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CERTIFICATION OF ADOPTION OF AMENDED AND RESTATED BYLAWS FOR
LAKE PADGETT ESTATES EAST PROPERTY OWNERS ASSOCIATION, INC.,
A FLORIDA NON PROFIT CORPORATION

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of Lake Padgett Estates East Property Owners Association, Inc., a Florida Non Profit Corporation; and,
2. That the foregoing Amended and Restated Bylaws for Lake Padgett Estates East Property Owners Association, Inc., a Florida Non Profit Corporation, were approved and adopted by a majority of the Members present in person or by proxy at a meeting duly called with not less than fourteen (14) days' notice of the proposed amendments thereto, which have been posted in the Community Clubhouse.

By: *Denise DeRemigio* Dated: 2-17-2017
Secretary

By: *[Signature]* Dated: 13 Feb 17
President

STATE OF FLORIDA
COUNTY OF PASCO

Before me, the undersigned authority, personally appeared Denise DeRemigio as Secretary of Lake Padgett Estates East Property Owners Association, Inc., who is personally known to me or who produced as identification, and who acknowledges signing the foregoing document for the reasons stated therein.

Sworn and subscribed to before me this 17 day of February 2017.



KORI EMMONS
MY COMMISSION # FF 032596
EXPIRES: October 29, 2017
Bonded Thru Budget Notary Services

Kori Emmons
Notary Public, State of Florida

STATE OF FLORIDA
COUNTY OF PASCO

Before me, the undersigned authority, personally appeared Nils Halberg as President of Lake Padgett Estates East Property Owners Association, Inc., who is personally known to me or who produced as identification, and who acknowledges signing the foregoing document for the reasons stated therein.

Sworn and subscribed to before me this 13 day of February 2017.



KORI EMMONS
MY COMMISSION # FF 032596
EXPIRES: October 29, 2017
Bonded Thru Budget Notary Services

Kori Emmons
Notary Public, State of Florida

**AMENDED AND RESTATED BYLAWS OF LAKE PADGETT ESTATES EAST PROPERTY OWNERS
ASSOCIATION, INC., A FLORIDA NON PROFIT CORPORATION**

ARTICLE I

NAME AND LOCATION

The name of the Corporation is Lake Padgett Estates East Property Owners Association Inc. A Florida Non Profit Corporation hereinafter referred to as the "Association". The principal office of the Association is located at 4533 Savannah Drive, Lake Padgett Estates East, Land O'Lakes 34639.

ARTICLE II

DEFINITIONS

The capitalized terms used herein shall have the same meaning as provided in the Declaration of covenants, Conditions and Restrictions for Lake Padgett Estates East, as amended.

Section 1. "Association" shall mean and refer to Lake Padgett Estates East Property Owners Association, Inc.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, Article 11, Section 1, termed as existing property, and such additions as described in Article 11, Section 2 of Declarations of Covenants, Conditions and Restrictions.

Section 3. "Community Property" shall mean all real Property owned or otherwise subject to control of the Association for the benefit, enjoyment, recreation and entertainment of the Owners.

Section 4. "Lot" shall mean and refer to any individual plot of land shown upon any plat, whether recorded or unrecorded, or on any of the developer's final subdivision maps, with the exception of Community Property.

Section 5. "Owner" shall mean and refer to the owner of record, whether one or more persons or entities, of the fee simple title to any Lot which is included in the properties.

Section 6. "Declarations" shall mean and refer to the Declarations of Covenants, Conditions and Restrictions applicable to the properties recorded in the public records of Pasco County, Florida and any supplements or amendments thereto recorded in the public records of Pasco County, Florida.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declarations.

Section 8. "Good Standing" shall mean a member is current in all monetary obligations to the Association, and is not suspended from the use of the common area, and/or has not had the right to vote suspended.

Section 9. "Proxy": A written authorization empowering another person to vote or act for the signer, at a meeting of the members. Proxies shall be filed with the Board Secretary to determine voting eligibility.

Section 10. "Quorum Proxy" Document filed with the Board Secretary for the establishment of a quorum and not for voting in the election of Board of Directors at the Annual Meeting.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Rules of Order. Except as provided herein or by Florida Law, all meetings of the Members will be conducted according to Robert's Rules of Order, Latest edition.

Section 2. Regular Meetings: Meetings of Members of the Association will be held on the 2nd and 4th Monday of every month at 7:30 pm at the Community Clubhouse, unless otherwise voted upon by the Board of Directors. If the day for the regular meeting is a legal holiday, the meeting will be held at the same time and place on the first day following which is not a legal holiday.

Section 3. Annual Meeting: The Annual Meeting will be held on the 4th Monday in March, at 7:30pm at the community Clubhouse, unless changed by vote of the Board of Directors, and will include the election of Directors. If the day for the meeting is a legal holiday, the meeting will be held at the same time and place on the first day following which is not a legal holiday. The quorum for the annual meeting will be established by ten percent (10) of all Members eligible to vote by a combination of those being present in person, absentee ballot and by proxy. Quorum Proxies are strictly for the establishment of a quorum and not for voting in the election. Election to the Board shall be by secret ballot. At such election, Members may cast in person or absentee ballot one vote per Lot they own for each position to be filled. Persons receiving the greatest number of votes will be elected (Florida Statute 720.306(4)).

Section 4. Special Meeting: Special meetings of the Board of Directors shall be held when called by the President or by any two Directors after not less than three (3) day notice to each Director. Such notice may be waived if such waiver is signed by all of the Directors. Further, special meetings may be held without notice, if at any such meeting, those Directors present deem that the purpose of the meeting constitutes an emergency.

Section 5. Notice of Meetings: Notice of the time and place of each meeting shall be given by posting the same not less than forty eight (48) hours in advance of the meeting at the Community Clubhouse and by electronic media.

Section 6. Quorum for Regular Meetings: Presence of at least (10) percent of all Members eligible to vote, in person, or by proxy shall constitute a quorum for meetings other than the annual meeting. If a quorum of Members is not present, the Board of Directors is empowered to act on any matter which is properly put before the meeting if a quorum of the board of Directors is present, unless prohibited by the Declarations, Articles of Incorporation, or elsewhere in these bylaws.

Section 7. Voting Rights: In accordance with Section 720 of the Florida Statutes as amended from time to time, a Member's voting rights will be suspended for the non-payment of regular annual assessments that are delinquent in excess of ninety days (90) days.

Section 8. Proxies: At all meetings of Members, except for the election to the Board of Directors, each Member may vote in person or by limited proxy. Each Proxy shall be in writing, signed by the Member, specifying the single meeting for which it shall be voted. All Proxies shall be filed with the Secretary of the Board for determining voting eligibility. Proxies cannot be used until verified by the Board Secretary. [Florida Statute 720.306 (8)].

