

WRITTEN CONSENT
OF THE
BOARD OF DIRECTORS AND MEMBERS
OF
TREE TOPS NEIGHBORHOOD ASSOCIATION, INC.

The undersigned, being all of the members of the Board of Directors of, and all of the Members of, TREE TOPS NEIGHBORHOOD ASSOCIATION, INC., a Florida not for profit corporation, waiving notice hereof, hereby consent to the following action(s) in lieu of holding a meeting regarding same:

RESOLVED, that the fiscal year of this corporation shall begin on July 1 of each year, and shall end on June 30 of the each following year;

FURTHER RESOLVED, that the budget attached to this written consent is hereby determined and adopted as the first operating budget of this corporation;

FURTHER RESOLVED, that based upon that adopted budget, this corporation hereby fixes, sets and levies the annual general assessment on each lot and each owner of a Lot in the amount of \$1,761.58, for the first fiscal year of this corporation, which ends June 30, 2003;

FURTHER RESOLVED, that except as may otherwise be specifically provided in the Declaration, the general assessment shall be paid in full and paid in advance by the owner(s) of each lot; and

FURTHER RESOLVED, that the corporation acknowledges receipt of an election by the Declarant to "deficit fund" the pursuant to section 6.4 of the Declaration.

DATED and entered into effective the 5th day of September, 2002.

MEMBERS:

TREE TOPS I, LLC, a Florida Limited Liability Company
By: Montague Land Development, Inc., a Florida corporation, as its sole member and Operating Manager

Date: 10/3/02

By: Anna K. Laughridge
ANNA K. LAUGHRIDGE, Vice President of Montague Land Development, Inc.

DIRECTORS:

Date: 10/3/02

Anna K. Laughridge
Anna K. Laughridge

Date: 10/3/02

Mark A. Brown Sr
Mark A. Brown, Sr.

Date: 9-25-02

Charles Hannah
Charles Hannah

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TREETOPS HOMEOWNERS ASSOCIATION
Adopted Budget Fiscal Year 8/8/02 to 6/30/03

INCOME	MONTHLY	ANNUALLY
OPERATING COST INCOME	7,607.90	91,294.80
RESERVE ACCOUNT	-	
TOTAL INCOME	7,607.90	91,294.80

OPERATING COST PAYABLE BY ALL HOMES	MONTHLY	ANNUALLY
ANNUAL REVIEW/TAX PREPARATION	125.00	1,500.00
CORPORATE ANNUAL REPORT	12.50	150.00
MANAGEMENT/ACCOUNTING (7)	300.00	3,600.00
ELECTRIC (METERED) (9)	433.33	5,200.00
ENTRANCE SIGN/WALL MAINTENANCE & REPAIR (10)	125.00	1,500.00
ENTRY GATE MAINTENANCE & REPAIR (11)	83.33	1,000.00
GROUNDS MAINTENANCE CONTRACT (12)	1,666.67	20,000.00
GROUNDS MISCELLANEOUS (13)	666.67	8,000.00
INSURANCE/ DIRECTORS & OFFICERS	100.00	1,200.00
INSURANCE/FIDELITY BOND	41.67	500.00
INSURANCE/LIABILITY & PROPERTY (14)	208.33	2,500.00
IRRIGATION REPAIRS & SUPPLIES & RESERVES (15)	600.00	7,200.00
LEGAL (16)	166.67	2,000.00
OFFICE EXPENSES, PRINTING, POSTAGE (17)	66.67	800.00
PHONE (GATE) (18)	25.00	300.00
POND MAINTENANCE (19)	916.67	11,000.00
REAL ESTATE TAX (20)	183.33	2,200.00
IRRIGATION FEE (15)	300.00	3,600.00
STREET LIGHTING (21)	1,295.40	15,544.80
TOTAL COST PAYABLE BY ALL HOMES	7,316.23	87,794.80
TOTAL COST PAYABLE BY EACH HOME	121.94	1,463.25

DESCRIPTION OF RESERVES FOR ALL HOMES

TOTAL RESERVE PAYABLE BY ALL HOMES IN THE COMMUNITY	MONTHLY	ANNUALLY
GATE RESERVE (22)	166.67	2,000.00
ROAD RESERVE (23)	125.00	1,500.00
TOTAL RESERVE PAYABLE BY ALL HOMES	291.67	3,500.00
TOTAL RESERVE PAYABLE BY EACH HOME	4.86	58.33

RESERVES	RESERVES COLLECTED AS OF 12/31/02)	RESERVES TO BE FUNDED IN YEAR 1	TOTAL ESTIMATED RESERVES FOR YEAR 1
GATE RESERVE		2,000.00	2,000.00
ROAD RESERVE		1,500.00	1,500.00
TOTAL RESERVES		3,500.00	3,500.00

IRRIGATION WELL USAGE	MONTHLY	ANNUALLY
IRRIGATION WELL USAGE	1,200.00	14,400.00
IRRIGATION WELL USAGE-BY HOME	20.00	240.00

BREAKDOWN OF ASSESSMENTS

TOTAL ASSESSMENTS PAYABLE BY EACH HOME	MONTHLY	ANNUALLY
OPERATING EXPENSES	121.94	1,463.25
RESERVE	4.86	58.33
IRRIGATION WELL USAGE	20.00	240.00
TOTAL ASSESSMENT PER UNIT	146.80	1,761.58

TREETOPS NEIGHBORHOOD ASSOCIATION, INC.

