors for Morningside East, Inc., joined herein by the Developer, Dynamic Investments, Inc., deem it advisable and hereby amend the Articles of Incorporation for Morningside East, Inc., a Florida Corporation not-for-profit, as follows, and the referenced subparagraph in the original charter is deleted, and the following is adopted in lieu thereof:

Article X(2)(I) is amended to read:

To contract with any person or entity for the operation, maintenance and repair of the condominium property. The association shall, however, retain at all times the powers and duties granted it by the Condominium Act.

Except as herein amended, the Corporate Charter, filed as stated

is entirely ratified and approved.

Nov 21 10 22 AM '79
CLEARWATER COUNTY

THIS INSTRUMENT PREPARED BY: HARRY S. CLINE, Esq., 1000 N. ... CLEARWATER, FLORIDA 34615

There being no further business to come before the meeting, it was, upon motion made, adjourned. All members of the Board of Directors and the current owner of all units waive further notice and agree to the meeting and the action taken, by joinder herein.

WITNESS AS TO ALL OFFICERS AND DIRECTORS FOR MORNING-SIDE EAST, INC. AND DYNAMIC INVESTMENTS, INC.

Barbara J. Cauter
Barbara J. Cauter

MORNINGSIDE EAST, INC.

By: J. Warren Hughes
PRES. / DIRECTOR

By: Frank C. Logan
DIRECTOR

By: Harry S. Cline
DIRECTOR

DYNAMIC INVESTMENTS, INC.

By: J. Warren Hughes
PRESIDENT, Chairman
(corporate seal)

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and to take acknowledgments, J. Warren Hughes, President and Director of Morningside East, Inc., Frank C. Logan, Director of Morningside East, Inc., and Harry S. Cline, Director of Morningside East, Inc., all to me well known and known to be the persons described in and who executed the foregoing and they acknowledged before me that they executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County, Florida, this 26th day of November, 1979.

Barbara J. Cauter
Notary Public
My Commission Expires: 3 15 1983
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION DATES MAR 15 1983
BONDED \$250 GENERAL 116, CLEARWATER

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and to take acknowledgments, J. WARREN HUGHES, Chairman of Dynamic Investments, Inc., to me well known and known to be the person described in and who executed the foregoing and he acknowledged before me that he executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County, Florida, this 26th day of November, 1979.

Barbara J. Cauter
Notary Public
My Commission Expires: 3 15 1983
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION DATES MAR 15 1983

CONVERSION INSPECTION REPORT

(Excluding Termites Inspection)

INSPECTION:

Location of Building
2500 Harn Blvd.
Clearwater, Florida

DATE OF INSPECTION:

7 November 1979

DATE OF COMPLETION OF CONSTRUCTION OF THE IMPROVEMENTS:

Certificate of Occupancy issued by City of Clearwater, March 20, 1975.

TYPE OF CONSTRUCTION OF THE IMPROVEMENTS:

The facility consists of (2) service type buildings (9) living units of which (7) are two story and (2) are one story. Six of the seven two story masonry structures are load bearing masonry block on spread footers, fill cell pilaster, the second floor is hollow core precast slabs. The roof system is wood roof trusses, and all interior walls are masonry block. The other two story masonry structure is similar as described above except the interior non-load bearing walls are wood stud in lieu of masonry block. The exterior masonry walls are paint over stucco.

PRIOR USE OF IMPROVEMENTS:

Apartment units were rentals from completion of the buildings until this time.

RESULTS OF INSPECTION

STRUCTURAL ELEMENTS:

1. Safety of structural elements with respect to the use intended:

Structural elements are safe for the use intended.

2. Soundness of structural elements:

A visual inspection of the facility does not evidence any masonry or concrete cracks other than hairline in isolated locations. No corrective action is deemed necessary.

CONDITION OF ROOF:

1. Safety of roof with respect to the use intended:

Roof is safe for the use intended.

2. Soundness of roof:

MAIL TO:
MAGUILEN, EVERETT, LOGAN,
ARCHITECTS & ENGINEERS, P.C.

With the exception of a built-up roof at the ridge of the roofs, all roofing is asphalt shingles on plywood deck. The one story building has shingles which are approximately (4) years old. One (2) story building was reshingled this year by the manufacturer under warranty (John Manville). All other roofs are (8) years old and the shingles continue to look well sealed and in good condition considering the age of the roof system.

MECHANICAL ELEMENTS:

1. Safety of mechanical elements with respect to the use intended:

Mechanical elements are safe for the use intended.

2. Soundness of each mechanical element:

The swimming pool equipment on the north pool should be sheltered from the elements. The pools were within (7) days of this inspection, inspected by Pinellas County Health Department and found to be in good workable condition.

The north living units have roof-top mounted compressor/condensers, one for each living unit (G.E. Air-to-Air 2 & 2½ ton units). They are in a condition commensurate with their age (8 yrs.). It is expected that the normal expected serviceable life of these units is 5 - 10 years.

The south living units have ground mounted compressors (Carrier 2 & 2½ ton units). The plastic fan blades have caused some maintenance problems but the units otherwise appear to be in good condition.

3. Functioning ability of mechanical elements:

The swimming pool system is functioning properly.

The air conditioning units are functioning properly.

PLUMBING ELEMENTS:

1. Safety of plumbing elements with respect to use intended:

Plumbing elements are safe for the use intended.

2. Soundness of plumbing elements:

All water piping above grade is copper and appears, in spot checks, to be in good condition. The hot water heaters are (9) years old in the north complex and nearing the end of their service life. Plumbing fixtures are in good condition.

3. Functioning ability of plumbing elements:

Plumbing elements function properly.

ELECTRICAL ELEMENTS:

1. Safety of electrical elements with respect to the use intended:

The electrical elements are safe for their intended use:

2. Soundness of electrical elements:

No sign of deterioration or faulty installation. Each apartment is separate metered with circuit breakers properly labeled, located in each apartment. Most secondary (110V) wiring within the apartments is copper and (220V) is aluminum. In addition the primary service feed to the panels is aluminum. Because of the life of the system, the lugs/connections of all aluminum wiring should be tightened.

3. Functioning ability of electrical elements:

Electrical elements function properly.

FIRE PROTECTION DEVICES:

1. Safety of fire protection devices with respect to the use intended:

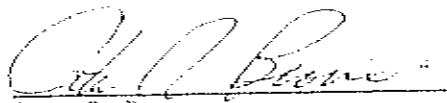
The audible (Stimplex) fire alarm pulls in the south units should be tested. All other fire protection equipment is satisfactory for its intended use.

2. Soundness of fire protection devices:

The fire extinguishers (about (1) for every (3) living units were tested and recharged within six months of this inspection.

3. Functioning ability of fire protection devices:

See note in paragraph (1) above relative to test of fire alarm system.


Peter R. Brown
Florida P.E. #6915

Prepared By and Return to:
Michael J. Bradley, Esquire
Bradley & Rabon, P.A.
4530 W. Kennedy Blvd., Suite 985
Tampa, Florida 33609

**CERTIFICATE OF AMENDMENT TO THE BYLAWS
OF MORNINGSIDE EAST, INC.**

Do hereby certify that on a duly called meeting of the members of MorningSide East, Inc. (the "Corporation"), held on February 17, 2006, in accordance with the corporate laws of the applicable State of Florida and the unanimous vote of the Amendment to Article V (paragraphs 1 and 2) of the Bylaws of MorningSide East, Inc., and the thereto as Exhibit A, were duly adopted by the membership. The Declaration of Condominium for MorningSide East, Inc. was originally recorded in official Record Book No. 19, Page 671, Public Records of Pinellas County, Florida.