ARTICLE IV

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number and Eligibility: The affairs for the Association shall be managed by a Board of Directors consisting of seven (7) Members of the Association in good standing. The Director or any member of their immediate family may not be employees of the Association. Only one member of a household may serve on the Board at the same time. A member of the Association may not serve on the Board of Directors of the Club Villas Condo Association and the Lakes Padgett Estates East Property Owners Association at the same time.

A. In addition to those qualifications already listed, a candidate for the Board of Directors must be a home owner in good standing. Many first year Officers are qualified, however, it is suggested they serve one year as member at large before election to President or Vice President of The Board of Directors.

Section 2. Nominations: Nominations for election to the Board shall be made from the floor at the January and February meetings, after which nominations will be closed. Nominations will only be accepted with the concurrence of the Member being nominated. Floor nominations will not be permitted at the Annual meeting. Nominated Members must be in good standing.

Section 3. Election Supervision: The Secretary of the Board will supervise the election, which includes ballot counting and reporting the results to the Annual Meeting. Candidates will not be permitted in the ballot counting room while the votes are being counted. If the Secretary is running for Office, the supervision will be done by a non-running Officer.

Section 4. Term of Office: Directors will be elected at each annual meeting to serve terms ending with the annual meeting two (2) years following their election. No member shall be eligible to serve as a Director for more than two (2) consecutive terms, or five (5) years.

Section 5. Tie Vote: In case of a tie between candidates, those members present will vote to break the tie. If a tie continues after the vote by the members present, then the standing Board of Directors, solely, will vote to break the tie. The candidate who has the most votes will serve on the Board. All tie breaking votes shall be cast by secret ballot.

Section 6. Removal: Any Member of the Board of Directors may be recalled and removed from office, with or without cause, by a majority of the total voting interests as provided by the provisions of Florida Statute 720.303(10), as amended from time to time.

Section 7. Vacancies: In the event of death, resignation or removal of a Director, the remaining Directors of the Board must appoint the person who has the next highest vote count from the immediate preceding election to complete the unexpired term. If that person does not wish to serve on the Board, the Board will proceed to the next person with highest vote count until the original slate of candidates has been exhausted. The person filling the vacancy will be eligible to run in the next election. When the slate of candidates has been exhausted, the Board of Directors will ask for volunteers from the floor. Voting for the Candidate(s) must be affirmed by a majority vote of the Directors present. Vote will be by written ballot.

Section 8. Compensation: No Director shall be employed by or otherwise receive compensation for any receive compensation for any services rendered including but not limited to services performed as a contractor or subcontractor. However, any Director may be reimbursed for actual expenses incurred in the performance of duties pertaining to the Association upon review and approval of the Board as long as such services are in conjunction with and not in conflict with their position as a Board member.

ARTICLE V

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers: The Board of Directors shall have the power to:

A. Adopt and enforce rules and regulations governing the use of the common areas and facilities, as well as the personal conduct of any member or a member's tenant, guest or invitee thereon, and to establish and enforce, after due process, penalties for rule infractions.

B. Monitor and provide for the collection of all monies due the Association. Regular monthly assessments are due and payable on the first day of every month. Members become delinquent after the tenth (10) day of the month in which the assessments are due.

C. Suspend the right to use the recreational facilities and common areas by any Member or a Members tenant, quest or invitee as set forth herein, after due process.

D. Any member suspension by another committee may be appealed to the Board of Directors. The Board will have final say. They can uphold the suspension or reduce it, but not increase the suspension. However lifetime suspensions may not be appealed at any time.

E. Declare the position of a member of the Board of Directors to be vacant in the event such member shall be absent for three (3) consecutive regularly scheduled meetings, or have a total of five (5) absences during a year period from annual meeting to annual meeting. A tardy will be considered an absence arriving more than 10 minutes late after roll call or leaves before the adjournment of the meeting. Tardiness and early departure will be counted as noted above.

F. Employ a licensed Community Association Manager (CAM). The selection of which must be approved by a majority vote of the Board. The duties of the CAM will be determined by the Board as outlined in a written job description and employment contract.

G. Determine who shall serve as counsel for the Association.

Section 2. It shall be the duty of the board of Directors to:

A. Cause to be kept a complete record of all official actions.

B. Procure and maintain adequate liability and hazard insurance on property owned by the Association, including, but not limited to, insurance or fidelity bonding on all persons who control or disburse Association funds.

C. Cause all officers or employees having fiscal responsibilities to be bonded as it may deem appropriate.

D. Cause the common areas to be maintained.

E. Appoint a liaison to committees and Boards deemed necessary to ensure proper functioning of the Association.

F. Solicit three (3) quotes for any project over \$1,000.00. Solicit a Minimum of three (3) written bids for any project \$5,000.00 and over. The foregoing requirements for quotes or bids shall not apply in the event of any emergency. An emergency is any condition or event which threatens or causes damage to property with a value in excess of \$1,000.00 or injury to any person or the suspension of any utility or essential service.

Section 3. Purchases: any purchase over \$2,000.00 must have prior approval by a Majority of the Board. Any purchase between \$1,000.00 and \$1,999.00 may be approved by the Board President or vice President. All checks issued by the Association must have two (2) signatures.

Section 4. Any purchase between \$.01 and \$999.00 may be approved by the CAM.

A. All employees of LPEE POA work for the Board and may be terminated by a majority vote of the Board.

B. LPEE POA has a zero (0) Nepotism policy in hiring of all employee's.

ARTICLE VI

OFFICERS AND THEIR DUTIES

Section 1. The Officers of this Association shall be a President, Vice-President, Secretary and Treasurer, who shall each at all, times be members of the Board of directors and elected by the Board, and such additional officers as the Board may deem appropriate.

Section 2. The organizational meeting of the newly elected Board for the election of Officers shall take place immediately following the annual meeting of the Members. The election of Officers will be by secret ballot in a closed meeting.

Section 3. The officers of the Association shall be elected annually by the Board and each officer shall hold office for one (1) year unless such officer shall resign, be removed or otherwise disqualified to serve. During the course of the year three (3) members of the Board of Directors feel an officer is not satisfactorily performing their duties of office, they may ask for a recall election of that officer. A full Board of Directors must be present and a vote of two thirds (2/3) of the Board of Directors is required to have that officer removed from office. This vote in no way affects the individual from completing their term as an elected director. The Officer subject to recall does not have a vote in the recall.

Section 4 Any Officer may resign their position on the Board at any time by giving verbal or written notice to the President, Secretary or CAM. Such resignation shall take effect immediately or by specified date. If resignation is provided in person, the resignation must be verbally stated to at least two (2) or more Board members. Each Board Member who witnesses the resignation must submit an affidavit in writing to the Secretary of the Board, and the Secretary shall send a written notice to the Board Member who resigned confirming resignation. Any resignation shall take effect immediately.

