

Prepared by and Return to:
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CERTIFICATE OF AMENDMENT
AMENDED AND RESTATED
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
FAIRWAY VILLAS
AND
AMENDED AND RESTATED BYLAWS
OF
FAIRWAY VILLAS PROPERTY OWNERS' ASSOCIATION, INC.

We hereby certify that the attached amendments to the Amended and Restated Declaration of Covenants and Restrictions for FAIRWAY VILLAS PROPERTY OWNERS' ASSOCIATION, INC. (which Declaration is originally recorded at Official Records Book 1334, Page 1463 et seq., and the Bylaws being attached as an exhibit, all of the Public Records of Sarasota County, Florida) were approved and duly adopted at a Special Membership Meeting of Fairway Villas Property Owners' Association, Inc. (herein, the "Association") held on July 29, 2021, by two-thirds (2/3) of the fee owners voting in person or by proxy as required by Article X of the Declaration and by an affirmative vote of not less than a majority (51%) of the Association's eligible Voting Interests present (in person or by proxy) as required in Section Article XIII of the Bylaws. The Association further certifies that the amendments were proposed and adopted as required by the governing documents and applicable law.

DATED this 24th day of August, 2021.

Signed, sealed and delivered:
in the presence of:

sign William Arnold

print William Arnold

sign William Arnold

print William Arnold

FAIRWAY VILLAS PROPERTY OWNERS'
ASSOCIATION, INC.

By: Thomas Ciha
Thomas Ciha, President

Attest: Beverly Bortz
Beverly Bortz, Secretary

[Corporate Seal]

STATE OF FLORIDA
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 24th day of August, 2021, by Thomas Ciha, as President of Fairway Villas Property Owners' Association, Inc., who is personally known to me or who has produced _____ as identification.

NOTARY PUBLIC

sign Nancy D Hill

print Nancy D. Hill
My Commission Expires:



AMENDED AND RESTATED
DECLARATION OF COVENANTS AND RESTRICTIONS
FAIRWAY VILLAS

*[Substantial rewrite of Declaration of Covenants and Restrictions.
See existing Declaration of Covenants and Restrictions and all amendments thereto for present text.]*

WHEREAS, THE ORIGINAL DECLARATION OF COVENANTS AND RESTRICTIONS, was made on the 10th day of October, 1979 by GENERAL DEVELOPMENT CORPORATION, a Delaware Corporation, hereinafter called Developer

RECITALS

WHEREAS, Developer was the owner of the real property described in Schedules "A" and "B" attached to the Original Declaration and desired to create thereon a planned residential community with open spaces, and greenbelts for the benefit of the said community, and

WHEREAS, Developer desired to provide for the preservation of the values in said community and for the maintenance of said open spaces, greenbelts and other common facilities, and to this end, desired to subject the real property described in Schedules "A" and "B" together with such additions as may hereafter be made thereto (as provided in Article II) to the covenants, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof, and

WHEREAS, Developer deemed it desirable for the efficient preservation of the values in said community, to create an agency to which should be delegated and assigned the powers of maintaining and administering and the community properties and facilities and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created, and

WHEREAS, Developer incorporated under the laws of the State of Florida, as a non-profit corporation, FAIRWAY VILLAS PROPERTY OWNERS' ASSOCIATION, INC., for the purpose of exercising the functions aforesaid.

NOW THEREFORE, the Developer did declare that the real property described in Schedules "A" and "B" and such additions thereto as may be made pursuant to Article II, hereof, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I
DEFINITIONS

Section 1. The terms used in this Declaration and recorded exhibits hereto, the Articles of Incorporation, the Bylaws, and the Rules and Regulations, shall have the definitions set forth in the Homeowners' Association Act, unless otherwise defined herein, as follows, and, where appropriate, the singular may refer to the plural and the plural may refer to the singular:

A. "Association" shall mean and refer to FAIRWAY VILLAS PROPERTY OWNERS' ASSOCIATION, INC.

B. "The Properties" shall mean and refer to all such existing properties, and additions thereto, as are subject to this Declaration or any Supplemental Declaration under the provisions of Article II hereof.

C. "Common Properties" shall mean and refer to those areas of land shown on any recorded subdivision plat of The Properties and intended to be devoted to the common use and enjoyment of the owners of The Properties, as more fully described in Article II, Section 2 hereof and on Schedule "B" attached to the original declaration.

D. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of The Properties with the exception of Common Properties as heretofore defined.

E. "Living Unit" shall mean and refer to any portion of a building situated upon The Properties designed and intended for use and occupancy as a residence by a single family.

F. "Owner" shall mean and refer to the recorded owner, whether one or more persons or entities, of the fee simple title to any Lot or Living Unit, but notwithstanding any applicable theory concerning a mortgage encumbering any Lot or Living Unit, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

G. "Member" shall mean and refer to all those Owners who are members of the Association as provided in Article III, Section 1 hereof.

H. "Emergency" shall mean a sudden unexpected happening, an unforeseen occurrence or condition, perplexing contingency or complication of circumstances; a sudden or unexpected occasion for action, or a pressing necessity.

I. "Original Declaration" shall mean the Declaration of Covenants and Restrictions Fairway Villas, as recorded in the Official Records of Sarasota County, Florida at Book 1334 and Page 1463 *et seq.*

J. "Declaration" shall mean and refer to this Amended and Restated Declaration of Covenants and Restrictions Fairway Villas, as may be amended, renumbered or restated from time to time.

K. "Homeowners' Association Act" shall mean and refer to Chapter 720, Florida Statutes, as may be subsequently amended or renumbered from time to time.