IN WITNESS WHEREOF, MORNINGSIDE EAST, INC. has caused its resolutions to be signed by its duly authorized officer on this 31st day of March, 2006.

MORNINGSIDE EAST, INC.

Faith Lopez
Signature of Witness #1

[Signature]
Signature of President

Faith Lopez
Printed Name of Witness #1

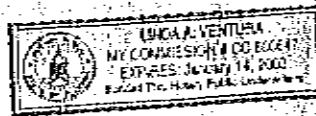
[Signature]
Signature of Witness #2

Linda A. Ventura
Printed Name of Witness #2

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing instrument was acknowledged before me on this 31st day of March, 2006, by [Name], an individual, as President of MORNINGSIDE EAST, INC., on behalf of the corporation, who acknowledged that he executed this document on behalf of the corporation. He is personally known to me or has produced a valid Return.

[Signature]
Notary Public
Linda A. Ventura
Printed Name



ADOPTED AMENDMENTS TO
BYLAWS OF
MORNINGSIDE EAST, INC.

Item No. 1 Article V, Paragraph 3 of the Bylaws is hereby amended to read as follows:

Article V, Finance, Paragraph 3 Assessments

The Board of Directors shall determine the method of payment of all assessments and the due dates thereof and shall notify the members thereof. The regular monthly assessments are due on the first (1st) of each month and are delinquent on the tenth (10th) of the same month. All payments received after the fifteenth (15th) shall be subject to a late charge in an amount to be set by the Board of Directors, which shall not exceed the maximum amount permitted under Florida statutes on each assessment or installment thereof.

Item No. 2 Article V, Paragraph 5 of the Bylaws is hereby amended to read as follows:

Article V, Paragraph 5

The Board shall annually forward an annual report of income and expense within sixty (60) days of the end of the fiscal year. The Board may, from time to time, engage a certified public accountant to provide a review or audit of the annual income and expense report.

END OF AMENDMENTS

Prepared By and Return to:
Michael J. Binchy, Esquire
Binchy & Rubin, P.A.
4430 W. Kennedy Blvd., Suite 955
Tampa, Florida 33609

CERTIFICATE OF AMENDMENT TO THE BYLAWS
OF MORNINGSIDE EAST, INC.

This is to certify that the following amendments to the Bylaws of MorningSide East, Inc. ("MSE") were duly adopted by the members of MSE on the 31st day of March, 2000, and the amendments as the amendments to the Bylaws of MorningSide East, Inc. are attached hereto as Exhibit A, were duly adopted by the members of the Declaration of Condominium for MorningSide East, Inc. was originally recorded in Official Public Record of Public Records, Florida.

IN WITNESS WHEREOF, MORNINGSIDE EAST, INC. has caused this certificate to be signed by its duly authorized officer on the 31st day of March, 2000.

MORNINGSIDE EAST, INC.

[Signature]
President

[Signature]
Secretary

[Signature]
Witness #1

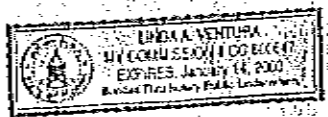
[Signature]
Witness #2

[Signature]
Witness #2

STATE OF FLORIDA
COUNTY OF PINELLAS

The foregoing Certificate was a true and correct statement of the amendments to the Bylaws of MorningSide East, Inc. as President of MORNINGSIDE EAST, INC. on behalf of the corporation, who acknowledged that he executed this document on behalf of the corporation. He is personally known to me or has produced satisfactory identification.

[Signature]
Notary Public
LINDA A. VENTURA
Printed Name



ADOPTED AMENDMENTS TO
BYLAWS OF
MEADINGSIDE EAST, PA

Item No. 1 Article V Paragraph 3 of the by law is hereby amended to read as follows:

Article V, Finance, Paragraph 3 Assessments

The Board of Directors shall determine the method of payment of, which may include the dates, duration of all installments, the number thereof. The residential addresses of all owners shall be listed in each month and are subject to the entire 10% of the same month's payments referred into the internet. It shall be subject to a five charge per amount assessed by the Board of Directors which shall not exceed the maximum amount specified under 13.01 and states on each assessment or installment thereof.

Item No. 2 Article V Paragraph 4 of the Bylaws is hereby amended to read as follows:

Article V, Paragraph 4

The Board shall maintain a record of all activities of the Association and shall cause to be prepared at the end of the fiscal year. The Board may choose from time to time to engage an independent professional accounting firm to review the books and records of the Association and shall report thereon.

END OF AMENDMENTS

P R O S P E C T U S

FOR

MORNINGSIDE EAST III
a Condominium

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

IMPORTANT MATTERS TO BE CONSIDERED

IN ACQUIRING A CONDOMINIUM UNIT:

PROJECT AND DEVELOPER:

The project is a residential apartment condominium, being developed by DYNAMIC INVESTMENTS, INC., a Florida corporation.

1. THIS CONDOMINIUM HAS BEEN CREATED ON FEE SIMPLE INTERESTS AND EACH CONDOMINIUM UNIT SHALL BE CONVEYED IN FEE SIMPLE TO THE PURCHASER.
2. THERE IS NO RECREATION FACILITIES LEASE ASSOCIATED WITH THIS CONDOMINIUM.
3. THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD.

The right to retain control is found in Article II, Section 9, of the By-Laws, a copy of which is found as Exhibit 4, Page 41, of this Prospectus.

4. THE SALE OR TRANSFER OF YOUR UNIT IS RESTRICTED OR CONTROLLED.

The provisions for control are found in paragraph 17 of the Declaration of Condominium, Exhibit 1 of this Prospectus.

THE STATEMENTS SET FORTH ABOVE ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE PURCHASER SHOULD REFER TO ALL REFERENCES AS WELL AS THE ENTIRE SET OF DISCLOSURE MATERIALS AND HIS CONTRACT OR PURCHASE AGREEMENT. ALL DISCLOSURE MATERIALS, CONTRACT DOCUMENTS, AND BROCHURE MATERIALS ARE IMPORTANT LEGAL DOCUMENTS AND IF NOT UNDERSTOOD, PROSPECTIVE PURCHASERS SHOULD SEEK LEGAL ADVICE.

TABLE OF CONTENTS

	<u>PAGE</u>
Important Matters to be Considered in Acquiring a Condominium Unit	2
Prospectus	4
Schedule of Exhibits <u>Exhibit #</u>	
Declaration of Condominium	1
Mortgagee Consents	2
Corporate Charter	3
Corporate By-Laws	4
Estimated Budget	5
Purchase Agreement	6
Survey and Plot Plan	7
Receipt for Documents	8
Management Agreement	9
Termite and Engineer Certificate	10
	51

THERE IS NO OWNERSHIP OR CONTROL BY ANY PERSON, OTHER THAN UNIT OWNERS, OF ANY PART OF THE CONDOMINIUM PROPERTY WHICH WILL BE USED BY THE UNIT OWNERS AS A MANDATORY CONDITION OF UNIT OWNERSHIP.

P R O S P E C T U S

NAME:

MORNINGSIDE EAST III
a Condominium.

LOCATION:

2500 Harn Boulevard
Clearwater, Florida

MAXIMUM NUMBER OF UNITS
USING COMMON FACILITIES:

The maximum number of units which can use the common facilities is 158.

PROGRAM FOR LEASING UNITS
BY DEVELOPER:

Morningside East III, consisting of 158 units, has been a rental apartment development, and all units are presently occupied under rental agreements. In the event a unit is leased, at the time of a sale thereof, any Purchase Agreement for such unit shall so state and will give the expiration date of the lease.