Section 5. A vacancy in any position must be filled through an appointment by the Board.

Section 6. The duties of the Officers are as follows.

A. President: The President shall preside at all meetings of the Board of Directors and at all meetings of the Members; shall see that orders and resolutions of the Board and Membership are carried out, such as signing all leases, mortgages, deeds and other written instruments. The President or his/her designate shall be the representative of the Board in directing the management of the Association.

B. Vice- President: The vice-President shall act in the place and stead of the President in the event of his/her absence or inability or refusal to act; and shall exercise and discharge such other duties as may be required of him/her by the Board.

C. Secretary: The Secretary shall record the votes and actions taken by the Board at meetings of the Board and votes in actions of the Members at all meetings of the Members; shall be responsible for proper notification of meetings for the Board; shall be responsible for the keeping of appropriate schedules of members names, addresses and voting rights; and shall perform such other duties as the Board may require.

D. Treasurer: The Treasurer shall be responsible for the Association's funds and financial records: shall cause to be kept full and accurate accounts of receipts and disbursements and render accounts thereof at annual meetings of Members and as otherwise directed by the Board, shall cause either a compilation, review or an audit as determined by the Board to be performed at the end of each fiscal year, shall serve as liaison, and attend all Financial meetings between the board and the Finance Committee. Shall cause financial reports to be presented to the Board at the second meeting of each month of the Board and at the

annual meeting of the Members, and shall perform such other duties as may be prescribed by the Board from time to time.

ARTICLE VII

COMMITTEES

Section 1. Appointments: The Board of Directors shall appoint a Director to serve as liaison to each committee of the Association. The chairperson shall establish the time and place of committee meetings, and to be confirmed by a majority of committee members. The Board liaison shall make reports at membership meetings to keep the Board apprised of committee activities. All members of each committee shall be Members of the Association in good standing, and must abide by the same attendance as the Board of Directors. All liaisons will not be allowed to vote on any committees.

Section 2. Removal: The removal of any non-elected committee member must be for cause upon recommended to the Disciplinary Committee to the board of Directors. The Board of Directors must by an affirmative vote of the majority of the Board, remove a non-elected committee member.

Section 3. Finance Committee: The Finance Committee members are to include the Treasurer of the Association who shall serve as liaison, the Community Association Manager (CAM) who shall be a non-voting member and not less than three (3) Members of the Association. The committee's primary responsibility will be to acquire input and formulate a proposed budget for the Association. Budget requirements shall be obtained from the CAM, other Committee's, and the Board of Directors for review at the October meeting of the Committee and copies to be posted by the 2nd Board meeting in October for homeowners. The Board shall review all input on the proposed budget and shall approve a budget. The budget will be considered for approval at the 2nd November Board of Directors meeting. The Finance Committee will serve in an advisory capacity to the Board of Directors regarding any financial matters pertaining to the Association.

Section 4. Disciplinary Hearing committee: the disciplinary Hearing Committee shall be charged with two (2) separate functions:

A. To review appeals from Property Owners for fines or violations imposed by the Architectural Committee;

B. To review violations of the common area rules and regulations and any deed restrictions not under the purview of the Architectural Committee and to impose fines and/or suspensions related thereto. A hearing shall be held as necessary and will be conducted in accordance with the Disciplinary Rules and Procedures adopted by this Committee. The Committee shall consist of not less than three (3) or more than seven (7) members of the Association. Members of the Architectural Review Board, Board of Directors or family members of either Board may not serve on the Disciplinary Hearing Committee. When reviewing appeals, the Disciplinary Committee may affirm or void fines and violations by the Architectural Review Board, but may not modify or impose fines or violations for these architectural violations and fines. Suspensions of a Member's rights may not be imposed for architectural violations, When reviewing non-architectural violations, the Disciplinary Committee may suspend, for a reasonable period of time, the rights of a

member or a member's tenants, guests, invitees, or both, to use common areas and facilities and may levy reasonable fines, not to exceed \$100.00 per violation, against any member or any tenant, guest or invitee. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000.00 in the aggregate per violation per calendar year. A fine or suspension may not be imposed without written notice of fourteen (14) days or more to the person sought to be fined or suspended. All fines must be voted on by a properly constituted meeting of the Disciplinary Committee, a fine greater than \$999.00 may become a lien against a parcel. The Disciplinary Committee may also order the payment of actual damages in addition to any fines and suspensions. The disciplinary committee has the right to re-evaluate any fine or suspension upon the request of the property owner. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by the court.

Section 5. To set reasonable rules and procedures for hearings subject to Board of Directors rules

Section 6. Standing committee's will include but not limited to Building and Grounds, PACA, Governing Documents, Social and Youth, Lounge/Bar, Finance and Disciplinary.

ARTICLE VIII

ARCHITECTURAL REVIEW BOARD

Section 1. Duties: The Architectural Review Board shall be charged with the interpretation, administration and enforcement of Article VI and VII of the Declarations. Architectural Review Board members will be bound by any approved guidelines issued by the Board of Directors. It is the intent of this Section to create a general plan and scheme of development of Lake Padgett Estates East. Accordingly, the Architectural Review Board shall have the right to approve or disapprove all proposed improvements to property within Lake Padgett Estates East submitted by the Members of the Association. The Architectural Review Board shall have the right to evaluate all plans and specifications as to the harmony of exterior design, landscaping, location of any proposed improvements, relationship to surrounding structures, topography and conformity with such other reasonable requirements as shall be adopted by the committee. The Architectural Review Board may impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning, or other local governmental codes.

Each Owner and its contractors and employees shall observe and comply with the Community Standards which now or may hereafter be promulgated by the Architectural Review Board and approved by the Board of Directors from time to time. The Community Standards, effective from the date of adoption, shall be specifically enforceable by injunction or otherwise; and shall have the effect of covenants as set forth herein verbatim. The Community Standards shall not require any Member to alter the improvements previously constructed.

The Association or Architectural Review Board shall have the power to grant variances from any requirement set forth in this Section or from the Community Standards, on a case by case basis, provided that the variance sought is reasonable and results from a hardship upon the applicant, and does not violate

any county ordinance or setbacks. The granting of a variance shall not nullify or otherwise affect the right to require strict compliance with the requirements set forth herein or in the Community Standards on any other occasion.

The Architectural Review Board may, from time to time, adopt standards governing the performance or conduct of Members, Contractors and their respective employees within Lake Padgett Estates East. Each Member and contractor shall comply with such standards and cause its respective employees to also comply with same. The Architectural Review Board may also promulgate requirements to be inserted in all contracts relating to construction within Lake Padgett Estates East and each Member shall include the same therein.

