

STATE OF FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

Lawton Chiles Governor

December 11, 1998

Richard T. Farrell
Secretary

Mr. David S. Bernstein Ruden, McClosky, Smith, Schuster & Russell, P. A. Post Office Box 14034 St. Petersburg, FL 33733

RE:

COUNTRYSIDE ESTATES ROC, INC.

PR2V024557

Dear Mr. Bernstein:

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

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

Sincerely,

Marta E. Scott Acting Supervisor

Julie Baker Acting Chief

JB/MES/ji

cc:

COUNTRYSIDE ESTATES ROC, INC. 25199 Cortez Boulevard Brooksville, FL 34601

COUNTRYSIDE ESTATES ROC, INC. A FLORIDA NOT-FOR-PROFIT CORPORATION DESCRIPTION OF THE COOPERATIVE

NAME AND LOCATION:

- (a) COUNTRYSIDE ESTATES ROC, INC., a Florida not-for-profit corporation, (the "Cooperative" or "Association") 25199 Cortez Boulevard Brooksville, FL 34601
- (b) The maximum number of units that will use the common facilities is 111. As used herein, the term "unit" or "units" refers to the cooperative parcel upon which a member's manufactured home is located or a rental parcel upon which a nonmember's manufactured home is located, as said parcels are shown on the Plot Plan which is **Exhibit "10"** to this Prospectus.
- 2. THE COOPERATIVE PLANS TO LEASE ALL OF THE UNITS OF THE COOPERATIVE THROUGH THE ISSUANCE OF MEMBERSHIP CERTIFICATES AND BY THE EXECUTION OF MEMORANDA OF THE MASTER FORM OCCUPANCY AGREEMENT, WHICH IS TO BE RECORDED IN THE PUBLIC RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED. THERE WILL BE ANNUAL LEASES OF THE UNITS REPRESENTED BY UNSOLD MEMBERSHIP CERTIFICATES IN THE COOPERATIVE TO TENANTS WHO ARE NOT MEMBERS OF THE COOPERATIVE, BUT RESIDE ON THE PROPERTY, UNDER CHAPTER 723, FLORIDA STATUTES (THE FLORIDA MOBILE HOME ACT).

DESCRIPTION OF THE COOPERATIVE AND UNITS:

- (a) The Cooperative was formed to purchase a fully-developed Mobile Home Park of one hundred eleven (111) spaces known as COUNTRYSIDE ESTATES MOBILE HOME PARK, located in Hernando County, Florida (the "Property").
- (b) Each unit is provided with hookups for central utilities such as water, sewer, electricity and telephone. The Cooperative will own all of the improvements to the Real Property but will not own any of the mobile homes or personal property placed on or in said homes or otherwise on the unit.
- (c) A copy of the complete Plot Plan showing the location of the units and other facilities used by the members and nonmembers is included in **Exhibit "10"** of this Prospectus.
 - (d) All spaces within the Park are one of the following approximate sizes:

LOT NO.	SIZE	
1	73.5 x 110 [irregular]	
2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 133, 134, 135, 136	56 x 110	
32, 33, 34, 35, 36, 37, 38, 39	57 x 108	
40, 41, 42	85 x 86.8	

LOT NO.	SIZE 56 x 90	
44, 45, 46, 47, 48, 71, 72, 73, 74, 75, 76, 78, 79, 80, 81, 82, 83, 84, 107, 108, 109, 110, 111, 112, 113, 114		
49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 77	58 x 90	
59, 60, 158, 159, 180	60 x 90 [irregular]	
137	60 x 90 57.5 x 90	
85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106		
95	65.9 x 90	
96	65.5 x 90	

The lot sizes used herein are only approximations. The lots in the Park have not been surveyed and some spaces may be larger or smaller than as described herein. Any exceptions to these sizes exist as the result of engineering and/or construction errors without complaint of the homeowner or existing governmental authorities.

The Park does not contain lots within defined lot lines. Spaces have been allocated in such a manner as to provide homeowners adequate outside living space. The Cooperative has no evidence to indicate that setback and separation requirements in existence at the time of the allocation were not satisfied.

