

EXHIBIT III

BYLAWS OF

GULF AIRE OF VENICE CONDOMINIUM ASSOCIATION, INC.

**A corporation not for profit
under the laws of the State of Florida**

- A. IDENTITY** - These are the Bylaws of GULF AIRE OF VENICE CONDOMINIUM ASSOCIATION, INC., called the Association in these Bylaws, a corporation not for profit under the laws of the State of Florida. The Articles of Incorporation of the Association were filed in the office of the Secretary of State on March 6, 1980. The Association has been organized for the purpose of administering a condominium as pursuant to Chapter 718, Florida Statutes, called the Condominium Act in these Bylaws, which condominium is identified by the name of GULF AIRE OF VENICE CONDOMINIUM and is located upon lands in Sarasota County, Florida. Said condominium is a phase project with seven phases projected. This association shall operate the residential units in all phases as though it were a single condominium.
1. The office of the Association shall be at 825 So. Tamiami Trail, Venice, Florida 33595.
 2. The fiscal year of the Association shall be the calendar year.
 3. 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:

Corp. Seal
(Seal on File)

- B. MEMBERS** –
1. **Roster of Members** – the Association shall maintain a roster of the names and mailing addresses of unit owners, which shall constitute a roster of members. The roster shall be maintained from evidence of ownership furnished to the Association from time to time to substantiate the holding of a membership and from changes of mailing addresses furnished from time to time. Each member shall furnish to the Association a copy of the evidence of his title substantiating his membership in the manner required by the Articles of Incorporation and the Declaration of Condominium.
 2. **Annual Meeting** – The annual members meeting shall be held on the 1st day of March in Venice, in each year at 5:00 p.m. local time, at such place in Venice, Florida, as the President or a majority of the Board of Directors shall determine provided, however, if that day is a legal holiday, the meeting shall be held at the same hour on the next day which is not a holiday. The purpose of the meeting shall be to elect directors and to transact any other business authorized to be transacted by the members; provided that if the date for the first annual meeting of members is less than six months after the first election of directors by the membership of the Association this annual meeting shall not be held, and the directors first elected by the membership of the Association shall serve until the date for the next following annual meeting.
 3. **Special Members' Meetings** shall be held at such places as provided for annual meetings whenever called by the President or by a majority of the Board of Directors, and must be called by those officers upon receipt of a written request from a majority of the members of the Association. The business conducted at a special meeting shall be limited to that stated in the notice of the meeting.
 4. **Notice of a Meeting** of the members stating the time and place and the objects for which the meeting is called shall be given by the officer calling the meeting. A copy of the notice shall be posted at a conspicuous

place on the condominium property and a copy shall be mailed by certified mail to each member entitled to attend the meeting except members who waive the notice in writing; the post office certificate shall be to the address of the member as it appears on the roster of members. The posting and mailing of the notice shall be affected not less than fourteen (14) days nor more than sixty (60) days prior to the date of the meeting. Notice of a meeting may be waived before or after the meeting.

5. **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 cast 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 Declaration of Condominium, the Articles of Incorporation or these Bylaws.
6. **Voting**
 - A. In any meeting of members the owners of units shall be entitled to cast one vote per unit unless the decision to be made is elsewhere required to be determined in another manner.
 - B. If a unit is owned by one person his right to vote shall be established by the roster of members. If a unit is owned by more than one person, or is under lease, the person entitled to cast the vote for the unit shall be designated by a certificate signed by all of the record owners of the unit according to the roster of unit owners and filed with the Secretary of the Association. If a unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated by a certificate signed by the president or vice president and attested by the secretary or assistant secretary of the corporation and filed with the Secretary of the Association. Those certificates 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 for a unit may be revoked by any owner of a share in the unit. If a certificate designating the person entitled to cast the vote for a unit is not on file, the vote of the owners shall not be considered in determining whether a quorum is present nor for any other purpose; provided that where a unit is owned by husband and wife, either unit owner shall be entitled to vote for the unit and shall be considered in determining whether a quorum is present, absent an apparent conflict.
7. **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 any lawfully adjourned meetings thereof. In no event shall any proxy be valid for a period longer than 90 days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the unit owner executing it. A proxy must be filed with the Secretary before the appointed time of the meeting, or before the time to which the meeting is adjourned. One person may hold no more than five proxies.
8. **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 a quorum is present, provided notice of the adjourned meeting is given in the manner required for notice of a meeting.
9. **The minutes of all meetings** of unit owners and the Board of Administration shall be kept in a book available for inspection by unit owners, or their authorized representatives, and board members at any reasonable time. The Association shall retain these minutes for a period of not less than 7 years.
10. **The order of business** at annual members' meetings and as far as practical at other members' meetings, shall be:
 - A. **Call to order by President**
 - B. **Election of chairman of the meeting**
 - C. **Calling of the roll and certifying of proxies**
 - D. **Proof of notice of meeting or waiver of notice**
 - E. **Reading and disposal of any unapproved minutes**
 - F. **Reports of officers**
 - G. **Reports of Committees**
 - H. **Election of Inspectors of election**
 - I. **Determination of number of directors**
 - J. **Election of directors**
 - K. **Unfinished business**