There is specifically reserved to Association and Architectural Review Board and to any agent or member of either of them, the right of entry and inspection upon any portion of Lake Padgett Estates East at any time within reasonable daytime hours, for the purpose of determining whether there exists any violation of the terms of any approval or the terms of this Section or the Community Standards.

Section 2. Meetings: the time of the meetings of the Architectural Review Board will be established by its chairperson and confirmed by the simple majority of the committee members and held at the Community Clubhouse. If the day for the meeting is a legal holiday, the meeting will be held at the same time and place on the first day following which is not a legal holiday. Meetings of the Architectural Review Board will be presided over by a chairperson elected by the Architectural Review Board. Notice of the time and place of each regular meeting of the Architectural Review Board shall be posted at the Community clubhouse.

Section 3. Special Meetings: Time and date of the special Meetings of the Architectural Review Board may be called with not less than forty-eight (48) hour notice which shall be posted at the Community clubhouse and any electronic media.

Section 4. Architectural Review Board Members: The Board shall consist of not less than three (3) or more than seven (7) Members in good standing who shall be elected at the second regular membership meeting in May following the annual membership meeting, for terms of two (2) years. There shall be no restrictions on the number of consecutive terms a member may serve. The nominations for the Board shall be made from the floor or by written notice signed by the Member. Members wishing to vote for Board members may do so in person, proxy or absentee ballot. A quorum of the members is not necessary for votes to be counted. In the absence of any nominations, renewal of terms shall be automatic.

A member of the Board of Directors of the Lake Padgett Estates East, P.O.A. or the Club Villas Condominium Associations, Inc. may not be a candidate or be appointed to the Architectural Review Board.

Section 5. Absences of Board Members: The Architectural Review Board may declare the position of a member of the Architectural Review Board to be vacant in the event such member shall be absent (unexcused) for three (3) consecutive regularly scheduled meetings, or have a total of five (5) absences during a one (1) year period from annual meeting to annual meeting. A tardy will be charged for any committee member arriving after roll call, and early departure will be charged for any committee member departing before the adjournment vote.

Section 6. Vacancies: In the event of death, resignation or removal of a Board member, or if any other reason such position shall become vacant, the Board of Directors will appoint the person who has the next highest vote count from the immediate preceding election to complete the unexpired term, If that person does not wish to serve on the committee, the Board of Directors will proceed to the next person with the highest vote count until the original slate of Board candidates has been exhausted. The Board of Directors will then ask for volunteers at the next scheduled Membership meeting and can vote to appoint at that time. Members must be in good standing.

Section 7. Removal:

A. The provisions of Florida Statute 720.303 (10) regarding removal of board members shall provide the procedures to be followed for the removal of an Architectural Review Board member.

B. Any Architectural Review Board member may be removed for cause upon the submission of a Petition for Removal from the Architectural Review Board to the Board of Directors and upon an affirmative vote for removal by the Board of Directors. The petition for removal can only be submitted by the Architectural Review Board and must state the grounds for removal by the majority of the Members of the Association.

C. Any petition submitted to the Architectural Review Board and signed by the majority of the Members of the Association must be submitted to the Board of Directors by the Architectural Review Board. Any petition for removal shall be delivered in writing to the Community Association Manager within ninety (90) days of the date of the alleged offenses. Upon receipt of the petition, the Community Association Manager will schedule a hearing on the petition at a meeting of the Disciplinary Committee. Notice of the hearing will be provided to the member in writing at least (10) business days prior to the meeting. The Disciplinary Committee will hear all evidence and witnesses to determine if the petition is found or unfounded. At the hearing, the Board member shall have the opportunity to respond to the allegations contained in the petition for removal. If determined to be unfounded, the petition will be dismissed. If determined to be founded, the Disciplinary Committee will refer the petition to the Board of Directors as founded so that the Board may vote on the petition. An affirmative vote for removal by a majority vote of the Board of Directors shall be required for removal of any Board member under such a Petition for Removal. An Architectural Review Board member cannot be removed who is found to have been doing their volunteer job within the guidelines of the Deed Restrictions, Bylaws, Florida Statutes and any other applicable laws or court cases.

Section 8. Lack of Quorum: In the event the Architectural Review Board is dissolved or there are an insufficient number of members to form a quorum, the responsibilities of the Architectural Review Board will be assumed by the Board of Directors until such time as an election can be held or vacancies filled.

Section 9. Fines: The Architectural Review Board may levy reasonable fines, not to exceed \$100.00 per violation, against any member, tenant, guest or invitee. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed \$1,000.00 or maximum allowable by law in the aggregate per violation per calendar year. Fines can only be imposed after due process has been granted to the property owner with written notice of fourteen (14) days or more to a member of the Architectural Review Board hearing that will review and vote on the fine.

All fines must be voted on by properly constituted meeting of the Architectural Review Board. The Architectural Review Board is not required to send prior warning notices on any violation before issuing a fine notice. Fine(s) that are greater or equal to \$1,000.00 may become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by the court. Any member fined pursuant to this section may appeal said fine to the Disciplinary Committee. The fine will not hold until the Disciplinary Committee hearing. Notice of the hearing will be provided to the Member in writing at least ten (10) business days prior to the meeting.

Section 10. Exculpation: The Association, the directors or officers of the Association, the Architectural Review Board, the members of the Architectural Review Board, or any person acting on behalf of any of them, shall not be liable for any cost or damages incurred by any Member or any other party whatsoever, due to any mistakes in judgment, negligence, or by action of the Association, the Architectural Review Board or their members, officers, or directors, in connection with the approval or disapproval of plans and specifications. Each Member agrees, individually and on behalf of its heirs, successors, and assigns by acquiring title to a Lot, that they shall not bring any action or suit against the Association or its respective directors or officers, the Architectural Review Board or the members of the Architectural Review Board, or their respective agents, in order to recover any damages caused by the actions of the Association, or Architectural Review Board or their respective members, officers, or directors in connection with the provisions of this Section. The Association does hereby indemnify, defend and hold the Architectural Review Board, and each of its members, officers, and directors harmless from all costs, expenses, and liabilities, including attorney's fees and paraprofessional fees at all levels, including appeals, of all nature resulting by virtue of the Members, Association, Architectural Review Board or their members, officers, and directors. The Architectural Review Board or its members, or any person acting on behalf of any of them, shall not be responsible for any defects in any plans or specifications or the failure of same to comply with applicable laws or code nor for any defects in any improvements constructed pursuant thereto. Each party submitting plans and specifications for approval shall be solely responsible for the sufficiency thereof and for the quality of construction performed pursuant thereto.