DESCRIPTION OF CONDOMINIUM:

The Condominium, MORNINGSIDE EAST III, a Condominium, and is located at 2500 Harn Boulevard, Clearwater, Florida. This condominium, formerly a rental apartment complex consists of 9 buildings and 158 units. A copy of the survey for the development is attached hereto as Exhibit 7. The survey shows the relative location of the buildings, pools, parking areas, units, Harn Blvd., and common areas.

COMPLETION DATE:

Each of the condominium units is completed and ready for occupancy.

FEE SIMPLE CONVEYANCES

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

RECREATIONAL FACILITIES:

There exist certain recreational facilities on the condominium property, as the same are depicted in Exhibit 7. The facilities provided thereon are as follows:

2 swimming pools.

Developer will expend an additional \$2,500.00 for miscellaneous personal property consisting of chairs and lounges and related personal property to serve the various swimming pool areas.

THE RECREATIONAL FACILITIES ARE NOT LEASED. THE FACILITIES WILL BE OWNED BY THE UNIT OWNERS. THIS OWNERSHIP WILL, HOWEVER, BE SUBJECT TO THE RIGHTS OF THE DEVELOPER TO MAINTAIN A SALES OFFICE AND SALES AREA AS STATED IN ARTICLES 4(B) AND 16 (H). THESE RETAINED RIGHTS INCLUDE AN OFFICE WHICH SHALL BE EXCLUSIVELY FOR THE USE AND BENEFIT OF THE DEVELOPER, AND A SALES DESK WHICH WILL BE LOCATED IN THE COMMON AREA. THESE RIGHTS ARE RETAINED IN THE DECLARATION OF CONDOMINIUM. OWNERSHIP OF THE RECREATIONAL FACILITIES, SUBJECT TO THESE RETAINED RIGHTS DURING THE DEVELOPER'S SALES PROGRAM, ARE AS STATED. FACILITIES WILL THUS BE USED BY NO PERSONS OTHER THAN THE OWNERS OF THE DEVELOPMENT, THEIR PRIVIES OR ASSIGNS, THEIR TENANTS, AND THE DEVELOPER AS HEREIN STATED.

CONTROL OF CONDOMINIUM
ASSOCIATION AND RECREATION AREA

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

(1) Condominium:

Article V of the Charter of MORNINGSIDE EAST, INC., a non-profit corporation, and Articles II and III of the By-Laws for the said Association, both of which are attached to the Declaration of Condominium as Exhibits "3" and "4" and which are included in this Prospectus, respectively, provide for the initial Board of Directors, who need not be unit owners, and their terms of office. Under the provisions stated therein, the Developer has the right to retain control. Under the terms and provisions contained in said Charter and By-Laws, the transfer of control of the Association to the unit owners shall take effect in accordance with the Florida Statutes, 719.301.

USE AND OCCUPANCY RESTRICTIONS

The restrictions governing the use of the condominium parcels and the recreation property are contained in Article XVI of the Declaration of Condominium. These restrictions provide that the condominium units are restricted to single family use for residential purposes, and other restrictions governing the use of the properties.

RESTRICTIONS ON TRANSFER

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. For more detail, reference should be made to Article XII of the Declaration of Condominium.

UTILITIES AND OTHER SERVICES

The utilities for the condominium building and recreation area will be furnished as follows:

Sewer & Water Service	City of Clearwater
Garbage Pick-up	City of Clearwater
Electricity	Florida Power
Storm Drainage	Positive Drainage
Telephone	General Telephone

MANAGEMENT CONTRACT

A copy of the Management Contract is attached as Exhibit 9, reflecting the Management Agreement entered into by and between the Association and the management company, DYNAMIC MANAGEMENT, INC.

BASIS FOR ALLOCATION OF COMMON EXPENSES AND OWNERSHIP OF COMMON ELEMENTS

Each unit's share of the common expenses and common surplus shall be determined by that unit's ownership of the common elements in the condominium. The percentage ownership of the common elements has been determined by the Developer based upon the relative square footage of each unit to the total square footage of all units in the condominium.

ESTIMATED OPERATING BUDGET

An estimated operating budget for the condominium and the Association and a schedule of the unit owners' expenses are set forth as Exhibit 5, of this Prospectus. This budget covers the first year of operation for the condominium, but it is an estimate only. This exhibit shows the estimated monthly and annual expenses of each condominium unit, including the cost of maintaining the common area.

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.

Real estate taxes and utilities will be charged individually to the condominium units. Since these items relate to the value of the condominium unit, and to the quantity of electricity, and telephone services actually used by the condominium unit owner, no estimate can be given as to these expenses, which will be paid separately by the condominium unit owner to entities other than the Association, Management Company or Developer.

DEVELOPER MAY BE IN CONTROL OF THE BOARD OF DIRECTORS OF THE CONDOMINIUM DURING THE PERIOD OF OPERATION FOR WHICH THIS BUDGET HAS BEEN RENDERED.

ESTIMATED CLOSING COSTS

Pursuant to the terms of the Purchase Agreement, the Seller will pay for title insurance in the amount of the purchase price of the real estate, documentary stamps and surtax. All costs incident to any mortgage obtained by the Purchaser, recording costs for the Warranty Deed, and pro-rata share of maintenance fees for the month of closing and pro-rata share of taxes and assessments on the property shall be paid by Purchaser.

In the event there is any different allocation of any costs incident to a sale in the Purchase Agreement actually signed, the Purchase Agreement shall control.

INFORMATION CONCERNING DEVELOPER

Developer of MORNINGSSIDE, INC. and MORNINGSSIDE EAST III, a condominium, is DYNAMIC INVESTMENTS, INC. The President of Dynamic Investments is Santiago Lloveras. Dynamic Investments, Inc. has been involved with the development of real estate, development of mobile home parks and engineering in Pinellas County, State of Florida, since 1963.

GOOD FAITH ATTEMPT TO COMPLY

The Developer has attempted in good faith to comply with the disclosure requirements of the Florida Condominium Act. This document does not purport to describe all of the features of the condominium, but rather attempts to comply with the requirements of the statute in stating the minimum features and assets of the condominium which will accrue to the benefit of any unit purchaser. More detailed information can be obtained by consulting the Declaration of Condominium and its Exhibits annexed hereto.

CONVERSION

Morningside East III is a conversion to condominium ownership, having formerly been operated as an apartment facility. Reference should be made to the Exhibits attached as required under Florida Statutes pertaining to conversions.

ARTICLES OF INCORPORATION

OF

MORNINGSIDE EAST, INC.

The undersigned, by these Articles, associate themselves for the purpose of forming a corporation not for profit under Chapter 617 of the Florida Statutes, and certify as follows:

ARTICLE I

NAME

The name of the corporation shall be MORNINGSIDE EAST, INC. The principal place of business shall be: 2500 Mars Boulevard, Clearwater, Florida. This corporation is referred to herein as the Association.

ARTICLE II

PURPOSE

The purpose for which the Association is organized is the operation of a condominium, according to the Declaration of Condominium now, or hereinafter, recorded in the Public Records of Pinellas County, Florida, and located upon lands in Pinellas, Florida.

ARTICLE III

MEMBERS

The members of the Association shall constitute all of the record owners of condominium units in MORNINGSIDE EAST, INC., a condominium. Admission to membership shall be established by the recording in the Public Records of Pinellas County, Florida, a Deed or other instrument establishing a record title to the unit in the condominium and the delivery to the Association of a

certified copy of such instrument, which instrument shall reflect the prior approval of the Association as required by the respective Declaration of Condominium. Upon receipt of such a certified copy, the owner or owners designated by such instrument thus become members of the Association and the membership of the prior owner is terminated. The owner of each unit shall be entitled to at least one vote as a member of the Association. The exact number of votes to be cast by owners of a unit and the manner of exercising voting rights shall be determined by the by-laws of the Association.

