

Bel Mare Condominium Association, Inc.
Board of Directors Meeting Minutes
June 14, 2012
FINAL

A meeting of the Board of Directors of Bel Mare Condominium Association, Inc. was held on Thursday, June 14, 2012 at 5 PM in the 2nd floor clubroom located at 130 Riviera Dunes Way. William Horton and Michael Becks were present in person and Mr. Schuster by speaker phone constituting a quorum of the board. Doug Jenkins represented Condominium Associates (CA) and Tammy Goldman Administrative Assistant for Bel Mare Condominium Association.

Call to Order

Mr. Jenkins called the meeting to order at 5:05 PM.

Proof of Notice

Mr. Jenkins confirmed that proper notice was given.

Dispense of Reading & Approval of Minutes

Mr. Becks made a *motion* to dispense the reading of and approve the May 17, 2012 Board of Directors Meeting Minutes. Mr. Horton seconded the motion. *The motion carried unanimously.*

Unfinished Business

A. Phase I Construction Update: Mr. Horton reported that the change orders for the amenities deck have all been reconciled and that the decks should be completed within 6-8 weeks. Mr. Horton also discussed the status of the Pools, Tennis Court, Fountains, Glass Delamination and Slider Leaks, Air Balance, Beam issue by dog walk door, and PT Cables. Mr. Horton went on to say that all tower work is at a standstill until Phase II is resolved.

B. Phase II Construction:

I. Progress Update: Mr. Horton reported that CNL bank was asking for a firm amount, which is impossible to give. Mr. Horton had explained to the bank that all the association has is an estimate and that the amount will vary. Each cell that is opened is slightly different which makes a firm quote impossible, and that the association is trying to determine how to best manage a T&M program. CNL turned down the loan. Mr. Horton went on discuss that Dave Dale has been hired as a consultant. Mr. Dale has confirmed the issue and has provided unit costs which have verified our negotiated costs are in line. Mr. Dale proposed a solution to the management of a T&M project and the Board is evaluating its merits. Mr. Horton discussed how Spectrum is planning to start charging for their idle equipment, and that the PT cables do not have to be detensioned.

II. Funding Discussion:

A Resolution to Borrow (Addendum 1) was prepared by the Association attorney, Shawn Brown. The Resolution to Borrow directs that the Board obtain a loan from an Institutional Lender in the principal amount of \$3,600,000 to cover the cost of Phase II construction. Mr. Schuster made the *motion* to adopt, seconded by Mr. Becks. *The motion carried unanimously.*

Mr. Horton discussed that CNL would not be able to make the loan. Therefore, the Association will need to seek proposals from other banks. Mr. Horton asked Mr. Becks to

head up a team and solicit other banks for a loan. Team members will be Mr. Becks, Mr. Taylor, and Mr. Lovejoy.

Mr. Horton discussed the need to move forward with Phase II construction. It was suggested that once an agreement is reached with Spectrum on a contract extension, Phase I Special Assessment funds could be used to begin work in advance of securing the Phase II loan. This option had been previously discussed with and approved by the Association attorney, Shawn Brown. A *motion* was made by Mr. Becks that we use the phase I Special Assessment funds already collected to start phase II construction until a loan is secured for phase II with the following caveats: 1.) Phase I Special Assessment Funds would be repaid immediately upon closing of a loan and 2.) Funds are not to be comingled and separate accounting is kept for each Phase of construction. Mr. Horton seconded the motion. *The motion carried unanimously.*

C. Recovery Status: Mr. Horton discussed that the Developer, the Developer insurance, and the concrete sub have failed to respond to phase II issues. As a result Mr. Horton has asked our Attorney to issue another request indicating the urgency. The attorney has also been instructed to file suit if the association does not get a positive response in 7-10 days. Even with a response the association needs to consider filing suit to make sure everyone understands that the association is serious. Mr. Horton reported that he received an email stating TRC (threshold inspector) has reported an insurance policy with limits of \$5,000,000.

D. Property to the East:

I. Options and Direction: Mr. Horton explained the issues with the property to the east. The attorney for the owner of this property has indicated they would like to have us obtain the approval for the swap. Mr. Horton indicated that he has asked the association attorney to draft a ballot for the owner's consideration. Mr. Horton being unsure of the owner's consideration has asked the association's attorney to draft the ballot requesting approval for a swap that only includes the improvements to the East property. Mr. Horton stated that the association needs to see if there is agreement on this approach, and that the association needs to decide if this should be put out to a vote. Mr. Becks made a *motion* to move forward and have a Members Meeting to vote on the swap of the property to the east. Mr. Schuster seconded. *The motion carried unanimously.*

New Business

A. Resolution to open Popular bank money market account: Mr. Horton discussed that Popular bank has offered a FDIC insured MM rate of 1%, and that this % is significantly higher than the interest rates the association is currently receiving. After some discussion Mr. Becks made a *motion* to open a Popular money market account. Mr. Horton seconded. *The motion carried unanimously.*

Adjournment

With no more business to come before the board, Mr. Horton made the *motion* to adjourn the meeting at 6:30 PM and was seconded by Mr. Schuster. *The motion carried unanimously.*

Respectfully Submitted,
Tammy Goldman, Administrative Assistant
On Behalf of Bel Mare Condominium Association, Inc.