ARTICLE IX

BOOKS AND RECORDS

The official records of the Association shall be kept in compliance with Section 720 of the Florida Statutes, and shall be available for inspection and copying in accordance with the procedures set forth therein.

ARTICLE X

OPERATION OF COMMON AREAS

Section 1. Operation: The common areas shall be owned, operated and administered by the Association for the use and benefit of the owners of all property interests in Lake Padgett Estates East including, but not limited to, the Association, Members and any lenders, Subject to the Association's right to grant easements and other interests as provided herein, the Association may not convey, abandon alienate,

encumber, or transfer all or a portion of the common areas to a third party without (a) approval of a sixty-six and two thirds percent (66 ²/₃%) of the Board; and (b) seventy-five (75%) of all of the votes in the Association.

Section 2. Paved Common Areas: Without limiting any other provision of the Declaration, the Association is responsible for the maintenance of all paved surfaces including, but not limited to, cart paths, roads, pathways, and sidewalks forming a part of the common areas, if any.

Section 3. Delegations and Managers: The common areas and facilities and improvements located thereon shall, subject to the provisions of the Declarations and the Document of Conveyance or Dedication, at all times be under the complete supervision, operation control, and management of the Association. Further, in the event that a common area is created by easement, the Association's obligations and rights with respect to such common area may be limited by the terms of the document creating such easement.

Section 4. Use:

1. Nonexclusive Use: The common areas shall be used and enjoyed by the Members on a non-exclusive basis in common with other persons entities and corporations (who may, but are not required to be, members of the Association) entitled to use those portions of the common areas. The Association has the right, at any and all times, and from time to time, to further additionally provide and make the common areas available to other individuals, persons, firms, or corporations, as it deems appropriate. The granting of such rights shall not invalidate the Declarations, reduce or abate any Member's obligations pursuant to the Declarations, or give any Member the right to avoid any of the covenants, agreements or obligations to be performed hereunder.

2. Right to Allow Use: The Association may enter in to easement agreements or other use or possession agreements whereby the Members, telecommunications providers, the Association and/or others may obtain the use, possession of, or other rights regarding certain property, on an exclusive or non-exclusive basis, for certain specified purposes. The Association may agree, but is not required, to maintain and pay the taxes, insurance, administration, upkeep, repair, and replacement of such property, the expenses of which shall be operating costs. Any such agreement by the Association shall require the approval of the majority of the Board of Directors. Agreements shall be made on an individual basis.

3. Obstruction of common Areas: No portion of the common areas may be obstructed, encumbered, or used by Members for any purpose other than as permitted by the Association.

4. Assumption of Risk: Without limiting any other provision herein, each person within any portion of Lake Padgett Estates East accepts and assumes all risk and responsibility for noise, liability, injury, or damage connected with use or occupancy of any portion of Lake Padgett Estates East including the Common Areas. Without limitation: (a) noise from maintenance equipment, (b) use of pesticides, herbicides and fertilizers, view restrictions caused by maturation of trees and shrubbery, (c) reduction in privacy caused by the removal or pruning of shrubbery or trees within Lake Padgett Estates East and (d) design of any portion of Lake Padgett Estates East. Each person entering onto any portion of Lake Padgett Estates East also

expressly indemnifies and agrees to hold harmless the Association and all employees, directors, representatives, officers, agents, and partners of the foregoing, from any and all damages, whether direct or consequential, arising from or related to the person's use of the Common Areas and/or the Facilities, including for attorneys' fees, paraprofessional fees and costs at trial and upon appeal. Without limiting the foregoing, all persons using the Common Areas and/or the Facilities, including without limitation, any pool or area adjacent to a lake, do so at their risk. **BY ACCEPTANCE OF A DEED, EACH OWNER ACKNOWLEDGES THAT THE COMMON AREAS MAY CONTAIN WILDLIFE SUCH AS ALLIGATORS, DOGS, RACCOONS, SNAKES, DUCKS, DEER, SWINE, TURKEYS, AND FOXES. THE ASSOCIATION SHALL HAVE NO RESPONSIBILITY FOR MONITORING SUCH WILDLIFE OR NOTIFYING OWNERS OR OTHER PERSONS OF THE PRESENCE OF SUCH WILDLIFE. EACH OWNER AND HIS OR HER GUESTS AND INVITEES ARE RESPONSIBLE FOR THEIR OWN SAFETY.**

5. **Members Obligation to Indemnify:** Each Owner agrees to indemnify and hold harmless Association its officers, partners, agents, employees, affiliates, directors and attorneys (collectively, "Indemnified Parties") against all actions, injury, claims, loss, liability, damages, costs and expenses of any kind or nature whatsoever ("Losses") incurred by or asserted against any of the Indemnified parties from and after the date hereof, whether direct, indirect, or consequential, as a result of or in any way related to the common areas and/or facilities, including, without limitation, use of the lakes and other water bodies within Lake Padgett Estates East by Owners, and their quests, family members, invitees, or agents, or the interpretation of the Declaration and/or exhibits attached hereto and/or from any act or omission of the Association, or of any of the indemnified parties. Should any member bring suit against the Association, or any of the indemnified parties for any claim or matter and fail to obtain judgment therein against such indemnified parties, such Member shall be liable to such parties for all losses, costs and expenses incurred by the indemnified parties in the defense of such suit, including attorney's fees and paraprofessional fees at trial and upon appeal.

Section 5. Rules and Regulations:

1. Generally the Association shall have the right to adopt Rules and Regulations governing the use of the Common Areas and Lake Padgett Estates East. The Rules and Regulations need not be recorded in the Public Records. The Common Areas shall be used in accordance with The Declarations and Rules and Regulations promulgated hereunder.
2. The Association will have a Zero (0) tolerance for fighting on Association Property.

Section 6. Rules and Regulations:

1. **Default by another Member:** No default by any Member in the performance of the covenants and promises contained in the Declarations or by any person using the common areas or any other act of omission by any of them shall be construed or considered (a) a breach by the Association or a non-defaulting Member or other person or entity of any of their promises or covenants in the Declarations; or (b) an actual, implied or constructive dispossession of another Member from the common areas; or (c) an excuse, justification, waiver or indulgence of the covenants and promises contained in the Declarations.

Section 7. Site Plans and Plats: Lake Padgett Estates East may be subject to one or more ¹⁵ of ²² plats (each individually, a "Plat".) The Plat may identify some of the common areas within Lake Padgett Estates East. The description of the common areas on a Plat is subject to change and the notes on a Plat are not a guarantee of what facilities will be constructed on such common areas. Site plans used by Developer in its marketing efforts illustrate the types of facilities which may be constructed on the common areas, but such plans are not a guarantee of what facilities will actually be constructed. Each Member should not rely on a Plat or any site plans used for illustration purposes as the Declaration governs the rights and obligations of Developer and Members with respect to the common areas.