(e) There are several requirements of law with respect to how far each mobile home within the Park must be set back from the borders of its lot and the distance that must be maintained from each mobile home in the Park and its supporting facilities and structures in the Park.

Pursuant to Section 4A-42.005 of the Florida Administrative Code ("FAC"), the State Fire Marshall has adopted the code of the National Fire Protection Association. The applicable provisions of that code provide as follows:

5-2.1 Fire Safety Separation Requirements

5-2.1.1

Any portion of a manufactured home, excluding the tongue, shall not be located closer than 10 ft. (3.04 m) side to side, 8 ft. (2.44 m) end to side, or 6 ft. (1.83 m) end to end horizontally from any other manufactured home or community building unless the exposed composite walls and roof of either structure are without openings and constructed of materials which shall provide a one-hour fire rating, or the structures are separated by a one-hour fire rated barrier.

5-4 Accessory Building or Structure Fire Safety Requirements

5-4.1

A carport, awning, ramada, or open (screened) porch shall be permitted to be located immediately adjacent to a site line when constructed entirely of materials which do not support combustion and provided that such facilities are not less than 3 ft. (0.91 m) from a building, cabana, or enclosed porch on an adjacent site. A carport, awning, or ramada or open (screened) porch using combustible materials shall not be located closer than 5 ft. (1.52 m) from the site line of an adjoining site.

In addition to the requirements of the State Fire Marshall, Hernando County, Florida, has enacted certain zoning regulations controlling the setback and separation of mobile homes within the Park as follows:

- (i) Front Yards: twelve (12') feet
- (ii) Side Yards: ten feet (10') feet
- (iii) Rear Yards: twelve (12') feet

The requirements quoted and referenced above of the various governing agencies having jurisdiction in these matters may overlap or be inconsistent with one another. In addition, governmental rules or regulations are subject to amendment or repeal. No representation is made hereby as to the interpretation of the requirements quoted and referenced above. Prospective Members are strongly advised to make their own independent inquiry with the above-referenced authorities with respect to these matters.

Please note that the above-quoted and referenced requirements concern only the setback and separation requirements applicable to the Park on the filing date of this Prospectus, and that any one or more of such requirements may be subsequently modified or repealed. No continuing obligation is undertaken by the Cooperative to advise any Member of any subsequent modification, future adoption of additional requirements by governmental body, or future repeal of these provisions. The requirements stated above may not be applicable to the Park, in whole or in part, due to the placement of homes in the Park prior to the enactment of those requirements, vested rights established under earlier ordinances, statutes or laws; or due to subsequent judicial decisions interpreting these or other laws. The prospective Member is advised to obtain further information regarding installation of mobile homes in the Park from the appropriate permitting authority.

4. DESCRIPTION OF THE RECREATIONAL AND OTHER FACILITIES:

- (a) There is no recreational facilities lease associated with this Cooperative. The members are not required to be lessees of or pay rental under any recreational lease.
- (b) The Association may charge use fees or maintenance fees for the right of exclusive use of the common areas.
- (c) Recreational and other facilities being committed to cooperative ownership as common facilities are described commencing on Page 8, below.
- 5. THE COOPERATIVE IS BEING CREATED BY CONVERSION OF AN EXISTING FULLY-DEVELOPED MOBILE HOME PARK.
- 6. THE COOPERATIVE WILL BE COMPLETELY UNDER THE CONTROL OF THE MEMBERS AND THE ASSOCIATION. NO OTHER PERSON HAS CONTROL OF ANY PROPERTY THAT WILL BE USED BY THE MEMBERS. REFER TO THE MASTER FORM OCCUPANCY AGREEMENT AND BYLAWS FOR FURTHER DETAILS ON COOPERATIVE CONTROL.