ARTICLES IV

TERM

The term of the Association shall be perpetual unless all of the condominiums comprising such Association are terminated. In the event of such termination, the Association shall be dissolved in accordance with the applicable dissolution statute existing at such time.

ARTICLE V

DIRECTORS

The affairs of the Association shall be managed by a Board of Directors in a number determined by the By-laws, but not less than three (3) Directors shall be authorized. In the absence of any determination, the Board shall consist of three (3) Directors. Directors need not be members of the Association. Members of the Board of Directors shall be elected, hold office, and be removed and replaced in the manner provided by the By-laws.

The first election of Directors shall not be held until after the Developer has conveyed fifteen (15%) percent or more of the condominium units, whereupon the condominium unit owners, other than the Developer, shall be entitled to elect not less than one-third (1/3) of the members of the Board of Directors of the Association; condominium unit owners other than

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the Developer shall be entitled to elect not less than a majority of the members of the Board of Directors of the Association three (3) years after sales by the Developer have been closed on fifty (50) percent of the condominium units, or three months after sales have been closed by the Developer on ninety (90) percent of the condominium units, or when all of the condominium units have been completed and some of the condominium units have been sold and none of the remaining condominium units are being offered for sale by the Developer in the ordinary course of business, whichever shall first occur. The By-Laws of the corporation cannot modify or alter this provision. The names and addresses of the members of the First Board of Directors who shall hold office until their successors are elected, or until removed, are:

<u>Name</u>	<u>Address</u>
J. Warren Hughes	4 Belleview Blvd. Apt. 101 Belleair, FL 33516
Frank C. Logan	1628 Longbow Lane Clearwater, FL 33516
Harry S. Cline	414 Magnolia Drive Clearwater, FL 33516

ARTICLE VI

OFFICERS

The affairs of the Association shall be administered by the Officers designated in the By-Laws. The Officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the Association and shall serve at the pleasure of the Board of Directors. The names of the Officers who shall serve until their successors are elected by the Board of Directors are as follows:

<u>Name</u>	<u>Address</u>	<u>Office</u>
J. Warren Hughes	4 Belleview Blvd. Belleair, FL 33516	President/ Treasurer
Frank C. Logan	1628 Longbow Lane Clearwater, FL 33516	Vice President
Harry S. Cline	414 Magnolia Drive Clearwater, FL 33516	Secretary

ARTICLE VII

OR 4919 PM 1687

INDEMNIFICATION

Every Director and every Officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding or any settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or Officer of the Association, whether or not he is a Director or Officer of the Association at the time such expenses are incurred. Provided, that there shall be no such indemnification where the Director or Officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties.

ARTICLE VIII

BY-LAWS

The initial By-Laws of this Association are annexed to the original Declaration of Condominium, recorded, or to be recorded, in the Public Records of Pinellas County, Florida. Such By-Laws may be altered or rescinded in the manner provided for in the said initial By-Laws and as provided herein, by 66 2/3% of the Board and 66 2/3% of the membership, or by 60% of the membership without Board approval.

ARTICLE IX

AMENDMENTS

The By-Laws of this Association may be amended as provided for in the initial By-Laws. These Articles of Incorporation may be altered, amended or added to at any duly called meeting of the members of this Association provided that notice is given as provided in the initial By-Laws and that it contains a full statement of the proposed alteration, amendment or addition, and there is an affirmative vote of seventy-five (75%) percent of the members present in person or by proxy in favor of said alteration, amendment or addition.

Thereupon, such amendment or amendments of the Articles of Incorporation shall be transcribed and certified in such form as may be necessary to register the same in the office of the Secretary of State of Florida and upon registration, a certified copy thereof shall be recorded in the Public Records of Pinellas County, Florida, within ten (10) days from the date on which the same are so registered.

ARTICLE X

POWERS

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

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

2. The Association shall have all of the powers and duties set forth in the Condominium Act, except as limited by these Articles and the respective Declaration of Condominium, and all of the powers and duties reasonably necessary to operate the condominium pursuant to the Declaration and as they may be amended from time to time, including but not limited to the following:

(A) To make and collect assessments against members to defray the costs, meet the expenses and obligations and losses of the condominium.

(B) To use the proceeds of assessments in the exercise of its powers and duties.

(C) To maintain, repair, replace and operate condominium property.

(D) To purchase insurance upon the condominium property and for the protection of the Association and its members.

(E) To reconstruct improvements after casualty and to further improve the property.

(F) To make and amend reasonable regulations respecting the use of the property.

(G) To approve or disapprove the transfer, mortgage and ownership of units as may be provided by the Declaration of Condominium and By-Laws.

(H) To enforce by legal means the provisions of the Condominium Act, the respective Declaration of Condominium, these Articles, the By-Laws of the Association, and regulations of the condominium.

(I) To contract for the management of the condominium with other parties and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the respective Declarations of Condominium to have approval of the Board of Directors or membership of the Association.

(J) To contract for the management or operation of portions of the common elements susceptible to separate management or operation and to lease such portions.

(K) To enter into leases or other agreements for recreation facilities for the use and benefit of the Association.

(L) To employ personnel to perform the services required for proper operation of the condominium.

3. The Association shall have the power to purchase a unit in the condominium, except as may be originally restricted in the Declaration of Condominium, and may bid in at sales and foreclosure of liens for assessments of common expenses, at which sales the Association shall bid no more than the amount secured by its lien.

4. All funds and the title to all properties acquired by the Association and their proceeds shall be held in trust for the members in accordance with the provisions of the respective Declaration of Condominium, these Articles of Incorporation, and the by-laws.

5. These powers may be exercised by the Directors and Officers in a proper and lawful manner notwithstanding the fact that some or all of the Officers and Directors may be directly or indirectly involved in the exercise of such powers and in the negotiation and consummation of agreements executed pursuant to such powers and all such agreements shall be presumed conclusively to have been made and entered into by the Directors and Officers of this Association in the valid exercise of their lawful authority.

ARTICLE XI

DEFINITIONS

The definitions contained in the Florida Condominium Act are hereby adopted to the extent that such definitions are applicable to these Articles of Incorporation. In addition thereto, the term "Developer" or "Sponsor" means DYNAMIC INVESTMENTS, INC., a Florida corporation.

ARTICLE XII

SUBSCRIBERS

The names and addresses of subscribers of these Articles are as follows:

<u>Name</u>	<u>Address</u>
J. Warren Hughes	4 Belleview Blvd. Apt. 101 Bellevue, FL 33516
Frank C. Logan	1628 Longbow Lane Clearwater, FL 33516
Harry S. Cline	414 Magnolia Drive Clearwater, FL 33516

IN WITNESS WHEREOF, the subscribers have affixed their hands and seals this _____ day of _____, 19__.

In the presence of:

_____	<i>[Signature]</i> (SEAL)
_____	<i>[Signature]</i> (SEAL)
_____	<i>[Signature]</i> (SEAL)

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this _____ day of _____, 19__, personally appeared J. Warren Hughes, Frank C. Logan and Harry S. Clize, to me well known and well known to me to be the persons described in and who acknowledged to me that they executed the foregoing Articles of Incorporation, as a free and voluntary act and deed, for the uses and purposes therein expressed.

WITNESS my hand and official seal the day and year first above written.

Notary Public

My Commission Expires:

BY-LAWS

OR 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 Hans 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 Main Boulevard, Clearwater, 10:30 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

(c) 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 111

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 or 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.

10. Joinder in Meeting by Approval of Minutes:

The joinder of a Director in the action of a meeting by signing and concurring in the Minutes of that meeting shall constitute the presence of such Director for the purpose of determining a quorum.

