

P R O S P E C T U S

FOR

GULFSIDE VILLAS
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.

S U M M A R Y

1. THIS CONDOMINIUM IS CREATED AND BEING SOLD AS FEE SIMPLE INTERESTS.

2. THERE IS NO LAND OR RECREATIONAL FACILITIES LEASE ASSOCIATED WITH THIS CONDOMINIUM.

3. RECREATIONAL FACILITIES WILL NOT BE EXPANDED OR ADDED WITHOUT CONSENT OF UNIT OWNERS OF THE ASSOCIATION.

4. UNITS MAY BE TRANSFERRED SUBJECT TO LEASES.

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

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

7. THERE IS, OR IS TO BE, A CONTRACT FOR THE MANAGEMENT OF THE CONDOMINIUM PROPERTY.

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IMPORTANT MATTERS TO BE CONSIDERED
IN ACQUIRING A CONDOMINIUM UNIT

I. DESCRIPTION:

A. Name and Location Gulfside Villas, a condominium
700 Gulf Boulevard, North
Indian Rocks Beach, Florida 33535

B. Description of Condominium Property

Phase I: Phase I shall consist of two buildings,
containing 8 units; the number of bathrooms
and bedrooms in the units are as follows:

- (1) Four units in each building, each consisting
of 2 bedrooms, 2 baths, and one lounge.

Phase II: Phase II shall consist of a single building,
containing 7 units; the number of bathrooms
and bedrooms in the units are as follows:

- (2) Five units consisting of one bedroom, 2
baths, and one lounge; 2 units consisting of
2 bedrooms, 2 baths and one lounge.

Phase III: Phase III shall consist of a single building, con-
taining 6 units; the number of bathrooms and
bedrooms in the units are as follows:

- (3) Each unit shall consist of two bedrooms
and 2 baths.

Developer shall notify condominium owners, by
certified mail, using the addresses for the existing condo-
miniums, or as directed by the owners, of the decision to
add, or not to add, the additional phases.

A copy of the Survey for Phase I is attached as
Exhibit "7" to the Declaration of Condominium, together with the
Plot Plan showing the phased development. The estimated dates
for completion of the respective units in the phases are as follows:

Phase I: May 1, 1979
Phase II: December 31, 1979
Phase III: June 1, 1980

C. The maximum number of units that will use facilities in
common in the condominium is 21.

II. INTERESTS:

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

III. DESCRIPTION OF COMMONLY USED FACILITIES THAT WILL
BE USED BY UNIT OWNERS IN THE CONDOMINIUM.

No recreational facilities or personal property will be
provided.

IV. DESCRIPTION OF RECREATIONAL AND OTHER FACILITIES
THAT WILL BE USED IN COMMON WITH OTHER CONDOMINIUMS:

No facilities will be used with other condominiums, but if the Developer constructs Phases I and/or II, the owners in subsequent phases will have common rights of use in the common elements for the condominium, and Purchasers in Phase I and/or Phase II will have rights of use in the common elements for subsequent phases.

V. LEASING:

The Developer for Gulfside Villas plans to sell all units to individual purchasers; however, the Developer, in its sole discretion, reserves the right to enter into any lease or lease-purchase agreement on any unit, depending on market conditions. There are, therefore, circumstances under which UNITS MAY BE TRANSFERRED SUBJECT TO LEASES.

VI. MANAGEMENT AGREEMENT:

The Developer retains the right to enter into a Management Agreement with a company owned wholly or in part by Developer, or with a commercial real estate management company, for the management, maintenance and operation of the condominium and the association. A pro forma management agreement is attached as Exhibit "10" to the Prospectus, and if the Developer, in Developer's sole discretion, determines that it is advisable to enter into a Management Agreement, Developer will negotiate such agreement at a later date. Developer reserves the right to modify any terms or conditions set forth in the pro forma agreement, and represents only that such an agreement shall be for the purpose of normal management, maintenance and operation of the condominium, and that the initial term shall not exceed one year.