- 7. THE OFFEROR IS THE COOPERATIVE AND, THEREFORE, THE COOPERATIVE CONTROLS THE CONVERSION AND THE COOPERATIVE CORPORATION FROM THE OUTSET.
- 8. THE SALE OF MEMBERSHIP CERTIFICATES AND THE TRANSFER OF UNITS IS RESTRICTED OR CONTROLLED. SEE PARAGRAPH 17 OF THE MASTER FORM OCCUPANCY AGREEMENT AND REFER TO THE BYLAWS AND THE RULES AND REGULATIONS.
- 9. COPIES OF THE MASTER FORM OCCUPANCY AGREEMENT (Exhibit "6") AND THE BYLAWS (Exhibit "2") ARE ATTACHED.
- 10. THE MASTER FORM OCCUPANCY AGREEMENT (Exhibit "6") AND THE RULES AND REGULATIONS (Exhibit "11") ARE ATTACHED. THESE DOCUMENTS CONTAIN CERTAIN RESTRICTIONS, A SUMMARY OF WHICH ARE:
- (a) Each unit, and mobile home occupied thereon, shall be maintained by the residents residing thereon.
- (b) The recreation facilities are for the use of the members, tenants and guests which they accompany.
- (c) Use of the recreational facilities are subject to certain rules regarding the age of the guests, apparel, hours of use and the like.
- (d) There are limitations on a period of time that a guest may stay in a mobile home located on a unit, and there are certain charges imposed if the guest stays beyond the allowed time.
- (e) There are regulations on the speed of vehicles and other uses of the driveways and thoroughfares throughout the Property.
- (f) It is the intent of the Corporation that the Park be operated as a retirement community for older persons. At least one resident per unit must be at least fifty-five (55) years of age, unless they were already in residence prior to the formation of the Cooperative. With respect to all new Members or tenants, at least one resident of each unit must be fifty-five (55) years of age or older. Persons under eighteen (18) years of age are not allowed to reside at the Property. See Section 2A of the Rules and Regulations.
- (g) Members are permitted to have pets under certain restrictions, as set forth in Section 21 of the Rules and Regulations (the Cooperative reserves the right to impose additional restrictions in the future with regard to pets upon proper notice to all members and amendment to this Prospectus.)
- (h) The assignment of an occupancy agreement and transfer of a membership certificate is subject to certain restrictions which require application on a form provided by the Association for consent to the transfer, which consent shall be given or withheld upon the grounds set forth in the Master Form Occupancy Agreement. The Master Form Occupancy Agreement further sets forth the time period within which the consent must be given or denied.

SEE PARAGRAPH 17 OF THE MASTER FORM OCCUPANCY AGREEMENT FOR FURTHER RESTRICTIONS.

11. THERE IS NO LAND OFFERED BY THE OFFEROR FOR USE BY THE MEMBERS THAT IS NOT OWNED BY THE COOPERATIVE.

12. UTILITIES WHICH SERVE THE COOPERATIVE ARE AS FOLLOWS:

Water Supply:

Association

Sewer System: Waste Disposal:

Association Association

Electricity:

Withlacoochee Electric

Telephone:

Bell South

Cable TV: Storm Drainage:

Time Warner
On-site storm drains

Trash Disposal:

BFI

Gas Service:

Not Available

- 13. THE COOPERATIVE WILL BE MANAGED INITIALLY BY AIC MANAGEMENT PARTNERSHIP, d/b/a BRANDYWINE COMMUNITIES. SEE PARAGRAPH 20 OF THIS PROSPECTUS AND A COPY OF THE MANAGEMENT CONTRACT ATTACHED AS EXHIBIT "18" TO THIS PROSPECTUS. THIS IS SUBJECT TO CHANGE.
- 14. THE FUNDS FOR THE PAYMENT OF COMMON EXPENSES SHALL BE COLLECTED BY ASSESSMENTS AGAINST THE OWNER OF EACH UNIT IN THE PROPORTION OF SHARING COMMON EXPENSES WHICH SHALL BE ON A PRO-RATA BASIS DETERMINED BY A FORMULA EQUAL TO A FRACTION, THE NUMERATOR OF WHICH SHALL BE ONE (1), AND THE DENOMINATOR OF WHICH SHALL BE THE TOTAL NUMBER OF UNITS REPRESENTED BY SOLD MEMBERSHIP CERTIFICATES IN THE COOPERATIVE. THE EXACT AMOUNT OF MAINTENANCE OR COMMON EXPENSE CHARGES MAY BE INCREASED OR DECREASED BASED UPON AN INCREASE OR DECREASE IN THE OPERATING BUDGET OF THE CORPORATION, AS ADOPTED FROM TIME TO TIME BY THE DIRECTORS.
- 15. THE ESTIMATED OPERATING BUDGET OF THE INDIVIDUAL UNITS AND THE ASSOCIATION ARE INCLUDED IN EXHIBIT "3" OF THE PROSPECTUS.
 - 16. THE ESTIMATED CLOSING COSTS TO BE PAID BY THE MEMBER CONSISTS OF:
 - (a) Attorney's fees for Member's attorney, if any.
 - (b) Mortgage financing costs and stamps on note and mortgage, if applicable.
 - (c) All recording costs attributable to the transaction.