L. "Governing Documents" shall mean and refer collectively to the following: (a) the Community Declaration; (b) the Articles of Incorporation; (c) the Bylaws; (d) the Rules and Regulations; and (e) the Plats or other official document of the Community, including Architectural Standards.

M. "Tenant" shall mean shall mean and refer to a natural person or entity who occupies, possesses or uses a Living Unit and Lot, for consideration pursuant to a lease, whether verbal or in writing. It shall also mean any person not an Owner, Guest, or Invitee who uses, occupies or possesses a Single Family Lot or Living Unit.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION ADDITIONS THERETO

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Sarasota County, Florida, and is more particularly described as follows

Lots situated in Block 3 of NORTH PORT CHARLOTTE COUNTRY CLUB
UNIT TWO according to the plat thereof to be recorded in Plat Book 26 at
Page 37-37C of the Public Records of Sarasota County, Florida

all of which said lots shall hereinafter be referred to as "The Properties".

Section 2. Common Properties. That the property described in Schedule "B" attached to the Original Declaration and hereto being Tract "A" in Block 3 of that plat entitled NORTH PORT CHARLOTTE COUNTRY CLUB, UNIT TWO, a subdivision in Sarasota County, Florida, according to the plat thereof to be recorded in Plat Book 26 Page 37-37C of the Public Records of Sarasota County, Florida, be referred to as "Common Properties", be dedicated as recreational and/or park areas and for ingress and egress and that the use of said common properties be restricted and devoted to the common use and enjoyment of the owners of "the Properties" as herein defined. A copy of the Plat is attached hereto as Exhibit "A".

Section 3. Additions to Existing Property. Additional land may become subject to this Declaration in the following manner:

A. **Additions.** Upon approval in writing of the Association pursuant to a vote of its members as provided in its Articles of Incorporation, the owner of any property who desires to add to the scheme of this Declaration and to subject it to the jurisdiction of the Association may file or record a Supplemental Declaration of Restrictions.

B. **Mergers.** Upon a merger or consolidation of the Association with another association as provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Existing Property except as hereinafter provided.

Section 4. Name of Community. The name of this community shall be Fairway Villas.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Living Unit which is subject by these covenants of record to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

Section 2. Voting Rights. Members who are not over ninety (90) days delinquent in the payment of their maintenance assessments shall be entitled to one (1) vote for each Living Unit in which they hold the interests required for membership by Section 1 of this Article. When more than one (1) person holds such interest or interests in any Living Unit, all such persons shall be members, and the vote for such Living Unit shall be exercised as they among themselves determine, but in no event shall more or less than one (1) vote be cast with respect to any such Living Unit.

Section 3. Quorum. The presence at any regular or special meeting of members entitled to cast, and/or of proxies entitled to cast, thirty (30) percent of the votes of the membership shall constitute a quorum for any action.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Members' Easements of Enjoyment. Every Member subject to assessments as provided in **Article V, Section 4** hereof, shall have a right and easement of enjoyment in and to the Common Properties and such easement shall be appurtenant to and shall pass with the title to every Living Unit. However, the Association may

suspend, for a reasonable time, the rights of a Member or a Member's tenants, guests, or invitees, or both, to use the Common Properties and facilities, except for vehicular and pedestrian ingress to and egress from the parcel and the right to park, for violation of the Declaration, Articles of incorporation, Bylaws, or Rules and Regulations of the Association.

Section 2. Use of Common Properties for Drainage. The Common Properties may be used for drainage and the temporary retention of storm water run-off from the Properties and other contiguous property, as well as for open space, recreation, rights of ingress and egress, and other allowed or permissible activities. No structure, planting or other material shall be placed or permitted to remain in the Common Properties which might impair or interfere with the drainage or temporary retention of storm water run-off of The Properties or other contiguous property.

Section 3. Extent of Members' Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

A. The right of the Association, in accordance with its Articles and Bylaws, to borrow money for the purpose of improving the Common Properties and in aid thereof to mortgage said properties in the event of a default upon any such mortgage, the lenders' right hereunder shall be limited to a right, after taking possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the members, and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restore.

B. The right of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosure.

C. The right of the Association to levy reasonable fines against any Member or any tenant, guest, or invitee for violation of the Rules and Regulations.

D. [Intentionally Left Blank]

E. The right of individual Members to the exclusive use of parking spaces as provided in Section 4 of this Article.

F. The drainage and temporary retention of storm water run-off uses of the Common Properties referred to in Section 2 of this Article.

G. The right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer or determination as to the purposes of as to the conditions hereof, shall be effective unless an instrument signed by the President and Secretary of the Association be recorded, certifying that at a special or regular meeting of members called for such purpose, of which thirty (30) days written notice was sent to each member, a two-thirds (2/3) vote of the members was obtained, either in person or by proxy, agreeing to such dedication or transfer.

H. The right of the Association, without joinder of any member, to grant, modify, or move any easement if the easement constitutes part of or crosses the Common Properties or Association property.

Section 4. Parking Restrictions. The Association may assign and reassign upon the Common Properties certain parking spaces for the exclusive use of specific Owners, Members, their families and guests, and no such designation shall become a vested right of any assignee. The use of any such parking space by any other person may

be enjoined or subjected to fine by the Association. No parking shall be permitted in other than designated parking areas.

A. All vehicles parked on the Properties shall display in plain sight a valid parking permit.

B. Each Lot shall have only one (1) designated parking space. Any Owner or Tenant having one (1) additional vehicle are authorized to park the one (1) additional vehicle in a guest spot. Owners and Tenants are not authorized to park more than two (2) vehicles on the Properties at the same time, unless otherwise authorized in writing by the Board on a temporary basis.

C. All vehicles parked on the Properties shall be in compliance with all state, local or other governmental laws, including but not limited to, having all appropriate and valid tags and registrations displayed.