VII. RETAINED CONTROL BY DEVELOPER:

THE DEVELOPER HAS THE RIGHT TO RETAIN CONTROL OF THE ASSOCIATION AFTER A MAJORITY OF THE UNITS HAVE BEEN SOLD. The specific rights of retained control are set forth in Article II, paragraph 9, of the By-Laws, the By-Laws being attached to the Prospectus as Exhibit "4."

VIII. PHASED DEVELOPMENT OF CONDOMINIUM :

The Developer has, or will, submit Phase I to condominium ownership, consisting of 8 units, for residential condominium purposes. Developer has retained the option to expand the original condominium by committing subsequent residential units to the condominium. Developer is not obligated to submit Phases II or III to condominium ownership, and reserves the right to continue ownership of the properties shown in Exhibit "B" to the Declaration of Condominium, and as shown on the Plot Plan in Exhibit "7", or to transfer or to convey these said properties, free and clear of any condominium ownership. If submitted to condominium ownership, the submission will increase the number of units and residents in the area, and will decrease the percentage of ownership in the common elements as to prior owners. The percentage of ownership in the common elements for each apartment unit is shown in Exhibit "7" to the Prospectus, and the changing of the interest in

ownership is also shown in Exhibit "7" to the Prospectus. Subsequent phases may be added to the condominium by the execution of an amendment to the Declaration by the Developer only, or the Developer's successors and assigns, and such amendment shall not require the execution or consent of any unit owner or any individual other than the Developer, or the Developer's successors and assigns.

IX. RESTRICTIONS ON TRANSFER:

THE SALE, LEASE OR TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. Article XIII of the Declaration, attached to the Prospectus as Exhibit "2", sets forth the information pertaining to restrictions on sales and on leases.

X. SUMMARY OF RESTRICTIONS:

The units shall be used for single family residences only. No nuisances shall be allowed. No use of campers, trucks, motor homes or the like shall be permitted for dwelling purposes. None of the common areas can be used for temporary or permanent storage. No clothing, bedding or other items shall be dried or aired in any outdoor area. Purchasers should see Article XVII of the Declaration of Condominium, attached to this Prospectus as Exhibit "2".

XI. UTILITIES AND SERVICES:

The utilities for the condominium will be furnished as follows:

Sewer and Water Service	
Garbage Pick-Up	City of Indian Rocks Beach
Electricity	Florida Power Corporation
Storm Drainage	Positive Drainage
Telephone	General Telephone Company

XII. APPORTIONMENT OF COMMON EXPENSES:

The apportionment of common expenses and common surplus and the ownership of common elements have been apportioned on the basis of a fraction, determined by the number of units in the condominium. See Page 40.

XIII. ESTIMATED OPERATING BUDGET:

The estimated operating budget for the condominium and the association and a schedule of the unit owners' estimated expenses is attached as Exhibit "5" to the Prospectus. No reserves shall be established in such budget for so long as the Developer guarantees the monthly maintenance fees.

XIV. PURCHASER'S ESTIMATED CLOSING COSTS:

Unless otherwise provided in the contract of purchase, the purchaser shall pay for the cost of recording the warranty deed, which is approximately \$4.00, all costs and fees payable in connection with any mortgage, which costs vary according to the mortgage lender and the amount of the loan, the pro-rata share of maintenance expenses for the month of closing, the pro-rata share

of real estate taxes for the year of closing, and any utility deposits required by the municipalities involved. Title insurance, at rates customarily charged, and Revenue stamps on the Deed (documentary at \$. 30 per \$100. 00; Surtax at \$. 55 per \$500. 00) are costs of closing to be paid by the Purchaser.

XV. DEVELOPER:

The Developer of Gulfside Villas is Carol N. Brown, Inc. The Developer has not heretofore engaged in the development and sale of condominiums. Carol N. Brown, Inc. is a Florida corporation.