At this time, the Cooperative neither offers or provides an attorney's opinion of title or Title Insurance on the individual units. In the event either is obtained by a Member, it will be at the Member's sole cost and expense. The Cooperative reserves the right, however, to offer such title opinion or insurance in the future.

- 17. THE OFFEROR IS COUNTRYSIDE ESTATES ROC, INC., A FLORIDA NOT-FOR-PROFIT CORPORATION.
- 18. THE PRINCIPAL DIRECTING THE CREATION AND DEVELOPMENT OF THE COOPERATIVE IS:
- (a) There is no principal individual directing the creation and development of the Cooperative. The Cooperative is being offered by a not-for-profit corporation organized under <u>Florida Statutes</u>, Chapters 617 and 719, by certain residents in COUNTRYSIDE ESTATES ROC, INC. Those

residents formed a corporation for the purpose of purchasing the Property from the prior owner, which purchase has been completed, and converting the Property into a cooperative form of ownership. The individuals have no previous experience in development of cooperatives, are not being paid any fees of any nature whatsoever in connection with the formation of the Cooperative and the conversion to a cooperative form of ownership. They are not paid salaries and receive no compensation for their services.

- (b) The Cooperative is not the original developer of the Property, and acquired it with all facilities and recreation areas already in place at the time of acquisition. These facilities and common areas are subject to governmental compliance and any use rights therein acquired by the Cooperative, or any members thereof, incident to any ownership interest in the Cooperative, or interest in the Property, are expressly subject to the rights of the state or local government to enter any appropriate order or requirement with respect thereto which, in turn, could result in the termination of any usage right thereto by members and nonmembers.
- The Property was not originally developed by the Cooperative. It acquired completed (c) units which were constructed by the Developer. Section 719.203, Florida Statutes, provides for certain statutory warranties which are deemed to be granted by the Developer and such contractor or contractors as may have been involved in the construction of the Property. At present, it is uncertain whether the Cooperative may be responsible for the statutory warranties referred to above. In the event that a court of law of competent jurisdiction determines that the Cooperative is responsible for these statutory warranties, then the Cooperative shall accept such responsibility to the extent such warranties have not otherwise expired pursuant to said Section 719.203. Otherwise, it is the Cooperative's intent to disclaim said warranties, and, to the extent permitted by law, the Cooperative hereby disclaims said warranties. In addition to the foregoing, the Cooperative hereby disclaims, and each member, by membership in the Cooperative, hereby waives, all other express or implied warranties with respect to the Property and each unit, all buildings and improvements, and all appurtenances thereto, including all EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND HABITABILITY. In the event a court of competent jurisdiction shall determine that any disclaimer hereunder is ineffective, the parties agree that any action brought thereunder shall be brought within one (1) year from the date of the applicable member's closing on the purchase of the unit or within such shorter or longer period as said court may determine.
- The Cooperative Association is in operation as a retirement community for older persons. Therefore, with respect to all new tenants or Members, at least one resident of each unit must be 55 years of age or older. Restrictions based on age in communities such as this are prohibited by the 1988 legislative amendments to the Federal Fair Housing Act (the "Act") unless exempted therefrom. The Department of Housing and Urban Development ("HUD"), the federal agency responsible for implementing the amendments to the Fair Housing Act, has published rules to interpret the new provisions of the Act and the exemptions thereto. One such exemption is the "55 or older" exemption. The Association's policy is that the Association meets the "55 or older" exemption because (i) the Association has in place policies and procedures which evidence the intent that this property be utilized for the housing of older persons; (ii) eighty percent (80%) of the Units are occupied by at least one (1) person 55 years of age or older; and, (iii) the Property has significant facilities and services specifically designed for the physical and social needs of older persons. Facilities include a clubhouse with a large meeting room, kitchen, swimming pool, bocci court, and shuffleboard courts. Services include social and recreational events, meetings, tournaments, programs, scheduled trips and organized activities on a regular basis. The Rules and Regulations of the Association, which is Exhibit "11" to this Prospectus, contains the specific rule governing this age restriction. The Association policy is that the Cooperative qualifies for the aforementioned exemption. It shall accept full responsibility for compliance with the Act, should a court of competent jurisdiction determine that it does not so qualify. The Association presently plans to continue to provide those facilities and services which it believes allows it to qualify for this exemption. By doing so, there is no guarantee that the Association is exempt, or shall maintain adult status under the Act. The Association specifically reserves the right to take