ARTICLE XI

MAINTENANCE BY ASSOCIATION

Section 1. Common Areas: Except as otherwise specifically provided in the Declarations to the contrary, the Association shall at all times maintain, repair, replace and Association placed thereon.

Section 2. Landscape areas that are within the common areas provided that such areas are readily accessible to the Association. Under no circumstances shall the Association be responsible for maintaining any areas within fences or walls that form a part of a Lot.

Section 3. Negligence: The expense of any maintenance, repair, or construction of any portion of the common areas necessitated by the negligent or willful acts of a Member or persons utilizing the common areas, through or under a Member shall be borne solely by such Member, and the Lot owned by that Member shall be subject to an individual assessment for that expense. By way of example, and not of limitation, a Member shall be responsible for the removal of all landscaping and structures placed within easements or common areas without the prior written approval of the Association.

Section 4. Maintenance of Property Owned by others: The Association shall maintain vegetation, landscaping, sprinkler system, community identification/features and/or other areas or elements which are within or outside of Lake Padgett Estates East and which are owned by, or dedicated, to, others including, but not limited to, a utility, governmental or quasi-governmental entity, so as to enhance the appearance of Lake Padgett Estates East. These areas may include (by way of example and not limitation). Swale or median areas within the right-of-way of public streets, roads, drainage areas, community identification features, community signage, or other identification and/or areas within canal rights-of-way or other abutting waterways.

Article XII

Assessments.

Section 1. As more fully described in the Declarations, each Member is obligated to pay to the Association an annual assessment and any special assessments, any assessment which is not received by the Association by the 10th day of the month shall be deemed delinquent. If the assessment is not received by the 10th day of each month, the assessment shall bear interest at the rate of one and one half percent (1 ½%) per month plus any applicable late fee. Any account that remains delinquent in the second month

and is still unpaid on the 20th day of the second month may be referred to the Association attorney for collection. The Association may bring legal action against the Member personally obligated to pay the same and/or foreclose on a lien placed against the Property. Interest, late fees, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

Section 2. Types of Assessments: Each Member, by acceptance of a deed or instrument of conveyance for the acquisition of title in any manner (whether or not so expressed in the deed), including any purchaser at a judicial sale, shall hereafter be deemed to have covenanted and agreed to pay to the Association at the time and in the manner required by the Board, assessments or charges and any special assessments as are fixed, established and collected from time to time by the Association (collectively, the "Assessments"). All Members shall pay Assessments.

Section 3. Purpose of Assessments: The Assessments levied by the Association shall be used for, among other things, the purpose of promoting the recreation, health, safety, and welfare of the residents of Lake Padgett Estates East. And in particular for the improvement and maintenance of the common areas and any easement in favor of the Association, including but not limited to the following categories of Assessments as and when levied and deemed payable by the Board.

- A. Any Assessment (as determined by the Board) or charge for the purpose of operating the Association and accomplishing any and all of its purposes, as determined in accordance herewith, including, without limitation, payment of operating costs and collection of amounts necessary to pay any deficits from prior years' operation (hereinafter "Installment Assessments")
- B. Any special assessments for capital improvements, major repairs, emergencies, the repair or replacement of the common areas, or nonrecurring expenses (hereinafter "Special Assessments".)
- C. Any specific fees, dues or charges to be paid by Members for any special services provided to or for the benefit of a Member or Lot, for any special or personal use of the common areas, or to reimburse the Association for the expenses incurred in connection with that service or use (hereinafter ("Use Fees').
- D. Assessments of any kind for the creation of reasonable reserves for any of the aforesaid purposes. At such time as there are improvements in any common area for which the Association has a responsibility to maintain, repair, and replace, the Board may but shall have no obligation to, include a "Reserve for Replacement" in the installment assessments in order to establish and maintain an adequate reserve fund for periodic maintenance, repair, and replacement of improvements comprising a portion of the common areas (hereinafter "Reserves"). Assessments pursuant to this Section shall be payable in such manner and at such times as determined by the Association, and may be payable in installments extending beyond the fiscal year in which the Reserves are approved.
- E. Assessments for which one or more Members (but less than all Members) within Lake Padgett Estates East is subject (" Individual Assessments") such as costs of special services provided to a lot or Member or cost relating to enforcement of the provisions of the Declarations or the architectural provisions hereof as it relates to a particular Member or Lot by way of example, and not of limitation, in the event a Member fails to maintain his Lot or any improvement thereto in a manner satisfactory to the Association, the

Association shall have the right, through its agents and employees, to enter upon the Lot and to repair, restore, and maintain the Lot as required by the Declarations. The cost thereof, plus the reasonable administrative expenses of the Association, shall be an individual assessment. The lien for an individual assessment may be foreclosed in the same manner as any other Assessment. As a further example, if one or more Members receive optional telecommunications services such as toll calls, cable services and/or data transmission services, and the Association pays a telecommunications provider for such services, then the cost of such services shall be an individual assessment as to each Member receiving such services. Further, in the event that the Association decides it is in the best interest of Lake Padgett Estates East that Association perform any other obligation of a Member under this Declaration, the cost of performing such obligation shall be an individual assessment.

Section 4. Designation: The designation of assessment type shall be made by the Association. Such designation may be made on the budget prepared by the Association. The designation shall be binding upon all Members.

Section 5. Allocation of Operating Costs:

A. For the period until the adoption of the first annual budget, the allocation of operating costs shall be as set forth in the initial budget prepared by the Association.

B. Commencing on the first day of the period covered by the annual budget, and until the commencement of the next annual budget, the Assessments shall be allocated so that each Member shall pay his pro-rata portion of installment assessments, special assessments, and reserves based upon a fraction, the numerator of which is one (1) and denominator of which is the total number of lots in Lake Padgett Estates East conveyed to Members or any greater number determined by the Association from time to time. The Association, in its sole and absolute discretion, may change such denominator from time to time, as per DCR's.

C. In the event the operating costs as estimated in the budget for a particular fiscal year are, after the actual operating costs for that period is known, less than the actual costs, then the difference shall, at the Annual Meeting of the Association: (1) be added to the calculation of installment assessments, as applicable, for the next ensuing fiscal year; or (2) be immediately collected from the Members as a special assessment. The Association shall have the unequivocal right to specially assess Members retroactively on January 1st of any year for any shortfall in installment assessments, which special assessment shall relate back to the date that the installment assessments could have been made. No vote of the Members shall be required for such special assessment (or for any other assessment except to the extent specifically provided herein).

