

GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.
Minutes of the Annual Meeting
February 23, 2008

Charles Weinkauf, president of the Association, called the meeting to order at 8:40 a.m. on the date and time above noted at the Grenelefe Conference Center, the location specified in the notice of meeting.

Mr. Weinkauf asked for a motion, which was made by Harvey Gold and seconded by Doug Turner, to adopt a resolution making this special meeting of the membership the annual meeting of the Association for year ending December 31, 2007, and authorizing the transaction of any and all business which will be conducted at this meeting. The motion was unanimously passed by the membership.

Mr. Weinkauf then stated that if there were no objections, as president of the Association, he would chair the meeting and appoint Bryon Smith to act as the recording secretary. Bryon Smith then presented the chairperson with an affidavit stating that the meeting had been properly noticed to the general membership. Shirley Gold moved and Carol Vasquez seconded a motion, which was passed unanimously, to waive the calling of the roll. Acting secretary Bryon Smith then certified the validity of the proxies and declared a quorum. Harvey Gold moved and Carol Bruhn seconded a motion, which was passed unanimously, to dispense with the reading of last year's annual meeting minutes.

Mr. Weinkauf then announced the candidates for election. He stated that Joyce Brown, Shirley Gold, Bryon Smith, and Charles Weinkauf were candidates for a three-year term of office. He then declared the polls closed and announced that Jeanne McDonough was chairperson for the tabulation of votes. He also listed the names of those persons who were tabulating the votes visible to the membership. Those persons were Dolores Groth, Willa Weidt, Mary Whitmarsh, Romaine Huntley, Karen McDonough, Joy Crego, and Penny Dillon.

Then Mr. Weinkauf gave the president's report. As part of his report, he updated the membership on the property insurance situation, indicating that the Association would be able to obtain named storm coverage with the March 1 renewal. He also reported on the building maintenance program and landscaping renovations taking place around property. General manager Chris Gourdie then showed a slide presentation depicting before and after photos of the areas renovated. Mr. Weinkauf ended his report with a brief summary regarding Feltrim Development's upcoming purchase of Grenelefe, then a report of the sales of units which took place during 2007.

Harvey Gold offered an expression of appreciation from the floor for all the hard work of the Association staff throughout the year.

Treasurer Robert Krueger then gave a report on the Association's financial condition as of the year ending December 31, 2007. Chris Gourdie followed with an explanation of

the operating and reserve budget. He reviewed the portion of the operating budget approved by the Board and discussed the suggested contribution to the reserves for membership approval. Carol Vasquez moved and Doug Turner seconded a motion to waive 100-percent funding of the reserve requirements for the fiscal year 2008 in favor of a funding level of \$308,350 proposed by the Board of Directors. The vote was 605 in favor and 0 opposed.

Harvey Gold moved and Carol Bruhn seconded a motion to postpone the Association's audit for year 2007 from May 1 to August 1, 2008. The vote was 604 in favor and 0 opposed.

Fred Rieger moved and Joe Hlad seconded a motion to defer excess membership income to subsequent years in accordance with Internal Revenue Ruling 70-604. The vote was 605 in favor and 0 opposed.

While waiting for the tallying of the ballots to be completed, Shirley Gold asked for and Mr. Weinkauff gave a brief history of Grenelefe. Mr. Weinkauff then announced the results of the election. Those elected for three-year terms expiring in 2010 were Shirley Gold, Bryon Smith, and Charles Weinkauff.

Under new business, Melvyn Hobbs read a letter from the Florida House of Representatives asking for the Association's voluntary appearance at a hearing and production of certain Association records. Mr. Weinkauff stated that, under advice of counsel, the directors could not comment regarding pending litigation.

Then Jane Krogstad asked the Board to formally look into mail service for the Association. She began to put her request in the form of a motion, but Mr. Weinkauff informed her that issues to be voted on must be a part of the agenda, and that she can ask the Board to consider items without making a motion. He also explained that putting up mailboxes would require approval by 75 percent of the membership.

Nick Nasarenko then asked that the Board look into the mailbox situation and make a proposal to the membership. He also expressed concern over some of the wording in the packet which Feltrim Development sent to condominium owners and homeowners offering golf and sports memberships, and stated that he feels the Board has an obligation to review the membership plans being offered. Nick Nasarenko then moved and Shirley Gold seconded a motion, which was passed unanimously, that the Board, through its directors, do an analysis as to the feasibility of having mailboxes on site.

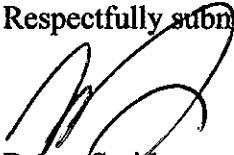
Nick Nasarenko also moved and Melvyn Hobbs seconded a motion that the Board, through its directors, do a feasibility study on having a swimming complex for condominium owners. Under discussion, Harvey Gold expressed concern over imposing undue burdens on Association staff, and Robert Bong stated that the Association should wait and see what Feltrim does. Jane Krogstad said that an Association pool should be an issue but should be tabled until after the sale. Ray Cavanaugh suggested possibly looking

into the issue later, for owners who do not join Feltrim's program. A voice vote was then taken, and the motion failed.

Harvey Gold then asked for future clarification of what motions are appropriate to bring before an annual meeting and the function of the agenda item "new business." Doug Turner also asked for specifics on what items can be put under new business.

At 10:20 a.m., Carol Vasquez moved and Doug Turner seconded a motion, which was passed unanimously, to adjourn the meeting.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Bryon Smith", written over the typed name.

Bryon Smith
Secretary