D. Any vehicles determined by the Board of Directors to be in violation of these restrictions or the Association's rules may be subject to the imposition of fines by the Board of Directors; and/or removal of the vehicle from the property by towing.

E. Overnight parking of trailers, campers, mobile homes, buses, boats, motorcycles, trucks (over one (1) ton), recreational vehicles, motor homes, all terrain vehicles, boats, canoes (tied onto the top of a vehicle or otherwise) commercial vans and vehicles with commercial advertisement or lettering is prohibited. The Board shall have the authority to prohibit any vehicle that would otherwise be permitted, if the Board determines, in the exercise of its business judgment, that the vehicle constitutes a safety hazard or is unsightly.

F. The Board reserves the right to adopt additional Rules and Regulations regarding parking and vehicles on the Properties in its sole and absolute discretion. Such Rules and Regulations may include, but are not be limited to, the towing of vehicles found to be in violation of the Rules and Regulations and the issuance of parking permits.

Section 5. Party Walls. Each wall which is built as a part of the original construction of the cluster homes upon the Properties and placed on the dividing line between portions of the Lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

A. **Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

B. **Destruction by Fire or Other Casualty.** If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts of omissions.

C. **Weatherproofing.** Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

D. **Easement.** Each Owner grants to the Owners of adjoining Living Units and to the Association an easement over, upon and across his land for the purpose of performing such maintenance as may be required, including but not limited to, repairing party walls, painting and lawn and sprinkler maintenance.

E. Right to Contribution Runs with Land. The right of any Owner to contribute from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

F. Mediation and Litigation. All disputes arising concerning a party wall shall be resolved first through mediation as provided in the Homeowners Association Act, as subsequently amended from time to time. If a settlement is not reached at mediation the parties may then litigate. The prevailing party in any such action shall be entitled to collect from the other party its reasonable attorneys' fees, including paralegal fees and appellate attorneys' fees, and all costs incurred in prosecuting or defending any such action. The prevailing party shall be deemed to be the party who recovers a net recovery or has this Agreement interpreted or enforced in its favor or consistent with its position in the litigation.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessment. Each Owner of any Living Unit, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (a) annual assessments or charges, and (b) special assessments for capital improvements, such assessments to be equally divided among all Owners of Living Units, fixed, established, and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents in the Properties and in particular for the improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Properties and of the Living Units situated upon The Properties, including but not limited to, the payment of taxes and insurance on the Common Properties, and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials management and supervision thereof.

Section 3. Due Dates of Annual Assessments. The annual assessments provided for herein shall commence on a date (which shall be the first day of a month) fixed by the board of Directors of the Association herein called the Date of Commencement.

Section 4. Annual Assessments. The annual assessment shall be determined by The Board of Directors.

Section 5. Special Assessment for Capital Improvements. In addition to the annual assessments referred to in this Article, the Association may levy in any assessment year a special assessment, applicable to the time required for payment, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of any item for which the Association has the power or duty to construct, reconstruct, repair or replace, including the necessary fixtures and personal property related thereto.

Section 6. Duties of the Board of Directors. The Board of Directors of the Association shall fix the Date of commencement of the assessment against each Living Unit for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of The Properties and assessments applicable thereto which shall be kept in the office of the association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto.

The Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 7. Effect of Non-Payment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies of Association. Any and all assessments levied by the Association or collected on its behalf, together with interest at the highest rate allowed by law, late fees and costs of collection (including, but not limited to reasonable attorney's fees) are hereby declared to be a continuing lien upon the Lot and Living Unit and shall also be the personal obligation of the Owner of each Lot assessed. This lien is superior to any homestead rights the Owner may acquire. No Owner may exempt himself from personal liability for assessments, or release the Living Unit or Lot owned by the owner from the liens and charges hereof, by waiver or suspension of the use and enjoyment of the Common Area, or by abandonment of the owner's Living Unit or Lot. Except as otherwise provided in Section 720.3085, Florida Statutes, an Owner, regardless of how his or her title to the property has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments that come due while he or she is the Owner. An Owner is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. This liability is without prejudice to any right the present owner may have to recover any amounts paid by the present owner from the previous owner.

Section 8. Subordination of the Lien to Mortgages. The Association's claim of lien is superior to, and takes priority over, any mortgage or other encumbrance, other than a first mortgage, regardless of when recorded. Except as otherwise provided in Section 720.3085, Florida Statutes, an Owner, regardless of how his or her title to property has been acquired, including by purchase at a foreclosure sale or by deed in lieu of foreclosure, is liable for all assessments that come due while he or she is the Owner and is jointly and severally liable with the previous owner for all unpaid assessments that came due up to the time of transfer of title. A lease of a Living Unit or Lot shall be subordinate and inferior to any claim of lien of the Association. Any unpaid assessments or charges which cannot be collected by reason of this exception shall be treated as common expenses, divided equally among, payable by, and assessed against all Lots including the Lot as to which the foreclosure (or conveyance in lieu of foreclosure) took place. Except as otherwise provided herein, the lien shall relate back to the date of the original recording of the Original Declaration. However, as to First Mortgages of record, the lien is effective from and after recording a claim of Lien in the Public Records of Sarasota County. The revisions herein apply to all mortgages entered into and recorded on or after the recording date of this amendment.

Section 9. Exempt Property. The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein (a) all properties to the extent any easement or other interest therein is dedicated and accepted by the local public authority and devoted to the public use, (b) all Common Properties as defined in Article I, Section 1 hereof, and (c) all properties exempt from taxation by the laws of the State of Florida upon the terms and to the extent of such legal exemption.