L. New business

M. Adjournment

11. **Proviso** – Provided, however, that until a majority of the directors of the Association are elected by the members other than the Developer of the condominium, the proceedings of all meetings of members of the Association shall have no effect unless approved by the board of directors.

C. DIRECTORS

1. **Membership** – The affairs of the Association shall be managed by a board of not less than three nor more than seven directors, the exact number to be determined at the time of election.
2. **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 five members shall be appointed by the board of directors not less than 30 days prior to the annual members' meeting. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.
 - C. **The election** shall be by ballot (UNLESS DISPENSED BY UNANIMOUS CONSENT) and by a plurality of the votes cast, each person voting being entitled to cast his votes 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 member of the board of administration may be recalled and removed from office with or without cause by the vote or agreement in writing by a majority of all unit owners. A special meeting of the unit owners to recall a member or members of the board of administration may be called by 10 percent of the unit owners giving notice of the meeting as required for a meeting of unit owners, and the notice shall state the purpose of the meeting.
 - F. Provided, however, that until a majority of the directors are elected by the members other than the Developer of the condominium, neither the first directors of the Association nor any directors replacing them nor any directors named by the Developer shall be subject to removal by members other than the Developer. The first directors and directors replacing them may be removed by the Developer.
3. **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, provided that the terms of the first directors shall be as set forth in Article V of the Articles of Incorporation of the Association.
4. **The organization meeting** of a newly-elected board of directors shall be held within ten days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected.
5. **Regular meetings** of the board of directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice to officers and directors of regular meetings shall be given to each director, personally or by mail, telephone or telegraph, and shall be transmitted at least three days prior to the meeting.
6. **Special meetings** of the directors may be called by the President and must be called by the Secretary at the written request of one third of the directors. Notice to officers and directors 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, and shall be transmitted not less than three days prior to the meeting.
7. **Notice of Meetings** – All meetings open to unit owners. All meetings of the board of administration shall be open to all unit owners. Adequate notice of all meetings shall be posted conspicuously on the condominium property at least 48 hours in advance, except in an emergency. Notice of any meeting where assessments against unit owners are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

8. **Waiver of Notice** – Any director may waive notice of a meeting before or after the meeting and that waiver shall be deemed equivalent to giving of notice.
 9. **A quorum** at directors’ meetings shall consist of a majority of the entire board of directors. The acts approved by a majority of those present at a meeting 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 Bylaws.
 10. **Adjourned Meetings** - 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.
 11. **The presiding officer** of directors’ meetings 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, the director present shall designate one of their numbers to preside.
 12. **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
 - H. Adjournment
 13. **Directors’ Fees**, if any, shall be determined by the members.
- D. POWERS AND DUTIES OF THE BOARD OF DIRECTORS** - All of the powers and duties of the Association existing under the Condominium Act, Declaration of Condominium, Articles of Incorporation and these Bylaws shall be exercised exclusively by the board of directors, its agents, contractors or employees, subject only to approval by unit owners when that is specifically required.
- E. OFFICERS**
1. **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, and Assistant Secretary, all of whom shall be elected annually by the board of directors and who may be peremptorily removed at any meeting by concurrence of a majority of all of the directors. A person may hold more than one office except that the President may not also be the secretary or assistant secretary. No person shall sign an instrument nor perform an act in the capacity of more than one office. The board of directors from time to time shall elect such other officers and designate their powers and duties as the board shall find to be required to manage the affairs by the Association.
 2. **The President** shall be the chief executive officer of the Association. He shall have all of the powers and duties that are usually vested in the office of president of an association, including but not limited to the power to appoint committees from among the members from time to time to assist in the conduct of the affairs of the Association as he in his discretion may determine appropriate.
 3. **The Vice President** shall exercise the powers and perform the duties of the President in the absence or disability of the President. He also shall assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.
 4. **The Secretary** shall keep the minutes of all proceedings of the directors and the members. He shall attend to the 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 shall affix it to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the directors or the President.
 5. **The Assistant Secretary** shall exercise the powers and perform the duties of the secretary in the absence or disability of the secretary.
 6. **The Treasurer** shall have custody of all property of the Association including funds, securities and evidences of indebtedness. He shall keep books of account for the Association in accordance with good accounting practices,