whatever action is necessary, in its sole judgment, to manage and operate the Cooperative in compliance with all laws and regulations applicable thereto, including the Act.

19. There is a Management Agreement for the management of the Property executed between the Association and AIC MANAGEMENT PARTNERSHIP, d/b/a BRANDYWINE COMMUNITIES ("Manager"), dated as of October 30, 1997, (the "Management Agreement"). The Management Agreement is for a term of one (1) year, commencing on October 30, 1997, and ending October 29, 1998. The Management Agreement shall be reviewed for renewal on a year-to-year basis upon expiration of said term. The duties of the Manager shall be as set forth in the Management Agreement, a copy of which is attached as Exhibit "18" to this Prospectus.

The Manager will be paid the sum of ONE THOUSAND TWO HUNDRED FIFTY AND NO/100 DOLLARS (\$1,250.00) monthly, or an annual fee of FIFTEEN THOUSAND AND NO/100 DOLLARS (\$15,000.00). In addition, in the event Manager obtains insurance on behalf of the Association, the Manager will be paid the additional fee of fifteen (15%) percent of the amount of the insurance premium paid. A copy of the Management Agreement is included in this Prospectus as Exhibit "18".

20. THERE ARE NO EXPRESS WARRANTIES UNLESS THEY ARE STATED IN WRITING.

DESCRIPTION OF RECREATIONAL AND OTHER COMMONLY USED FACILITIES

- A. There is one (1) building located on the Property which comprises recreational and other common facilities. The following is a description of the recreational and other commonly used facilities that may be used by members of the Cooperative in common with nonmembers of the Cooperative residing on the Property subject to the terms of this Prospectus and the Park Rules and Regulations:
- 1. <u>Clubhouse</u>. The Clubhouse is located on Tall Oak Lane, just after the main entrance to the Park. The Clubhouse is comprised of eight (8) rooms. A description of each room, its intended purpose, approximate floor area and capacity follows:

Description of Rooms Therein	<u>Purpose</u>		Approximate Floor Area: Sq. Footage	Capacity
Main Hall	Dancing, meetings, playing cards, etc.	banquets,	1,400	50
Kitchen	Food Preparation		155	-
Alcove	Hallway		100	5
Office	Park business office		: m=	5
Men's Room			150	3
CONTRACTOR	Restroom		36	1
Ladies' Room	Restroom		45	4
Closet	Storage		12	n/a