D. Each Member agrees that so long as it does not pay more than the required amount, it shall have no grounds upon which to object to either the method of payment by other Members of any sums due.

Section 6. General Assessments Allocation: Except as hereinafter specified to the contrary, installment assessments, special assessments and reserves shall be allocated equally to each Member.

Section 7. Use Fees and Individual Assessment. Except as hereinafter specified to the contrary, use fees and individual assessments shall be made against the Members benefitting from, or subject to the special service or cost as specified by the Association.

Section 8. Commencement of First Assessment: Assessments shall commence as to each Member on the day of the conveyance of title of a lot to a Member. Assessments shall commence as to each builder on the day of the conveyance or title or transfer of control of a lot to such builder.

Section 9. Shortfalls and Surpluses: Each Member acknowledges that because installment assessments, special assessments, and reserves are allocated based on the formula provided herein, or upon the number of Lots conveyed to Members on or prior to September 30 of the prior year, it is possible that the Association may collect more or less than the amount budgeted for operating costs. Any surplus assessments collected by the Association may be (1) allocated towards the next year's operating costs, (2) used to fund reserves, whether or not budgeted, (3) retained by the Association. Under no circumstances shall the Association be required to pay surplus Assessments to Members. If the budget does not provide for a reserve account and the Association is responsible for repair and maintenance of capital improvements that may result in a special assessment if reserves are not provided, each financial report for the preceding fiscal year must contain the following statement in conspicuous type:

“THE BUDGET OF THE ASSOCIATION DOES NOT PROVIDE FOR RESERVE ACCOUNTS FOR CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE THAT MAY RESULT IN SPECIAL ASSESSMENTS. MEMBERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO FLORIDA STATUTE SECTION 720.303(6) UPON OBTAINING THE APPROVAL OF A MAJORITY OF THE TOTAL VOTING INTEREST IN THE ASSOCIATION BY A VOTE OF THE MEMBERS AT A MEETING OR BY WRITTEN CONSENT.”

Additionally, if the budget of the Association does provide for funding accounts for deferred expenditures including, but not limited to, funds for capital expenditures and deferred maintenance, but such accounts are not created or established by the Developer or the majority of the voting interest of the Association, each annual report for the preceding fiscal year must contain the following statement in conspicuous type:

“THE BUDGET FOR THE ASSOCIATION PROVIDES FOR LIMITED VOLUNTARY DEFERRED EXPENSE ACCOUNTS INCLUDING CAPITAL EXPENDITURES AND DEFERRED MAINTENANCE, SUBJECT TO LIMITS ON FUNDING CONTAINED IN OUR GOVERNING DOCUMENTS, BECAUSE THE MEMBER HAS NOT ELECTED TO PROVIDE FOR RESERVE ACCOUNT PURSUANT TO CHAPTER 720.3036 OF THE FLORIDA STATUTES. THESE FUNDS ARE NOT SUBJECT TO THE RESTRICTIONS ON USE OF SUCH FUNDS SET FORTH IN THAT STATUTE, NOR ARE RESERVES CALCULATED IN ACCORDANCE WITH THAT STATUTE”.

Section 10. Budget: Annual budgets shall be prepared by the Finance Committee and adopted by the Board of Directors.

Section 11. Establishment of Assessments: Assessments shall be established in accordance with the following procedures and in compliance with the Declaration of Covenants and Restrictions:

A. Installment assessments shall be established by the adoption of a twelve (12) month operating budget by the Board. The budget shall be in the form required by Section 720.303(6) of the Florida Statutes, as

amended from time to time. Written notice of the amount and date of commencement thereof shall be given to each Member not less than ten (10) days in advance of the due date of the first installment thereof. Notwithstanding the foregoing, the budget may cover a period of less than twelve (12) months if the first budget is adopted mid-year or in order to change the fiscal year of the Association. The assessments will be collected on a monthly basis.

B. Special assessments and individual assessments against the Members may be established by the Association, from time to time, and shall be payable at such time or times as determined.

C. Board may establish by resolution, rule or regulation usage fees. The sums established shall be payable by the Members utilizing the service or facility as determined by the Board.

Section 12. Assessment Estoppel Certificates: No Member shall sell or convey its interest in a lot unless all sums due the Association have been paid in full and an estoppel certificate in recordable form shall have been received by such Member. The Association shall prepare and maintain a ledger noting assessments due from each Member. The ledger shall be kept in the office of the Association, or its designees, and shall be open to inspection by any Member. Within ten (10) days of a written request therefore, there shall be furnished to a Member an estoppel certificate in writing setting forth whether the assessments have been paid and/or the amount which is due as of any date. As to parties other than Members who, without knowledge of error, rely on the certificate, the certificate shall be conclusive evidence of the amount of any assessment therein stated the Member requesting the estoppel certificate shall be required to pay the Association a reasonable sum to cover the costs of examining records, and preparing such estoppel certificate. Each Member waives its rights (if any) to an accounting related to operating costs or Assessments.

Section 13. Payment of Home Real Estate Taxes: Each Member shall pay all taxes and obligations relating to its Lot which, if not paid, could become a lien against the Lot which is superior to the lien for assessments created by the Declarations.

Section 14. Creation of the Lien and Personal Obligation: Each Member, by acceptance of a deed or instrument of conveyance for the acquisition of title to a Lot, shall be deemed to have covenanted and agreed that the Assessments, and/or other charges and fees set forth herein, together with interest, late fees, costs and reasonable attorney's fees and paraprofessional fees at all levels of proceedings including appeals, collections and bankruptcy, shall be a charge and continuing lien in favor of the Association encumbering the Lot and all personal property located thereon owned by the Member against whom each such Assessment is made. The lien is effective from and after recording a Claim of Lien in the public records stating the legal description of the Lot, name of the Member, and the amounts due as of that date, but shall relate back to the date that the Declarations are recorded. The Claim of Lien shall also cover any additional amounts which accrue thereafter until satisfied. Each Assessment, together with interest, late fees, costs and reasonable attorney's fees and paraprofessional fees at all levels including appeals, collections and bankruptcy, and other costs and expenses provided for herein, shall be the personal obligation of the person who was the owner of the Lot at the time when the Assessment became due, as well as the Member's heirs, devisees, personal representatives, successors or assigns.

Section 15. Acceleration: In the event of a default in the payment of any Assessment, the Association may accelerate the Assessments then due for up to the next ensuing twelve (12) month period.