which, together with substantiating papers, shall be made available to the board of directors for examination at reasonable times. He shall submit a treasurer's report to the board of directors at reasonable intervals and shall perform all other duties incident to the office of treasurer.

7. The compensation of all officers and employees of the Association shall be fixed by the directors. The provision that directors' fees shall be determined by members shall not preclude the board of directors from employing a director as an employee of the Association nor preclude the contracting with a director for the management of the condominium.

F. FISCAL MANAGEMENT – The provisions for fiscal management of the Association set forth in the Declaration 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 to be made within the year for which the budget is made, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to capital surplus or to additional improvements. The balance in this fund at the end of each year shall be applied to reduce the assessments for current expense for the succeeding year.
 - B. **Capital surplus for:**
 1. **A reserve account** for capital expenditures and deferred maintenance, which shall include funds for maintenance items that occur less frequently than annually.
 2. **Replacements** which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.
 3. **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. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications including if applicable, but not limited to, those expenses listed in Florida Statute 718.504(20) and shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts according to good accounting practices as follows:
 - A. **Current expense**, the amount for which shall not exceed 115% of the budget for the account for the prior year.
 - B. **Deferred maintenance, the amount** for which shall not exceed 115% of the budget for this account for the prior year.
 - C. **Replacements**, the amount for which shall not exceed 115% of the budget for this account for the prior year.
 - D. **In addition to annual operating expenses**, the budget shall include reserve accounts for capital expenditures and deferred maintenance. These accounts shall include, but not be limited to, roof replacement, building painting, and pavement resurfacing. The amount to be reserved shall be computed by means of a formula which is based upon estimated life and estimated replacement cost of each reserve item.
 - E. **Betterments**, 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, the amount for which shall not exceed \$20,000; provided, however, that in the expenditures of this fund no sum in excess of \$2,500 shall be expended for a single item or purpose unless the item or purpose has been approved by the members.
 - F. Provided, that the amount for each budgeted item may be increased over the foregoing limitations when approved by members entitled to cast not less than 75% of the votes of the entire membership of the Association; however, as long as the developer is in control of the board of administration, the board shall not impose an assessment for any year greater than 115% of the prior fiscal or calendar year's assessment without approval of a majority of all unit owners.
 - G. It is further provided, that until the Developer of the condominium has completed all of the contemplated improvements and closed the sales of all units in all phases of the condominium, or until May, 1983, or until the Developer elects to pay its pro rata share of assessments for common expenses, whichever shall first occur, there will be no budget for the condominium. Instead, the owners of units that have been sold by

the Developer will be assessed for common expenses at the rates stated in their contracts for purchase of units, and the Developer will be assessed for the amounts by which the common expenses exceed the amounts assessed against the owners of units sold by the Developer. During this period no provisions will be made for betterments or capital surplus.

- H. Copies of proposed budget and proposed assessments shall be mailed to each member not less than 30 days prior to the annual meeting of the board of directors at which the proposed budget will be considered for adoption, together with a notice of that meeting. If the budget is amended subsequently, a copy of the amended budget shall be furnished to each member. Said meeting shall be open to all unit owners. In the event the adopted budget exceeds 115% of the assessments for the preceding year, the board shall call a special meeting of the unit owners upon:
1. Written application of 10% of the unit owners to the board within thirty days after said adoption by the board.
 2. Written notice shall be sent not less than ten days prior to the meeting and held within thirty days of receipt of the petition to the board requesting the meeting. At the special meeting unit owners shall consider and enact a budget, which budget shall be adopted by a vote of not less than a majority of all unit owners.