Section 10. Insurance. Notwithstanding any other provision of these Articles, the Association shall provide for insurance on the Common Properties and on The Properties of all Owners of Lots and Living Units, which insurance shall be obtained and earned in the manner set forth in this Section, and shall include in its annual maintenance assessment sufficient funds to pay the premiums thereof, all on the following terms and conditions:

A. Insurance, other than title insurance, shall be carried by the Association on the Common Properties and The Properties of the Owners of Lots and Living Units to the extent that such insurance coverage is defined in the provisions of this Section.

B. The Association shall retain the original of all insurance policies in a place of safekeeping such as a safe or safety deposit box and shall provide copies of such policies to Owners of Lots and Living Units and to institutional mortgagees who request copies.

C. All policies of insurance shall be issued by insurance companies approved by the Board of Directors of the Association.

D. The named insured on all policies of insurance shall be the Association, and in the case of property damage insurance, the Association as agent for Owners of Lots and Living Unit (without naming them) and their mortgagees (without naming them) as their interests shall appear.

E. The Board shall secure and maintain in effect a policy or policies of property damage insurance on the Buildings for "full insurable value", "replacement cost" or the like, less a commercially acceptable deductible, such deductible to be paid by the Owner claimant(s). Improvements or betterment of Living Units made by the Unit Owners, ie, Lanais etc., are the individual Owner's responsibility and shall not be included in the Association's property damage coverage. The term "Buildings" in this Section refers only to that part of the Living Units up to the interior surface covering of ceiling, wall and floor. The Association's policy shall include coverage for all improvements and personal property included in the Common Property.

F. The Board shall secure and maintain in effect one or more comprehensive general liability policies covering loss and damage resulting from an occurrence on the Common Properties and automotive liability insurance, in such amounts as may be required by the Board, but not less than \$1,000,000.00, covering all claims for bodily injury or property damage, or both, arising out of a single occurrence. Each Unit Owner will be responsible for procuring and maintaining liability insurance covering losses which may occur in and about the Owner's property as the owner may deem appropriate.

G. Should the Association employ personnel, all coverage required by law, including workers' compensation shall be obtained so as to meet the requirements of the law.

H. The Board shall secure and maintain in effect adequate fidelity coverage to protect against loss of money through dishonest acts on the part of officers, directors, employees and all others who handle or are responsible for handling the funds of the Association, including but not limited to contract professional management firms and their employees. Such fidelity bonds shall meet the following requirements:

1. Fidelity bonds shall name the Association as an insured or obligee;
2. The bonds shall be written in an amount not less than the maximum funds that will be in the custody of the Association or its management agent at any one time;
3. The bonds shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "officer", "director" or "employee" or similar expression.

I. The board may secure directors' and officers' liability insurance, medical expense payments insurance and such other insurance coverage as the Board shall in its discretion deem necessary or beneficial to the operation of the Association and protection of its properties, and the premiums for such insurance shall be an expense of the Association.

J. Flood Insurance. The Community Association may, in the discretion of the Board, maintain flood insurance to cover The Properties and Living Units and any other property in designated hazard areas, if any, up to the full insurable value or maximum coverage available.

K. Wind Insurance. The Community Association shall maintain wind insurance to cover The Properties and Living Units and any other property in designated hazard areas, if any, up to the full insurable value or maximum coverage available.

L. Miscellaneous: Any insurance the Board of Directors determines is necessary for the administration and operation of the Association.

M. An Owner of a Living Unit shall be liable for any claim, damage or judgment entered or arising as a result of the use or operation of his own Lot and Living Unit caused by their his or her own conduct. Each Owner of a Lot and Living Unit shall be responsible for obtaining his/her own insurance on the real property of their own Living Unit from the interior surface covering of the ceiling, wall board and floor inward. This real property includes, but is not limited to, ceiling, wall board, floor coverings, electrical fixtures, appliances, air conditioners, whether inside or outside, heating equipment, water heaters, built in cabinets and countertops, window treatments, including curtains, drapes, blinds and related hardware. Each Owner of a Lot and Living Unit shall provide to the Association copies of his or her insurance policy cover sheet showing the insurance company name, policy number and proof of liability coverage or other evidence of such insurance policies required by this Declaration on an annual basis upon renewal of same, or as may otherwise be requested by the Association.

N. Premiums for insurance that is to be maintained by the Association shall be paid by the Association as a common expense.

O. All insurance policies purchased by the Association shall provide that all proceeds covering property losses shall be paid to the Association. The Association is hereby irrevocably appointed agent with full power of substitution for each Owner of a Lot and Living Unit and for each Owner of any other insured interest in the Properties. The Association shall have the power to adjust all claims arising under insurance policies purchased by it, to bring suit thereon in its name and/or in the name of other insured, to deliver releases on payments of claims, to compromise and settle such claims, and otherwise to exercise all of the rights, powers and privileges of the Association and of each Owner of a Lot and Living Unit or any other holder of an insured interest in the Properties under such insurance policies.

P. The Association shall receive such insurance proceeds as are paid to it and shall hold the same in trust for the purposes stated herein and for the benefit of the Owners and their mortgagees in the following shares:

1. Common Properties - An equal and undivided share of the proceeds on account of damage to the Common Properties shall be held for each Owner.

2. Living Units - Except as provided for mortgagees, proceeds on account of damages to Living Units shall be held in undivided shares for the Owners whose Living Units are damaged, in proportion to the cost of repairing the damage suffered by each Owner. Determination of all costs of repair and the allocation of same between Living Units shall be the responsibility of the Board, whose decision shall be final.

3. Mortgagees - In the event a mortgagees endorsement has been issued with respect to a Living Unit, the share of the Owner of that Living Unit shall be held in trust for the mortgagee and the Owners, as their interests may appear, provided, however, that no mortgagees shall have any right to determine or participate in the determination whether or not any damaged property shall be reconstructed or repaired except as may be specifically provided to the contrary elsewhere in these articles.