11. Presiding officer at Directors' meetings:

The presiding officer of a directors' meeting shall be the Chairman of the Board if such an Officer has been elected; and if none, the President shall preside. In the absence of the presiding officer of the meeting, the Directors present shall designate one of their number to preside.

12. Order of Business at Directors' Meetings:

The order of business at Directors' meetings shall be:

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

13. Compensation: Neither Directors nor Officers

shall receive compensation for their services as such.

14. Powers: The property and business of a

corporation shall be managed by the Board of Directors, which may exercise all corporate powers not specifically prohibited by statute, the certificate of incorporation, or the Declaration of Condominium to which these By-laws are attached. The powers of the Board of Directors shall specifically include, but not be limited to, the following:

- a. To make and collect assessments and establish a time within which payment of same are due;
- b. To use and expend the assessments collected to maintain, care for and preserve the units and condominium property, except those portions thereof which are required to be maintained, cared for or preserved by the unit owners;
- c. To purchase the necessary equipment and tools required in the maintenance, care and preservation referred to above;
- d. To enter into and upon the units when necessary and at as little inconvenience to the owner as possible in connection with such maintenance, care and preservation;

- 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

FIDUCIARIES

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 20% 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:

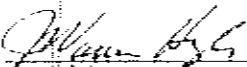
1. Notice: Notice of the subject matter of the proposed amendments shall be included in the notice of any meeting at which a proposed amendment is considered.

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	1,600.00	12,000.00
Building	200.00	2,400.00
Supplies	60.00	600.00
Fixed		
Tax & License	20.00	240.00
Payroll Tax	80.00	960.00
Insurance	400.00	4,800.00
Amortities		
Pool	260.00	2,400.00
*Reserve		
Contingency	<u>250.00</u>	<u>3,000.00</u>
Total Expense	<u>\$6,169.00</u>	<u>\$74,036.00</u>
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 foresaid 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"

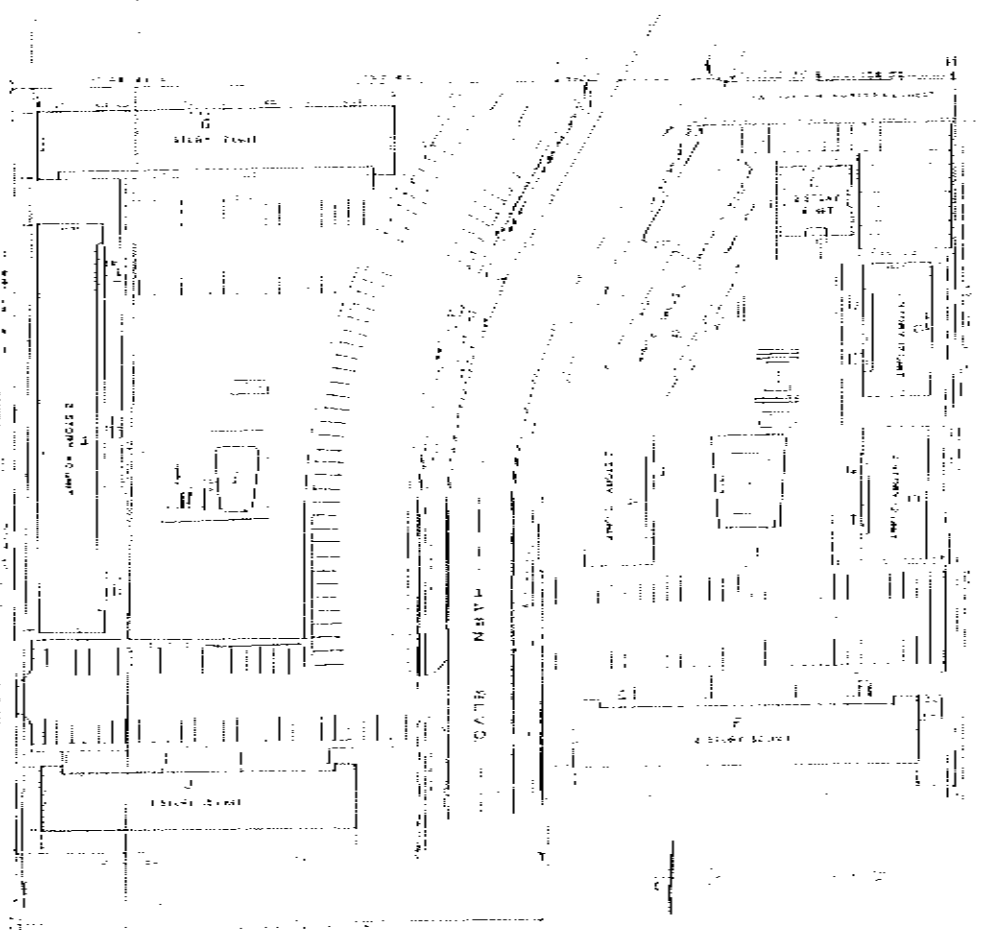
"As to Seller"

"Purchaser" (SEAL)

"As to Purchaser"

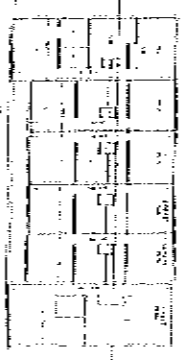
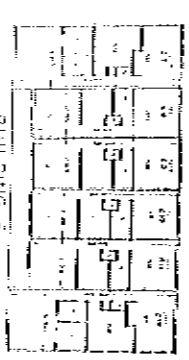
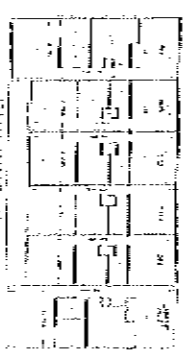
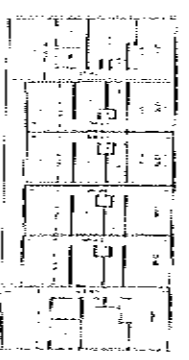
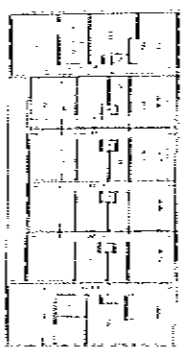
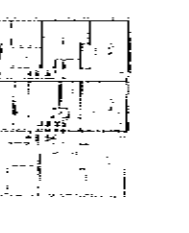
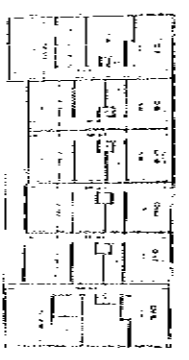
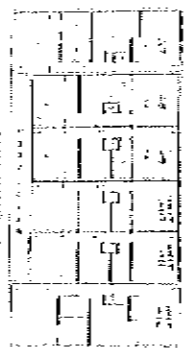
OR 4010 PM 1707

WILLOW RIDGE EAST
CONDOMINIUM III
SECTION 19, TOWNSHIP 29S, RANGE 9E, CLEARWATER, HILLSBORO COUNTY, FLORIDA



154 East 10th Street
Tampa, Florida 33602
Tel: 813-288-1111

SECTION 18, TOWNSHIP 23S, RANGE 6E, CLEARWATER, HILLS COUNTY, FLORIDA
PICO POINT RESERVE EAST
 CONDOMINIUM III

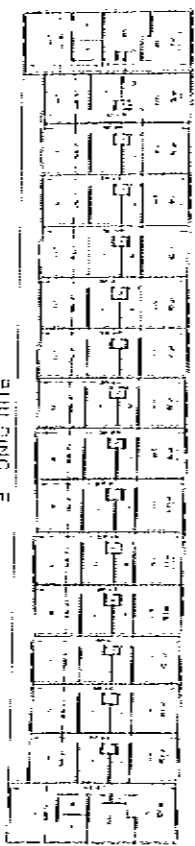


UNIT	AREA	PERCENTAGE	REMARKS
101	1,200	10.0%	
102	1,200	10.0%	
103	1,200	10.0%	
104	1,200	10.0%	
105	1,200	10.0%	
106	1,200	10.0%	
107	1,200	10.0%	
108	1,200	10.0%	
109	1,200	10.0%	
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142	1,200	10.0%	
143	1,200	10.0%	
144	1,200	10.0%	
145	1,200	10.0%	
146	1,200	10.0%	
147	1,200	10.0%	
148	1,200	10.0%	
149	1,200	10.0%	
150	1,200	10.0%	