- B. The following are all other facilities and permanent improvements which will serve the Cooperative:
- 1. There is a swimming pool which may be used by the members and nonmembers of the Cooperative residing on the Property and their guests, subject to the Park's Rules and Regulations. The swimming pool is located adjacent to and north of the Clubhouse. The pool is approximately thirty (30') feet by fifty (50') feet (1,500 square feet), and varies from approximately three and one-half (3½') to six and one-half (6½') feet in depth, has a capacity of twenty-three (23) people, is not heated, and is surrounded by six (6') foot wide decking.
- 2. Shuffleboard Facilities. The Cooperative contains two (2) shuffleboard courts, which are located to the northeast of the Clubhouse, behind the water treatment plant. The total of two (2) courts can accommodate up to sixteen (16) players.
- 3. There is one bocci court which is located just inside the entrance to the Park. The twelve (12') foot by four (4') foot clay court is for up to eight (8) players.
- 4. There is a picnic area located on the southern portion of the Park, abutting State Road 50, at the Park entrance. The picnic area contains four (4) picnic tables, a gazebo and the bocci court. Total capacity of the entire picnic area is approximately one hundred (100) people.
- 5. There is a water treatment plant located immediately east of the Clubhouse, and a Wastewater Plant located on the southeast corner of the Park, slightly west of a pond located on the southeastern boundary of the Park. These are not open or available for use as common facilities by

members, nonmembers and/or guests, and contain equipment for use by the Association and the Management in the Park.

- C. A general description of the items of personal property and the approximate number of each item of personal property that the Cooperative is committing to furnish for each room or other facility is listed in the Inventory contained in **Exhibit "14"** of this Prospectus. All of said items are for the use and enjoyment of all member and nonmember residents of the Cooperative in accordance with the Park Rules and Regulations.
- D. All recreational facilities, except the Clubhouse, will be available for use between dawn and dusk, seven (7) days a week. The Clubhouse will be available for use between the hours of 9:00 a.m. and 10:00 p.m., seven (7) days a week. Hours of use may be changed or restricted for special occasions, seasonal or safety reasons, and limited during routine maintenance or major repairs.
- E. All improvements contemplated for the Property have been completed. The Cooperative reserves the right from time to time to alter or change any such facilities by the removal, alteration or relocation of existing facilities or the construction of new facilities. No assurance is given that any of the planned at this time.
- F. The maximum number of units on the Property that will use the recreational facilities is one hundred eleven (111), which is the total number of mobile home lots thereon.
- G. The maintenance and operation of the Property is the responsibility of the Association and the Manager who is under the supervision of the Board of Directors of the Association.
- H. The Association is responsible for the maintenance of the underground water and sewer systems from the point where the systems connect to the source providing such utility [at the present time this is owned and operated by the Association] to the point where such system rises above the ground level at each mobile home lot. The resident is responsible for the maintenance of the water and sewer connections from the mobile home to the riser. Charges for water, sewer, and garbage services are charged to each clubhouse and other recreational facilities. The Association is responsible for the same charges applicable to the be adequate and so placed as to facilitate ease of pickup with trash and foliage being tied in bundles for easy handling. Time and conditions for such services are subject to change.
- I. The description of the utility and/or service set forth above reflects the entity and manner in which such utility and/or service is provided at the time of filing this Prospectus with the Department of Business and Professional Regulation. The Cooperative reserves the right to separately meter each lot or to discontinue the utility and/or service provided such discontinued utility and/or service is replaced by a government authority, members will receive only such notice as may be provided to the Cooperative by said in the manner for providing the utility and/or service is more economical and/or in the best interest of the health, safety, or welfare of the members of the Cooperative; or the municipality, county or other governing agency on behalf of the Cooperative be obtained through such municipality, county or other governing authority. Any capital expenditure required for any individual metering of lots shall be borne by each member Cooperative opts to meter each lot separately for water usage, the monthly water and sewer charge may no longer be included in the monthly maintenance charge.

COUNTRYSIDE ESTATES ROC, INC. COOPERATIVE DOCUMENTS

The Cooperative reserves the right to amend these cooperative documents, or any exhibit thereto, from time to time to the extent permitted by law to conform with changes in relevant statutory provisions or changes in relevant rules of the Department of Business and Professional Regulation, or any other agency this disclosure to the extent permitted by law.

Date Cooperative Documents Deemed Adequate:	December 11, 1998
Division Approval Number:	PR2V024557
Mobile Home Park Lot/Unit Number:	