Q. Proceeds of insurance policies received by the Association shall be distributed to or for the benefit of the beneficial Owners in the following manner:

1. Reconstruction or Repair - First, if the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof. Any proceeds remaining after defraying such costs shall be distributed to the beneficial Owners, with remittance to Unit Owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Living Unit and may be enforced by any mortgagee.

2. Failure to Reconstruct or Repair - If it is determined that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial Owners, with remittances to Owners and mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of a Living Unit and may be enforced by any such mortgagee.

ARTICLE VI COMMITTEES

Section 1. Appointment of Committees. The Board of Directors of the Association may appoint such committees as it shall deem advisable, consisting of such Members and for such purposes as the Board shall determine from time to time, to include but not limited to the following functions:

A. Architectural Control. No building, fence, wall, or other structure shall be commenced, erected or maintained upon The Properties, nor shall any exterior addition to or change or alteration therein, including patio covers, be made to a Lot or Living Unit until the plans, drawn to appropriate scale, and specifications showing the nature, kind, shape, height, materials and location of the same including exterior color scheme shall have been submitted to and approved in writing in accordance with the Architectural Standards published by the Board of Directors. Approval or disapproval of the same shall be made by the Architectural Control Committee and submitted to the Board for final approval. The applicant will be notified of the approval or disapproval within a reasonable time, not to exceed forty-five (45) days after receipt thereof.

B. Existing Trees. Existing trees on the property will not be removed unless their removal proves to be necessary due to the emplacement of the structure or structures. Location and size of all existing trees, including those proposed to be removed, shall be indicated on landscaping plans and specifications, and subject to the approval of the Grounds Committee. The Board of Directors may direct the removal of any tree in the Community that in the sole discretion of the Board of Directors is interfering with drainage and or is causing damage to a Living Unit and/or the personal property of an Owner of a Lot and Living Unit. The cost of said removal shall be borne by the Association as part of the common expense.

C. Landscaping Approval. No trees, bushes, shrubs or plants which at maturity and without clipping or pruning thereof, would exceed the height of the Living Unit on any Lot or in common areas shall be planted or emplaced until the plans and specifications for the placement of any such trees, bushes, shrubs or plants have been submitted to and approved by the Grounds Committee with final approval in writing by the Board of Directors. Said plans as submitted shall show in detail and to scale the proposed elevations and locations of said trees, bushes, shrubs or plants, including the location of same in relation to all other Lots subject to these restrictions.

D. Committee Approval. Approval of said plans by the Grounds Committee and/or Board of Directors may be withheld if in the opinion of the Committee and/or the Board of Directors the view of an Owner of any Living Unit and Lot would be impeded by the locations of such tree, bush, shrub or plant. In any event, the Committee shall have the right to require any member to remove, trim or prune any tree, or shrub, which in the reasonable belief of the Committee impedes or detracts from the view of any Lot.

Section 2. Variances. The Board of Directors of the Association may, with the approval of the City of North Port Planning and Zoning Board, approve variances to the requirements of Article IX, Section 2.

Section 3. Attorney's Fees. In all litigation involving architectural control or grounds, the prevailing party shall be entitled to collect and shall be awarded attorneys' fees and court costs.

ARTICLE VII EXTERIOR MAINTENANCE

Section 1. Exterior Maintenance. Pursuant to agreement with Owner, or upon determination by the Association that an Owner has failed to maintain the exterior of his Living Unit in accordance with the standards of the community and above and beyond maintenance furnished by Association, then, after reasonable notice to the owner specifying such failure and upon owner's neglect or refusal to correct the same, then, in such event, and in addition to maintenance upon the Common Properties, the Association may provide exterior maintenance upon each such Living Unit as follows: gutters, downspouts, exterior building surfaces and appurtenances, trees, walks, and other exterior improvements.

The cost thereof shall be assessed to the Owner and shall be added to and become a part of the current year maintenance assessment as more particularly described in Section 3 hereof.

Section 2. Lanais. No lanai shall be commenced, erected or maintained upon the properties nor shall any exterior addition to or change or alteration to an existing lanai be made until the plans, drawn to appropriate scale, and specifications showing the exact dimensions, materials used, location to existing unit and exterior color scheme have been submitted to the Board and approved by the Board in writing. Approval or disapproval of the same shall be made by the Board and returned to the applicant within a reasonable time, not to exceed forty-five (45) days. Further, the following conditions shall govern and apply to all lanais:

A. **Repair and Maintenance.** Repair and maintenance of the lanai including the roof, screening, windows, foundation and structural support is the sole responsibility of the Lot Owner.

B. **Insurance.** Insurance covering lanais is not part of the Association's policies, and is the sole responsibility of the Lot Owner to include, but not limited to, coverage for any damage thereto including fire, flood, or Acts of God.

C. **Rights of Association.** Upon a determination by the Board of Directors of the Association that an Owner has failed to maintain the exterior of his or her lanai in accordance with the standards of the community then, after reasonable notice to the Owner, the Association may provide such maintenance upon the lanai. The cost of such maintenance performed by the Association shall be assessed to the Owner and be added to and become part of the current year maintenance assessment, as more particularly described in Section 3 hereof.

Section 3. Assessment of Cost. The cost of such exterior maintenance shall be assessed against the Living Unit upon which such maintenance is done and shall be added to and become part of the current year annual maintenance assessment or charge to which such Living Unit is subject under Article V hereof and, as part of such annual assessment or charge, it shall be a lien and obligation to the Owner and shall become due and payable when billed. Provided that the Board of Directors of the Association, when establishing the annual assessment against each Living Unit for any assessment year as required under Article V hereof, may add thereto the estimated cost of the exterior maintenance for that year but, thereafter, shall make such adjustment with the Owner as is necessary to reflect the actual cost thereof.