In determining whether assessments exceed 115% of the assessments for the preceding year, the following shall be excluded:

1. Authorized provisions for reasonable reserves for repair or replacement of condominium property;
 2. Anticipated expenses by the condominium association which are not anticipated being accrued on a regular or annual basis;
 3. Assessments for betterments to the condominium property.
3. **Assessments** - Assessments against the unit owners for their shares of the items of the budget shall be made by the board of directors for the calendar year annually in advance on or before **December 10th preceding** the year for which the assessments are made. The amount required from each unit owner to meet the annual budget shall be divided into four equal assessments, one of which shall be due on the first day of each calendar quarter of the year for which the assessments are made, or thirty days after the mailing to the unit owners concerned of a statement for the assessment coming due, whichever date shall last occur. If assessments are not made annually as required, quarterly assessments shall be presumed to have been made in the amount of the last prior quarterly assessment, and assessments in this amount shall be due on the first day of each calendar quarter until changed by an amended assessment. In the event a quarterly assessment shall be insufficient in the judgment of the board of directors to provide funds for the anticipated current expense for the ensuing quarter and for all of the unpaid operating expenses previously incurred, the board of directors shall amend the budget and shall make amended quarterly assessments for the balance of the year in sufficient amount to meet these expenses for the year; provided, however, that any account of the amended budget that exceeds the limit upon increases for that year shall be subject to the approval of the membership of the Association as previously required in these Bylaws.

Financial Report – Within 60 days following the end of the fiscal or calendar year, the board of administration of the association shall mail or furnish by personal delivery to each unit owner a complete financial report of actual receipts and expenditures for the previous 12 months. The report shall show the amounts of expenses by accounts and expenses. Classifications including, if applicable, but not limited to the following:

- a. Cost for security
- b. Professional and management fees and expenses
- c. Taxes
- d. Cost for recreation facilities
- e. Expenses for lawn care
- f. Expenses for refuse collection and utility services
- g. Cost for building maintenance and repair

- h. Insurance costs
 - i. Administrative and salary expenses; and
 - j. General reserves, maintenance reserves and depreciation reserves.
4. **Assessment for charges** - Charges by the Association against members for other than common expense shall be payable in advance. Those charges may be collected by assessment in the same manner as common expenses, and when circumstances permit, those charges shall be added to the assessments for common expense. Charges for other than common expenses may be made only after approval of a member, and may include but shall not be limited to charges for the condominium property when authorized by the Declaration of Condominium, maintenance services furnished at the expense of a member and other services furnished for the benefit of a member.
 5. **Assessments for emergencies** – Assessments for common expenses of emergencies that cannot be paid from the annual assessments for common expenses shall be due only after 10 days’ notice is given to the unit owners concerned, and shall be paid in such manner as the board of directors of the association may require in the notice of assessment.
 6. **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 moneys of the association shall be deposited. Withdrawal of moneys from those accounts shall be only by checks signed by such persons as are authorized by the directors.
 7. **An audit** of the accounts of the association shall be made annually by a certified public accountant, and a copy of the audit report shall be furnished to each member not later than April 1 of the year following the year for which the unit is made.
 8. **Fidelity bonds** shall be required by the board of directors from all officers or directors who control or disburse funds of the Association. The amount of those bonds and the sureties shall be determined by the directors. The premiums on the bonds shall be paid by the Association.

PARLIAMENTARY RULES – Roberts’ Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Condominium, Articles of Incorporation or these Bylaws.

AMENDMENT – Except as otherwise provided herein, or by law, these Bylaws may be amended in the manner set forth in the condominium statute 718.112(2) (i), Laws of Florida, 1979.

1. Proviso – Provided, however, that no amendment shall discriminate against any member nor against any unit or class or group of units unless the members so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or the Declaration of Condominium.
2. Execution and recording – A copy of each amendment shall be attached to a certificate certifying that the amendment was duly adopted as an amendment of the Declaration and Bylaws, which certificate shall be executed by the officers of the Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the public records of Sarasota County, Florida.

The foregoing were adopted as the Bylaws of GULF AIRE OF VENICE CONDOMINIUM ASSOCIATION, INC., a corporation not for profit under the laws of the state of Florida, at the first meeting of the board of directors on 1st day of April, 1980.

Secretary
(Signature on File)

APPROVED:

President
(Signature on File)