ADOPTED BUDGET FISCAL YEAR 8/8/02 TO 6/30/03

NOTES

1. All initially capitalized terms not defined herein shall have the meaning assigned to such term in the Declaration of Covenants, Restrictions and Easements for Treetops Neighborhood Association, Inc. Each owner should consult the declaration and its exhibits for a more complete description of assessments.
2. This fiscal year operating budget is based on estimates and is not a guarantee of the actual amount of operating costs; therefore it is possible that actual Assessments may be less than or greater than projected.
3. This estimated Operating Budget is based on 60 homes. On or before May 30th of each year the Association shall determine each Owner's pro rata share: provided, however, in no event shall an Owner's pro rata share be greater than 1/60 unless Treetops contains less than 60 homes when completed. The operating cost income consists of assessments collected from homeowners, assessments collected from Developer owned lots, and Developer contributions and/or deficit funding.
4. It is anticipated that Reserve income will be less than the amount shown in this budget, as there are currently less than 60 homes in Treetops. Developer is not required to deficit fund reserve amounts. Any shortage in the reserve account will be recalculated at the end of each year.
- S. Filing of year-end tax return by CPA. Neighborhood documents do not call for an audit, which can cost more than \$900.
6. This line item is for management (to include deed restriction/ architectural enforcement, supervision of contractors/ maintenance, processing invoices and budget preparation); accounting services (to include preparation of annual financial statements, processing bi-monthly check runs); attendance at Board, annual and special meetings of the association; and other services as required. It is anticipated management services will be required mid year.
7. The Corporate Annual Report is required by law and is an annual expense.
8. This line item is for metered electric used to run entrance landscape lighting and irrigation within Treetops. This line item is only for metered electric and does NOT include electric for the streetlights. This line item is subject to change based on usage and further possible development within the community.
9. This line is for the standard maintenance for the entrance sign and brick wall surrounding Treetops.

10. This line is for the contracted maintenance and repair of the front entry gate. The maintenance contract is based on \$195.00 semi-annual inspections an additional \$100.00 has been budgeted for possible necessary repairs to the modem equipment programs, gate entry equipment, and service charges for repair.
11. This line item includes mowing, edging, blowing, weeding, fertilization (four times per year on sod/three times per year on plant material), pruning, monthly irrigation checks, and policing of grounds. Pricing is subject to change based on possible changes or additions to landscape, pricing increases, and/or irrigation changes.
12. This line item includes any additional property maintenance and non-contracted landscape work within Treetops. These items include but are not limited to tree removal, tree trimming (two times per year), sod replacement, annual replacement (four times per year), mulching (replenishment), lighting repairs and sign replacement.
13. The insurance is an estimated amount. Property and liability coverage may be provided under the Developer's corporate insurance policies or the Association may purchase its own property and liability insurance at any time. Until such time as the Association has purchased its own property and liability insurance, Developer may self insure the Association up to the amount of any deductibles under Developer's corporate property and liability no later than the turnover.

This Association does not presently have a D&O or Fidelity Bond Insurance policy. Once the Association elects to purchase D&O and Fidelity Bond Insurance coverage, the budget of the Association shall increase by the cost of such insurance. The Association shall purchase its own D&O and Fidelity Bond Insurance no later than turnover.

14. This line item is for the cost of repairing irrigation lines, sprinkler heads and valve covers. This based on triple net lease of the well from the well owner.
15. This line item includes legal expenses incurred by the Association for deed restriction enforcement, title searches, liens, and foreclosures. This number is subject to vary based on the specific legal issues that may occur during the course of the year,
16. This item included day-to-day postage, copies, long distance telephone and fax charges, printing of coupons, and any office supplies needed for the management of the Association. This item also includes the cost of mailing newsletters and meeting notices. This line item may vary based on the amount of mailings or newsletters forwarded to the membership.
18. This line item is for the cost of the gate entry phone.
19. This line item is subject to change based on whether additional water purification is needed after aquatic landscaping is fully in place.

20. This line item covers the estimated ad valorem real estate taxes on the common areas.

21. This line item is to track any street lighting costs related to the pole expenses and/or pole lighting electric within Treetops. Treetops Development will not be eligible to become a lighting district. Accordingly, this will be an ongoing expenditure. The per month price to TECO includes all electricity, sales tax and franchise fees:

Phase 1	17 poles	x	43.18/mos=	734.06
Phase 2	5 poles	x	43.18/mos=	215.90
Phase 3	8 poles	x	43.18/mos=	<u>345.44</u>
				<u><u>\$1295.40</u></u>

22. This line item is the Reserve for the entry gate replacement.

23. This line item is the Reserve for the private roads inside Treetops.

9,171 square yards

Year 10-resale and stripe @ \$0.75=\$6,878/ 10=\$688

Year 20-3/4" resurface @ \$2.00=\$18,342/20=\$917

Total required over 20 years=\$25,220/20=\$1,261

24. The Developer may elect to deficit fund the revenue shortfall.

25. This line item shows the annual and monthly assessment payable for each home in Treetops.