Section 4. Access at Reasonable Hours. For the purpose solely of performing the exterior maintenance authorized in this Article, the Association, through its duly authorized agents or employees shall have the right, after reasonable notice to the Owner, to enter upon the exterior of any Living Unit at reasonable hours on any day except

Sunday. For the purposes of this Section, "reasonable notice" means at least 12 hours-notice prior to entry except in an emergency, and "reasonable hours" shall mean between the hours of 7:30 a.m. and 8:00 p.m. except in an emergency

Section 5. Common Area Maintenance. Common Area Maintenance will include, but without limiting the generality of the following Items:

- A. Mowing, fertilizing, and application of insecticides to the common areas.
- B. Irrigation system maintenance.
- C. Maintenance of sprinkler system in common area.
- D. Parking lot cleaning and maintenance in common areas and in each cluster area.
- E. Waste removal from common areas.
- F. Utilities for common areas including water, sewer and electricity.
- G. Taxes and insurance including real and personal property taxes for common areas and liability and fire insurance.
- H. A reserve for future maintenance and repairs.

Section 6. Other Maintenance. In addition to the common area maintenance, the Association will also furnish the following maintenance to the individual Lots and individual Living Units, to wit: cutting of individual lawns, furnishing of fertilizer, furnishing of insecticides, pump and sprinkler maintenance, roof replacement, maintenance, and repair, and exterior painting of Living Units (the frequency of which to be decided by the Board of Directors). Nothing herein shall be construed so as to make the Association the insurer of any individual Lot or Living Unit, or to relieve the Owners of individual Lots and Living Units from the responsibility to carry proper and sufficient property liability and casualty insurance. To the extent that any repairs paid for by the Association are for damage covered by the property liability and casualty coverage of any Owner, the Association shall have the position of a loss payee to the extent of such payments.

ARTICLE VIII WATER AND SEWER UTILITIES

Section 1. Prohibition of Individual Wells and Septic Tanks. No individual water well, septic tank or individual sewage disposal facility shall be permitted on any Living Unit from such time when central water and/or sewer service or services are made available.

Section 2. Water Closet. It shall be a requirement that no water closet be installed in any Living Unit to be constructed on any of the properties having a capacity in excess of 3.5 gallons.

Section 3. Pools. No individual pools will be permitted on Lots.

Section 4. Water Pipes.

A. Unit Pipe. Each Owner shall maintain, repair and replace at his or her sole expense: (i) all water pipes and plumbing lines providing water solely to his or her own Living Unit, including all pipes connecting the City of North Port's external water supply point to the interior of the respective Living Unit; and (ii) all waste water pipes servicing a Living Unit, which connect the unit to the City of North Port's disposal pipe.

B. Common Pipe. In the event that a water or sewage pipe or a portion of such a pipe serves more than one Living Unit requires maintenance, repair or replacement, the Association will perform the necessary maintenance, repair or replacement and equally assess the Owners whose Living Units are served by the common pipe.

C. Causation. If the Board can attribute the cause of the maintenance, repair or replacement to one (1) such Owner, in the sole and absolute discretion of the Board, then such Owner shall bear the entire expense of the maintenance, repair or replacement.

D. Collection. The costs of any maintenance, repair or replacement that are paid by the Association shall be collected from the owner(s) in the same manner as an assessment for common expense and the Association may record a claim of lien against the Living Unit for the amount of the maintenance, repair or replacement and foreclose on the claim of lien, pursuant to Section seven (7), if unpaid by the Owner.

ARTICLE IX UNIFORM GENERAL REQUIREMENTS

Section 1. Residential Lots Use and Minimum Square Footage Requirements. All Lots in The Properties are designated as single family residence Lots to contain cluster housing as more fully indicated in Schedule "A", and no principal Building shall be constructed or erected on any single family residence Lot other than cluster housing containing three, four, or five Living Units as more specifically described in Schedule "A". No single-family residence shall be otherwise re-subdivided.

Section 2A. Building Set Back Requirements shall be in accordance with the requirements of the City of North Port.

Section 2B. Variances. The Board of Directors of the Association, upon written application thereto as provided in Article VI, may, with the approval of the City of North Port Building and Zoning Board, approve individual variances from the requirements of this Article IX, Section 2A.

Section 3. Recreational Vehicles. No travel trailer, mobile home, recreational vehicle, boat, tent, storage building, garage, barn or out building erected on any Lot shall at any time be used as a residence, temporarily or permanently.

Section 4. Prohibited Vehicles. No trucks exceeding one (1) ton capacity, travel trailers, mobile homes, recreational vehicles, all-terrain vehicles, boats, boat trailers, commercial vans or trailers shall be parked overnight, and no motorcycles shall be permitted in the community at any time.

Section 5. Signs and Antennas. No sign of any kind shall be displayed to the public view on any single family or cluster residence Lot, except signs permitted by the City of North Port which shall be approved by the Board. No television towers or satellite dishes are allowed except those that may be permitted by Federal law or rule, the placement and maintenance of which shall be as specified by the Board and for which the installing Owner shall be solely responsible for all damage caused by its installation and use.

Section 6. Animals and Pets. Animals and Pets are prohibited from residing on a Lot or within a Living Unit, from visiting a Lot or Living Unit, or being on or in the Common Areas at any time. The Association will comply with all Federal, State, and local laws regarding Service Animals and Emotional Support Animals.