Section 16. Non-Payment of Assessments: If any Assessment is not paid within ten (10) days (or such other period of time established by the Board) after the due date, the assessment shall bear interest at the rate of one and one half percent (1 ½%) per month together with any applicable late fee as established by the Board, beginning from the due date until paid in full, may be levied. The late fee shall compensate the Association for administrative costs, loss of use of money, and accounting expenses. The Association may, at any time thereafter, bring an action at law against the Member personally obligated to pay the same and/or foreclose the lien against the Lot, or both. The Association shall not be required to bring such an action if it believes that the best interests of the Association would not be served by doing so. There shall be added to the Assessment all costs expended in preserving the priority of the lien and all costs and expenses of collection, including attorney's fees and paraprofessional fees, at all levels of proceedings, including appeals, collection and bankruptcy. No Member may waive or otherwise escape liability for assessments provided for herein by non-use of, or the waiver of the right to use the common areas or by abandonment of a lot. Pursuant to Section 720.305(2), if a member is delinquent for more than ninety (90) days in paying a monetary obligation due, the Association will suspend, until such monetary obligation is paid, the rights of the Member or the Member's tenants, guest, or invitees, or both, to use common areas and facilities and may levy reasonable fines of up to one hundred dollars (\$100.00) per violation, against any Member or any tenant, guest, or invitee. A fine may be levied each day of a continued violation, with a single notice and opportunity for hearing. **A fine may exceed \$1,000.00 in the aggregate.** A fine of \$1,000.00 or more may become a lien against a parcel. A fine of less than thousand dollars (\$1,000.00) may not become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by the Court. The provisions regarding the suspension of use rights do not apply to the portion of common areas that must be used to provide access to the parcel or utility service provider to the parcel.

Section 17. Exemption: In addition, the Board shall have the right to exempt any portion of Lake Padgett Estates East subject to the Declarations from the Assessments, provided that such portion of Lake Padgett Estates East exempted is used (and as long as it is used) for any of the following purposes:

- A. Any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use;
- B. Any real property interest held by a telecommunications provider;
- C. Any of Lake Padgett Estates East exempted from ad valorem taxation by the laws of the State of Florida or exempted from Assessments by other provisions of the Declarations;
- D. Any easement or other interest dedicated or conveyed to not for profit corporations for the use and benefit of residents in the Development of Regional Impact of which Lake Padgett Estates East is a part.

Section 18. Rights to Pay Assessments and Receive Reimbursement: The Association and any lender of a lot shall have the right, but not the obligation, jointly and severally, and at their sole option, to pay any

Assessments or other charges which are in default and which may or have become a lien or charge against any lot. If so paid, the party paying the same shall be subrogated to the enforcement rights of the Association with regard to the amounts due.

Section 19. Mortgagee Right: Each lender may request in writing that the Association notify such lender of any default of the owner of the lot subject to the lender's mortgage under the Association documents which default is not cured within thirty (30) days after the Association learns of such default. A failure by the Association to furnish notice to any lender shall not result in liability of the Association because such notice is given as a courtesy to a lender and the furnishing of such notice is not an obligation of the Association to such lender.

ARTICLE XIII

LEASE OF PROPERTY

Section 1. Each Member who leases their property shall provide a copy of the rental application, if any, and a copy of the lease agreement to the Association within fifteen (15) days after the execution of the lease agreement.

Each Member who rents their property shall provide the renter with a copy of the governing documents of Lake Padgett Estates East, and shall obtain a signed receipt from the renter acknowledging the same. A copy of the signed receipt, and lease agreement, shall be provided to the Board of Directors within fifteen (15) days after the execution of the lease agreement. If the Member uses a realtor or property management agency, he shall be responsible for informing the agency of this requirement, and assure that the agency secured the above described receipt and provided a copy of the same to the Board of Directors as specified above.

Section 2. Fines: The Association may levy reasonable fines, not to exceed \$100.00 per violation, against any Member who fails to comply with the provisions of this Article XIII within the time set forth above. A fine may be levied on the basis of each day of a continuing violation, with a single notice and opportunity for hearing, except that no such fine shall exceed (\$1,000.00) in the aggregate per violation per calendar year. Fines can only be imposed after due process has been granted to the Owner with written notice of fourteen (14) days or more to a member of the Board of Directors of the Association hearing that will review and vote on the fine. All fines imposed pursuant to this Article XIII must be voted on by a properly constituted meeting of the Board of Directors of the Association. The Board of Directors of the Association is not required to send prior warning notices on any violation before issuing a fine notice. A fine that is equal to or is greater than \$1,000.00 may become a lien against a parcel. In any action to recover a fine, the prevailing party is entitled to collect its reasonable attorney's fees and costs from the non-prevailing party as determined by the court. Any Member fined pursuant to this section may appeal said fine to the Disciplinary Committee. The fine will be on hold until the Disciplinary Committee hearing. Notice of the hearing will be provided to the Member in writing at least ten (10) business days prior to the meeting.

Section 3. Demand: Tenant to pay rent to Association. If a lot is occupied by a tenant and the lot owner is delinquent in paying any monetary obligation due to the Association; the Association may demand that the

tenant pay to the Association the future rents related to the Lot. The demand is continuing in nature, and upon demand the tenant must continue to pay the rent obligations until the Association releases the tenant or the tenant discontinues tenancy in the Lot. A tenant that acts in good faith in response to a written demand from the Association is immune from any claim from the Lot owner. If the tenant prepaid rent to the Lot owner before receiving the demand from the Association and provides written evidence to the Association within fourteen (14) days after receiving the demand, the tenant shall receive credit for the prepaid rent for the applicable period and must make any subsequent rental payments to the Association to be credited against the monetary obligations of the Lot owner to the association. The Association shall, upon request, provide the tenant written receipts for payments made. The Association shall mail written notice to the Lot owner of the Associations demand that the tenant pay monetary obligations to the Association. The tenant is not liable for increases in the amount of the monetary obligations due unless the tenant was notified in writing of increase at least ten (10) days before the date in which the rent is due. The tenant shall be given a credit against rents due to the lot owner in the amount of assessments paid to the Association. The Association may issue notices pursuant to Florida Statute and may sue for eviction as if the Association were a landlord and the tenant fails to pay a monetary obligation. However the Association is not otherwise considered a landlord under the Florida Statute and has specifically no duties under the statute. The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a Lot owner to vote in any election or to examine the books and records of the Association.

ARTICLE XIV

CORPORATE SEAL

The Association shall have a corporate seal embedded with the words; Lake Padgett Estates East Property Owners Association, Inc.

ARTICLE XV

AMENDMENTS

These By-Laws may be amended at any meeting of the Members, duly called with not less than fourteen (14) days' notice of the proposed amendments, which shall be posted in the Community Clubhouse. Amendments shall be deemed approved upon the approval of a majority of the Members present in person or by a proxy at a meeting of the Members.

ARTICLE XVI

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of each year.

WITNESSED BY
SECRETARY OF THE ASSOCIATION
DATE: 10/10/2017