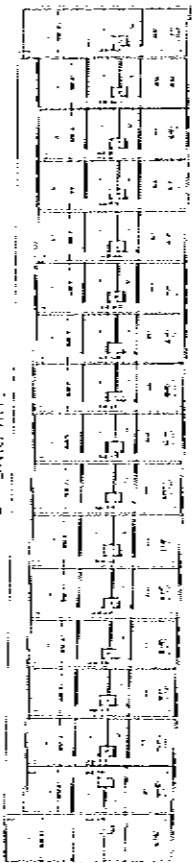
MORNINGSIDE EAST
CONDOMINIUM III
SECTION 10, TOWNSHIP 29S, RANGE 18E, CLEARWATER, PINELLAS COUNTY, FLORIDA



BUILDING #1
SECOND FLOOR OF TWO STORY CONDOMINIUM

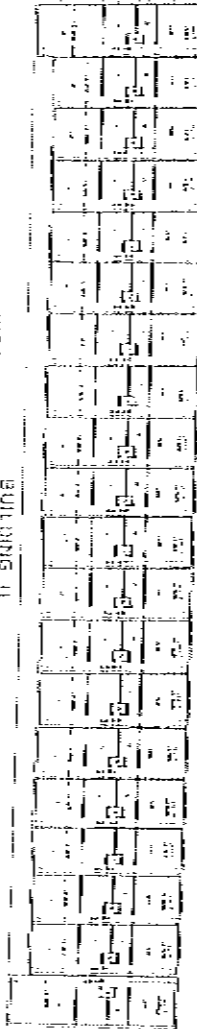


BUILDING #2
FIRST FLOOR OF TWO STORY CONDOMINIUM



BUILDING #3
FIRST FLOOR OF ONE STORY CONDOMINIUM

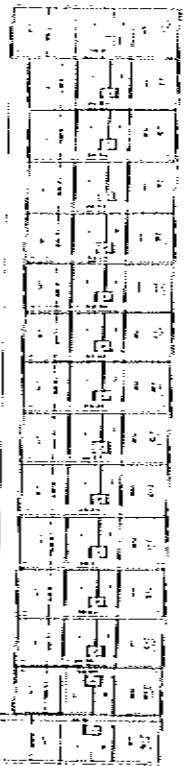
THE OAK HILL APARTMENTS
CONDOMINIUM III
SECTION 19, TOWNSHIP 28S, RANGE 18E, CLEARWATER, HILLSBORO COUNTY, FLORIDA



BUILDING II
FIRST FLOOR OF TWO STORY CONDOMINIUM



BUILDING I
FIRST FLOOR OF TWO STORY CONDOMINIUM



BUILDING V
FIRST FLOOR OF ONE STORY CONDOMINIUM

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

I. There are 126 standard one-bedroom units, each having a 0.005930% 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, 17, 18, 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 I, Units: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14.

II. There are 3 deluxe one-bedroom units, each having a 0.006803% ownership in the common elements. Said units are described as follows:

Building G, Units: 1, 17.

Building H, Units: 1, 20, 21, 40.

Building I, 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.

15

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 2500 Main Boulevard, Clearwater, Florida.

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

<u>Item</u>	<u>Received</u>
Proposals	<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 MORTUOSI DE CASTI, 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 MORTUOSI DE CASTI 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:

AND, THEREFORE, do IT AGREE 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.

(4) 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.

(b) 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 financial 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 2530 Haro Blvd., Clearwater, Florida, and to the Agent at 120 Indian Rocks Rd. N., Belleair Shiffs, 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.

William Hughes
President,

BY: _____
"ASSOCIATION"

Attest: DYNAMIC MANAGEMENT, INC.

[Signature]

[Signature]

"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	---	---

J.D. Smith Company, Inc.

0.0 10 10 1721

Termite and Pest Control
540 South Lake Drive
Clearwater, Fla. 33516
Clearwater 443 0465

Termite Control
608 W. Northbay
Tampa, Florida
Tampa 233 6544

September 25, 1979

Mr. J. Warren Hughes
Dynamic Investment, Inc.
3210 G. S. Roy 19 N.
Clearwater, Fla. 33515

Dear Sir:

As requested we inspected the property known as Morningside East Apartments, located at 2500 Harn Blv'd., Clearwater, Fla.

From our thorough inspection, Bldg. B; Bldg G and the Office Bldg. revealed a need for subterranean termite treatment.

The cost of this treatment is \$ 1,200.00 with a one year guarantee and an option to renew each year for a fee of \$ 100.00 per year.

This work will be done on October 1st. & 2nd. 1979, and the guarantee issued at that time. Same as the sample enclosed.

If I can be of further service to you please call our office.

Thank you.

Sincerely yours,
Joseph A. Czop
Joseph A. Czop

EXHIBIT NO. 10
0031

J.D. Smith Company

Full - 508.

FRANK & BEAT CONTARDI
510 South Lake Drive
Clearwater, Florida
Phone 443-0466

Date 9-27-70.

This contract is entered into between J. D. Smith Company and Mr. Schwartz & Fisher the
owner(s) of property and building is located at 2500 Babel Blvd in the City of Clearwater Florida
The J. D. Smith Company hereby undertakes to have the above described building(s) with the latest methods and materials established by official
research as being the most effective present, known to, Supermarket, Utility, Contract

Payment to be made as follows: AT CLOSING the sum of \$ 1,200.00

Upon payment in FULL of the above sum, J.D. Smith Company will provide and cover FULL KEYS from the closing date of this contract;
which keys shall include at least one through or interlocking and whatever is treatment may be deemed necessary by the J. D. Smith Company
to control any active infestation of bedbugs or termites.

J. D. Smith Company, agrees to extend this guarantee from year to year including annual re-inspection and re-treatment as necessary. In the
event of the structure for an amount for all REPAIRS payable on a per job, non-recurring, basis at the contract without lapse. The
owner reserves the right to terminate this contract at any time, and the contractor shall be bound to accept the annual renewal rate at the time of any subsequent renewal date by giving at least written notice to the owner.

This contract covers the necessary of the job in initial treatment and in the event the structure is infested or infested the treatment shall
be null and void unless such arrangements have been made for the company to include in its services and to include additional treatment if
necessary. Owner agrees to repair promptly any plumbing leaks or other conditions that might arise, maintain or check the chemical barrier.

Should this prospect be sold this service guarantee will pass with full providing all provisions of this contract have been completed with
this contract embodies the entire agreement between the parties and no condition, term, or representation shall be written, expressed or im-
plied, shall have, modify, or qualify the terms of this contract.

EXPIRES DATE 10-1-79

1 to and because of building:
OFFICE BLDG. BLDG - 2, 2405-R.
J. D. SMITH COMPANY

Accepted to all of its terms and provisions

By Frank & Beat Contardi
FRANK & BEAT CONTARDI

CHAIRMAN OF COMMITTEE

PETER **B**ROWN, INC.