A. In the event that it is brought to the Association's attention that a pet or pet(s) are being kept in a Living Unit or on a Lot in any manner by a Tenant, the Association shall send a written notice to the Tenant of such violation, providing three (3) days to remove the pet(s). If such pet(s) are not removed from the Living Unit and Lot within said timeframe the Association may proceed to issue notices under Section 83.56. Florida Statutes, and may sue for eviction under Sections 83.59-83.625. Florida Statutes, as if the Association were a landlord under Part II of Chapter 83. The Association has no duties under Section 83.51. Florida Statutes, to the tenant. In the event the Association is the prevailing party in such an eviction action, the owner and tenant are jointly and severally liable to the Association for its reasonable attorney's fees and costs.

Section 7. Trash Storage. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste must be kept in sanitary containers in the trash enclosures provided in the project. No Lot on which improvements have been constructed or erected shall be allowed to become or remain overgrown and/or unsightly.

Section 8. Planting. No hedge or shrub planting which obstructs sight lines at elevation between two (2') and six (6') feet above the roadways shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25') feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of the street property lines extended. The same sight line limitations shall apply on any Lot within ten (10') feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within the above-described limits of intersections unless the foliage line is maintained at or above six (6') feet above roadway intersection elevation to prevent obstruction of sight lines.

Section 9. Tree Preservation. No large trees measuring six (6") inches or more in diameter at ground level may be removed without the written approval of the Board of Directors.

Section 10. Oil, Gas and Mineral Operations. No operations with respect to oil, gas and minerals, including, without limitation, drilling, development, refining, exploration, quarrying, mining or extraction of any kind shall be permitted upon any lot, nor shall oil or gas wells, tanks, tunnels, mineral excavations or shafts be permitted upon any lot. No derrick, drilling rig or other structure designed for use in drilling for oil or gas shall be erected, maintained or permitted on any lot.

Section 11. Easements. Easements for the installation and maintenance of public utilities and drainage facilities are reserved as noted on the recorded plat. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage, impair or interfere with the installation and maintenance of utilities. The easement area of each lot, tract, or parcel and all permitted improvements within said easement areas shall be maintained continuously by the owner of the lot, tract, or parcel, except for those improvements for which a public authority or utility company is responsible.

Each Owner is granted an easement over, upon and across the land of the adjoining owner on each side for the purpose of maintaining, painting and repairing the extension of the wall on said Owner's property.

Section 12. Convalescing or Custodial Care. It is understood and agreed that said premises may not and shall not be used for convalescing or custodial care as a home occupation.

Section 13. Rules and Regulations. The Association is authorized to make, amend and rescind reasonable Rules and Regulations governing the appearance, occupancy and use of the Lots and/or Living Units, the Common Area and Community Association Property, and policies and procedures governing the internal affairs and operation and administration of the Association and the behavior and conduct of its Directors and Officers.

Section 14. Additional Easements. There is reserved to the Association, the right to encroach on individual lots where necessary for the purpose of installation and maintenance of sidewalks installed and to be installed along the front of all lots in Block 3 of North Port Charlotte County Club Unit Two according to the Plat thereof, recorded in Plat Book 26 at pages 37 through 37C of the Public Records of Sarasota County, Florida.

There is also reserved to the Association, the right to encroach upon the Lots in said subdivision for the purpose of installation and maintenance of water sprinkling system.

Section 15. Clotheslines. No clotheslines or drying yards shall be located so as to be visible from the exterior of the Living Unit.

Section 16. Nuisances. Other than activities conducted or sanctioned by the Board, no noxious or offensive activity, to include garage or lawn sales, shall be carried on upon any Lot or common grounds, or within any Living Unit, nor shall anything be done thereon or therein which may be or may become an annoyance or nuisance to the neighborhood.

Section 17. Compliance. Each Owner, Member, and his or her family members, Tenants, guests, invitees, and permitted licensees and their family members, guests and invitees shall be bound by and abide by this Declaration of Covenants and Restrictions, the Articles of Incorporation, the Bylaws, and the Rules and Regulations promulgated by the Fairway Villas Property Owners Association, Inc.

Section 18. Transfer of Living Unit and Lot: In order to maintain a community of congenial residents and protect the value of the Association Property, and in order to assure insofar as possible the financial ability of each Owner to pay Assessments against his Living Unit and Lot, the transfer of Living Units and Lot by any Owner shall be subject to the following restrictions, so long as Association Property shall be subject to the Homeowners Association form of ownership under the Laws of Florida.

18.1 Restrictions on Transfer and Acquisition: No Owner or other person may either transfer or acquire title to or any interest in any Living Unit and Lot, or having so acquired such interest, continue to hold such ownership of any such interest, except with approval of the Association's Board of Directors or its designated agent in accordance with the provisions of this Article. Without limitation, the provisions of this Article shall apply to any transfer of a Living Unit and Lot or any interest therein, whether made by sale, , gift, devise, inheritance, transfer to or from a trustee, mortgage, transfer by enforcement of lien or other involuntary transfer of any such interest. Transfers contemplated hereby shall include, but not limited to, the transfer and creation of remainder or other future interests, creation of life estates, distribution by trustees, creation of joint or common ownership interests, with or without survivorship rights, and any other transfer or transaction or act by which title to or any interest in a Living Unit and Lot either is transferred or may be subject to automatic transfer upon the occurrence or non-occurrence of an event yet to transpire.

18.2 Procedure for Association Review: The procedures for review and approval or disapproval by the Association of any transfer subject to this Article shall be as provided in this Section:

A. Notice to the Association:

(i) **Sale, Gift or Transfer in Trust:** An Owner intending to sell, or transfer his Living Unit and Lot, or any interest therein, or intending to make a gift of such Living Unit and Lot or interest therein, or to transfer any interest to a trust, shall give notice to the Association of such intention, together with the name and address of the intended purchaser, donee, or trustee, and such other information as the Association may reasonably require. Such notice, if a sale or other transfer, at the Owner's option may include a written demand by the Owner that the Association furnish a purchaser if the proposed purchaser is not approved. If such demand is timely made, the notice shall be accompanied by a copy of the executed proposed contract of sale.