RESOLUTION OF THE BOARD OF DIRECTORS AND OFFICERS OF BEL MARE
CONDOMINIUM ASSOCIATION, INC., A FLORIDA NOT-FOR-PROFIT
CORPORATION, TO BORROW

I, the undersigned, hereby certify that I am the Secretary and custodian of Bel Mare Condominium Association, Inc., A Florida Not-For-Profit Corporation, duly organized and existing under the laws of Florida (the "Corporation"); that the following is a true and correct copy of certain resolutions adopted by the Officers and Board of Directors at a meeting held on the fourth day of June, 2012, at which a quorum was present; and that the following resolutions are in conformity with the charter and bylaws of said Corporation and have not since been rescinded or modified

The Corporation desires to obtain a loan from an Institutional Lender as defined below (the "Lender") in the principal amount of up to THREE MILLION SIX HUNDRED THOUSAND AND 00/100 DOLLARS (\$3,600,000.00) (the "Loan"), which Loan is to be secured by certain instruments generally described on Exhibit "A" attached hereto (the "Collateral").

An Institutional Lender shall include, but not be limited to, banks, savings and loan associations, insurance companies, mortgage banker, mortgage brokers, agencies of the United States Government and other lenders generally regarded in the lending profession as institutional lenders, including any affiliates of an institutional lender.

On motion duly made, unanimously, seconded and carried,

NOW, THEREFORE, BE IT RESOLVED, that the Corporation is hereby authorized to consummate the Loan and otherwise from time to time borrow money, obtain credit and procure loans from Lender, without limit as to amount; to sell or discount any notes, bills or accounts, acceptances or any other instruments to Lender; to assign, pledge, convey, transfer, mortgage or otherwise create a lien upon any real and/or personal property of the Corporation as security for the payment and performance of any and all indebtedness, liabilities and obligations of the Corporation to Lender, including but not limited to notes, agreements, security deeds, UCC financing statements, assignments, affidavits, closing statements, applications for

letters of credit, credit card agreements, foreign exchange contracts, interest rate hedge and other derivative transaction agreements; by making, executing and delivering in the name of and on behalf of the Corporation, under its corporate seal or otherwise, from time to time such agreements, documents or instruments deemed reasonable or necessary;

FURTHER RESOLVED that, William Horton, as President of the Corporation, without the joinder of any other Officer of the Corporation, is hereby authorized from time to time (1) to execute, acknowledge and deliver in the name of and on behalf of the Corporation, and document or instrument to effect the Loan, including the instruments set forth or contemplated by the preceding paragraph, and (2) to execute, acknowledge and deliver any other document required by the closing agent or Lender to consummate the Loan;

FURTHER RESOLVED that Lender is hereby authorized and directed to pay the proceeds of any such loans or credits as directed by the following officers and/or directors, whether for payment or credit to the account of the Corporation with Lender or other financial institution, or to such officers, or any third person, or otherwise;

FURTHER RESOLVED that the custodian of the records of the Corporation is authorized and directed to furnish Lender with a certified copy of these resolutions, which resolutions shall continue in full force and effect until written notice or the rescission or modification of the same has been received by Lender, and to furnish Lender the names and specimen signatures of the officer(s) of the Corporation, and such persons from time to time holding such positions, on Lender's usual form of signature card;

FURTHER RESOLVED that Lender may rely upon a copy of this Resolution, executed by the Secretary of the Corporation, as evidence of the authority of the President to act in the foregoing capacity, and that a copy of this Resolution shall be conclusive evidence that this Resolution stands unimpaired and unrevoked.

And I do further certify that the foregoing Resolution was validly adopted, is within the powers of the Corporation, does

not require shareholder approval, and is now in full force and effect. I further certify that the foregoing Resolution was entered upon the minutes of the Corporation on the date and for the meeting herein specified, and that the foregoing is a true and correct copy of said Resolution as it appears on the records of the Corporation. I further certify that all required notice of said meeting was duly given and that this Resolution fully complies with the articles and any other organizational documents of the Corporation. I further certify that the Corporation has not been dissolved or its charter cancelled or annulled and no proceeding is pending or dissolution or annulment.

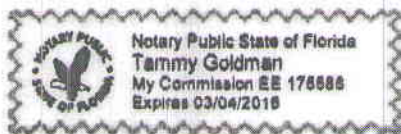
IN WITNESS WHEREOF, I have hereunder affixed my signature and Seal of the Corporation as of this _____ day of _____, 2012.

There being no further business, the meeting was adjourned.

By: *Michael Beck*
Print name Michael N Beck

STATE OF Florida)
COUNTY OF Manatee)

Sworn and subscribed before me in the State and County aforesaid this 1st day of June, 2012. By Michael Beck as Secretary of the Corporation who is personally known to me or produced as identification.



Notary Signature: *Tammy Goldman*
Notary Print Name: Tammy Goldman
Notary Public
My Commission Expires: 3/4/2016