CONTRACTORS/ENGINEERS
COMMERCIAL/INDUSTRIAL

6111 - 142nd Ave. N. St. Bay 4100 Clearwater, FL 33516 Telephone 544-1450

26 September 1979

Mr. J. W. Hughes
DYNAMIC INVESTMENTS, INC.
P.O. BOX 281
Clearwater, FL. 33516

RE: Horningside East Condominium III
2500 Hara 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 Horningside 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.

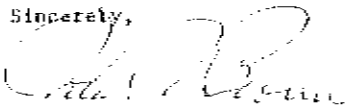
Sincerely,

Peter R. Brown, P.E.
President

EXHIBIT 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
Florida Engineer
Registration #6915

80053171

40 Rec 7.00
41 OS
42 Int 7.00
0 -

MORNINGSIDE EAST III, A Condominium

CERTIFICATE OF AMENDMENT
TO DECLARATION OF CONDOMINIUM

14 14302604 72 0000 01501
40 7.00
7.00 SK

This Certificate is a true and correct copy of a Resolution amending Article XVI of the Declaration of Condominium for MORNINGSIDE EAST III, a Condominium, according to the Declaration of Condominium recorded in Official Records Book 4919, Page 1671, et. seq., as amended in O.R. 4946, Page 133, all contained in the Public Records of Pinellas County, Florida.

Said Resolution was adopted by more than seventy-five percent of all owners present and voting at a meeting duly noticed and constituted for the amendment, which said meeting was held on the 26th day of March, 1980.

The adoption of the Resolution appears in the minutes of the above mentioned meeting and is unrevoked. Article XVI, Subparagraph (A) 10 is amended to read as follows:

"10. No pets are allowed in the Condominium development."

Article XVI, Subparagraph (A) is amended to include the following additional paragraph 12:

"12. Children under the age of sixteen (16) years shall not be permitted to live or reside as permanent residents in the Condominium. The developer shall not sell or lease, nor shall the Association approve resales or leases, of Condominium units to purchasers with children under the age of sixteen (16) years, who will reside as permanent residents in the Condominium. A permanent resident shall be defined as an individual residing in the Condominium development for a period greater than ninety (90) days in any twelve month period or during a calendar year, whichever is shorter."

Executed this 28th day of March, 1980, at Clearwater, Florida.

Signed, Sealed and Delivered in the Presence of:

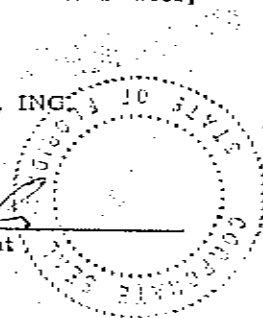
MORNINGSIDE EAST, INC.

HARRY S. CLINE
McNallen, Evelyn, Logan, Darquard & Cline, P.A.
FIRST NATIONAL BANK BUILDING
CLEARWATER, FLORIDA 33515

MARQUARDT & CLINE, P.A.
P. O. BOX 1669
CLEARWATER, FLA. 33517

[Signature]
[Signature]
[Signature]
[Signature]

By [Signature]
President
[Signature]
Secretary



APR 1 4 54 PM '80

Condominium plats pertaining hereto were filed in Condominium Plat Book 37, Pages 16 through 20, Pinellas County, Florida.

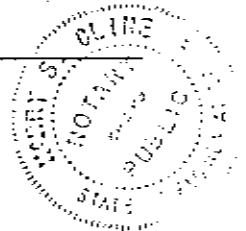
STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and to take acknowledgments, J. Warren Hughes and Frank C. Logan,
President and Secretary,
respectively of MORNINGSIDE EAST, INC., to me well known and known to be the persons described in and who executed the foregoing Certificate of Amendment, and they acknowledged before me that they executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County, Florida, this 28th day of MARCH, 1980.



Notary Public
My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT 12:01
MY COMMISSION EXPIRES APR. 9 1980
FOUNDED THROUGH LEGAL AND BUSINESS INTERESTS.



DE 513 11 Cliz
41 Rec 10.00 R
41 SS
43 Inc 10.00
Tct 10.00

MORNINGSIDE EAST III, A Condominium

CERTIFICATE OF AMENDMENT
TO DECLARATION AND EXHIBITS

DYNAMIC INVESTMENTS, INC., a Florida corporation, Developer of MORNINGSIDE EAST III, A Condominium, and MORNINGSIDE EAST, INC., the Association for said condominium certify that the following is a true and correct copy of a Resolution amending the Declaration of Condominium as originally recorded in Official Records Book 4919, Page 1671, et. seq. as set forth in the Public Records of Pinellas County, Florida.

Said Resolution was adopted by 100% of all owners of units present and voting at a meeting duly noticed and constituted for the amendment, which said meeting was held on the 1st day of November, 1979. The adoption of the Resolution appears in the minutes of said meeting and is unrevoked. The Resolution adopted, and the amendment made, is as follows:

1. PERCENTAGE OWNERSHIP IN COMMON ELEMENTS: The Supplement to Exhibit 7, set forth as at attachment to the said Declaration, Page 41 thereof, and which appears in Official Records Book 4919, at Page 1711, contains a scrivener's error:

(a) In Paragraph I, as to Building F; Apartment 16 is a two-bedroom apartment, and the said supplement is amended to show Apartment 16 as appearing under Paragraph III, Building F, as a two-bedroom apartment.

(b) Paragraph III under Building F, erroneously included Apartment 18; Apartment 18, Building F, is a one-bedroom apartment and the said supplement is amended to reflect that Apartment 18 is a one-bedroom apartment, and is properly placed in Paragraph I, Building F.

2. BUDGET: Exhibit No. 5 to the Declaration, Page 32 of the Declaration, and appearing at Official Records Book 4919, Page 1702, sets forth a projected budget for the condominium. The budget sets forth average unit monthly fees and average unit annual fees. The budget is amended to include the following breakdown for monthly and annual fees, based upon

McMullen, Everett, Logan, Marcoussis & Cline, P.A.
FIRST NATIONAL BANK BUILDING
CLEARWATER, FLORIDA 33517

RECORDED
OFFICE OF CLERK OF COURT
CLEARWATER, FLORIDA

Nov 21 10 22 AM '79

"Condominium Plats pertaining hereto are filed in Condominium Plat Book 37, Pages 16-20 Incl."

WETO: *Neu*
McMULLEN, EVERETT, LOGAN,
MARCOUSSET & CLINE, P.A.
P. O. BOX 1669
CLEARWATER, FLA. 33517

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me,
an officer duly authorized to administer oaths and to take acknowledgments,
J. Warren Hughes and Frank C. Logan,
Chairman and Secretary,
respectively of DYNAMIC INVESTMENTS, INC., to me well known and known
to be the persons described in and who executed the foregoing Certificate of
Amendment, and they acknowledged before me that they executed the same
freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County,
Florida, this 8th day of November, 1979.

Barbara J. Burtice
Notary Public
My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR 15 1983
BONDED THRU GENERAL INS. UNDERWRITERS

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me,
an officer duly authorized to administer oaths and to take acknowledgments,
J. Warren Hughes and Frank C. Logan,
President and Secretary,
respectively of MORNINGSIDE EAST, INC., to me well known and known
to be the persons described in and who executed the foregoing Certificate of
Amendment, and they acknowledged before me that they executed the same
freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County,
Florida, this 8th day of November, 1979.

Barbara J. Burtice
Notary Public
My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR 15 1983
BONDED THRU GENERAL INS. UNDERWRITERS

R 7.50

79199407

O.R. 4946 PAGE 136

MORNINGSIDE EAST III, a Condominium

RESOLUTION FOR, AND AMENDMENT OF, CORPORATE CHARTER

OF

MORNINGSIDE EAST, INC.

4188 7.00R
4189
4190
1.1 7.00

Condominium Plat Book 57, Pages 16-20 Incl.

HARRY S. CLINE
McMullen, Everett, Logan, Marquardt & Cline, P.A.
FIRST NATIONAL BANK BUILDING
CLEARWATER, FLORIDA 33615

The undersigned officers and directors of Morningside East, Inc., and Dynamic Investments, Inc., Developer of the Condominium known as Morningside East, said Developer being the owner of all units in said condominium, met on November 5, 1979 to discuss amendment the Articles of Incorporation for Morningside East, Inc. Following discussion, the following resolution was, upon motion duly made and seconded, unanimously adopted.

WHEREAS, Morningside East, Inc., was duly chartered on the 27th day of September, 1979 under Chapter 617, to administer Morningside East, a Condominium located at 2500 Harn Boulevard, Clearwater, Florida; and

WHEREAS, the Department of Business Regulations has required specific language in the corporate charter regarding the delegation of authority to any management company, it is

RESOLVED, that the Board of Directors for Morningside East, Inc., joined herein by the Developer, Dynamic Investments, Inc., deem it advisable and hereby amend the Articles of Incorporation for Morningside East, Inc., a Florida Corporation not-for-profit, as follows, and the referenced subparagraph in the original charter is deleted, and the following is adopted in lieu thereof:

Article X(2)(F) is amended to read:

To contract with any person or entity for the operation, maintenance and repair of the condominium property. The association shall, however, retain at all times the powers and duties granted it by the Condominium Act.

Except as herein amended, the Corporate Charter, filed as stated above, is in its entirety ratified and approved.

Nov 21 10 22 AM '79
CLERK

WITNESSES: Hally
McMULLEN, EVERETT, LOGAN,
MARQUARDT & CLINE, P.A.
D. O. FOR [unclear]

There being no further business to come before the meeting, it was, upon motion made, adjourned. All members of the Board of Directors and the current owner of all units waive further notice and agree to the meeting and the action taken, by joinder herein.

WITNESS AS TO ALL OFFICERS AND DIRECTORS FOR MORNING-SIDE EAST, INC. AND DYNAMIC INVESTMENTS, INC.

[Signature]

Barbara J. Anticini

MORNINGSIDE EAST, INC.

By: [Signature]
PRES. / DIRECTOR

By: [Signature]
DIRECTOR

By: [Signature]
DIRECTOR

DYNAMIC INVESTMENTS, INC.

By: [Signature]
PRESIDENT
(corporate seal)

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and to take acknowledgments, J. Warren Hughes, President and Director of Morningside East, Inc., Frank C. Logan, Director of Morningside East, Inc., and Harry S. Cline, Director of Morningside East, Inc., all to me well known and known to be the persons described in and who executed the foregoing and they acknowledged before me that they executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County, Florida, this 26th day of November, 1979.

Barbara J. Anticini
Notary Public
My Commission Expires: 2/28/80
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR 15 1980
BOOKED BY GENERAL REG. UNDERWRITERS

STATE OF FLORIDA
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and to take acknowledgments, J. WARREN HUGHES, Chairman of Dynamic Investments, Inc., to me well known and known to be the person described in and who executed the foregoing and he acknowledged before me that he executed the same freely and voluntarily for the purposes therein expressed.

WITNESS my hand and official seal at Clearwater, Pinellas County, Florida, this 26th day of November, 1979.

Barbara J. Anticini
Notary Public
My Commission Expires: 2/28/80
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAR 15 1980
BOOKED BY GENERAL REG. UNDERWRITERS

CONVERSION INSPECTION REPORT

(Excluding Termite Inspection)

INSPECTION:

Location of Building
2500 Harn Blvd.
Clearwater, Florida

DATE OF INSPECTION:

7 November 1979

DATE OF COMPLETION OF CONSTRUCTION OF THE IMPROVEMENTS:

Certificate of Occupancy issued by City of Clearwater, March 20, 1975.

TYPE OF CONSTRUCTION OF THE IMPROVEMENTS:

The facility consists of (2) service type buildings (9) living units of which (7) are two story and (2) are one story. Six of the seven two story masonry structures are load bearing masonry block on spread footers, fill cell pilaster, the second floor is hollow core precast slabs. The roof system is wood roof trusses, and all interior walls are masonry block. The other two story masonry structure is similar as described above except the interior non-load bearing walls are wood stud in lieu of masonry block. The exterior masonry walls are paint over stucco.

PRIOR USE OF IMPROVEMENTS:

Apartment units were rentals from completion of the buildings until this time.

RESULTS OF INSPECTIONSTRUCTURAL ELEMENTS:

1. Safety of structural elements with respect to the use intended:

Structural elements are safe for the use intended.

2. Soundness of structural elements:

A visual inspection of the facility does not evidence any masonry or concrete cracks other than hairline in isolated locations. No corrective action is deemed necessary.

CONDITION OF ROOF:

1. Safety of roof with respect to the use intended:

Roof is safe for the use intended.

2. Soundness of roof:

MAIL TO:
MCMAULLEN, EVERETT, LOGAN,
MARQUHART & CHINE, P.A.

With the exception of a built-up roof at the ridge of the roofs, all roofing is asphalt shingles on plywood deck. The one story building has shingles which are approximately (4) years old. One (2) story building was reshingled this year by the manufacturer under warranty (John Manville). All other roofs are (8) years old and the shingles continue to look well sealed and in good condition considering the age of the roof system.

MECHANICAL ELEMENTS:

1. Safety of mechanical elements with respect to the use intended:

Mechanical elements are safe for the use intended.

2. Soundness of each mechanical element:

The swimming pool equipment on the north pool should be sheltered from the elements. The pools were within (7) days of this inspection, inspected by Pinellas County Health Department and found to be in good workable condition.

The north living units have roof-top mounted compressor/condensers, one for each living unit (G.E. Air-to-Air 2 & 2½ ton units). They are in a condition commensurate with their age (8 yrs.). It is expected that the normal expected serviceable life of these units is 5 - 10 years.

The south living units have ground mounted compressors (Carrier 2 & 2½ ton units). The plastic fan blades have caused some maintenance problems but the units otherwise appear to be in good condition.

3. Functioning ability of mechanical elements:

The swimming pool system is functioning properly.

The air conditioning units are functioning properly.

PLUMBING ELEMENTS:

1. Safety of plumbing elements with respect to use intended:

Plumbing elements are safe for the use intended.

2. Soundness of plumbing elements:

All water piping above grade is copper and appears, in spot checks, to be in good condition. The hot water heaters are (9) years old in the north complex and nearing the end of their service life. Plumbing fixtures are in good condition.

3. Functioning ability of plumbing elements:

Plumbing elements function properly.

ELECTRICAL ELEMENTS:

1. Safety of electrical elements with respect to the use intended:

The electrical elements are safe for their intended use:

2. Soundness of electrical elements:

No sign of deterioration or faulty installation. Each apartment is separate metered with circuit breakers properly labeled, located in each apartment. Most secondary (110V) wiring within the apartments is copper and (220V) is aluminum. In addition the primary service feed to the panels is aluminum. Because of the life of the system, the lugs/connections of all aluminum wiring should be tightened.

3. Functioning ability of electrical elements:

Electrical elements function properly.

FIRE PROTECTION DEVICES:

1. Safety of fire protection devices with respect to the use intended:


The audible (Simplex) fire alarm pulls in the south units should be tested. All other fire protection equipment is satisfactory for its intended use.

2. Soundness of fire protection devices:

The fire extinguishers (about (1) for every (3) living units were tested and recharged within six months of this inspection.

3. Functioning ability of fire protection devices:

See note in paragraph (1) above relative to test of fire alarm system.



Peter R. Brown
Florida P.E. #6915

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 0.005909% 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, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31. *See Amendment*

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. *See Amendment*

16

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