(ii) **Devise, Inheritance or Distribution by Trust:** An Owner who has obtained his title, or interest in a Living Unit and Lot, by a devise, inheritance, distribution of a bone fide interest under a trust or by any other manner not heretofore considered, shall give to the Association notice of the acquisition of the title, together with such other information concerning the Owner and his acquisition as the Association may reasonably require, together with a certified copy of the instrument evidencing the Owner's title, unless the requirement of certification is waived by the Association's Board of Directors in writing.

(iii) **Acquisitions Without Approval:** Any Owner of a Living Unit and Lot or any interest therein who has obtained title in such a manner that his predecessor in interest has not complied with the terms of this Section and given notice to the Association shall give to the Association notice of the acquisition of his title or interest therein, together with such other information concerning the Owner and the nature of his acquisition as the Association may reasonably require.

(iv) **Failure to Give Notice:** If any notice required to be given the Association is not given, then at any time after receiving knowledge of a transaction or event transferring ownership or possession of a Living Unit and Lot, or any interest therein, the Association may, at its option and without notice, approve or disapprove the transaction, transfer or ownership change. If the Association disapproves the transaction or ownership, the Association shall proceed as if it had received the required notice on the date of such disapproval.

B. **Certificate of Approval:** If the Association approves of a transfer or transaction, it shall do so within the time limits and according to the provisions of this subsection:

(i) **Sale, Lease, Gift, or Transfer in Trust:** If the proposed transaction is one for which notice has been given the Association pursuant to Section 18.2 (A) (i), the Association shall have ten (10) days after receipt of such and other information as the Association may require within which either to approve or disapprove of the proposed transaction. If approved, the approval shall be stated in a certificate executed by officers or agents of the Association thereunto duly authorized. Such certificate of approval shall be in recordable form if the proposed transaction shall be evidenced by an instrument in recordable form. If such proposed transaction is not to be evidenced by an instrument in recordable form, then such certificate of approval shall not be issued in recordable form. In either event, such certificate shall be delivered to the person giving notice and requesting approval, or to the other party to the transaction if authorized by the Owner.

(ii) **Other Acquisitions:** If the transaction is one for which notice has been given to the Association pursuant to Section 18.2 (A) (ii) and (iii), then given to the Association shall have thirty (30) days after receipt of such notice and other information as the Association may require within which either to approve or disapprove of such transaction and the continuance of the Owner's ownership interest in the Living Unit and Lot. If approved, the approval shall be stated in a certificate of approval executed by the officers or agents of the Association thereunto duly authorized in recordable form and delivered to the Owner.

(iii) **Failure to Receive Notice:** If notice is not given to and received by the Association, as set forth in Section 18.2 (A) (iv), and if the Association thereafter approves of such transaction, it shall issue its certificate of approval in the same manner and the same form as though proper notice had been given.

C. Failure of Association to Act: If the Association does not either approve or disapprove of a transfer of interest in a Living Unit and Lot within the time limits provided by this Section, then after the expiration of such time period the Association shall be deemed to have approved of such transaction and shall, upon written request therefor, issue an appropriate certificate of approval.

18.3 Disapproval by Association: If the Association shall timely disapprove a transfer of ownership of a Living Unit and Lot, or an interest therein, the Association shall notify the applicant and the Owner, if different from the applicant, of the disapproval within the time period allowed for approval and disapproval. In addition, the Association shall follow the following procedures:

A. Sale or Other Transfer: If the proposed transaction is a sale or other transfer, and if the notice of sale or transfer given by the Owner so demanded, then within fifteen (15) days after receipt of such notice and all other information reasonably requested by the Association, the Association shall deliver or deposit in the mails, by certified or registered mail, return receipt requested, addressed to the Owner an agreement to purchase by a purchaser approved by the Association, other than the Association itself, who will purchase and to whom the Owner must sell the Living Unit and Lot or interest therein upon the following terms:

(i) The price to be paid shall be that stated in the disapproved contract to sell, and the notice shall be accompanied by a deposit check in the amount of the deposit reflected in such contract. All other terms shall be the same as those provided for in the disapproved contract, except that the closing date shall be not less than thirty (30) days after the delivery or mailing of said agreement to purchase.

(ii) The Owner may, at his option, within ten (10) days after receipt of such agreement from the Association, elect not to proceed with the sale of the Living Unit and Lot either to the purchaser proposed by such Owner, or the purchaser proposed by the Association.

(iii) If the Association shall fail to provide a purchaser upon the timely demand of the Owner in the manner provided, or if a purchaser provided by the Association shall default in his agreement to purchase, the proposed transaction shall be deemed to have been approved and the Association shall furnish the certificate of approval as herein elsewhere provided for such transactions.

B. [Intentionally Left Blank]

C. Gift, Devise, Inheritance, Distribution by Trust or Other Acquisition: If the Association has disapproved a transaction or acquisition other than in the circumstances provided for by subsections (A) and (B) of this section, including without limitation instances of gift, devise, inheritance, distribution by a trust or acquisition of title to a Living Unit and Lot or any interest therein by any other voluntary or involuntary procedure, then within the time permitted by Section 18.2 for approval or disapproval by the Association, the Association shall deliver or place in the mails, certified or registered mail, return receipt requested, addressed to the Owner an agreement to purchase by a purchaser, being a person who will purchase approved by the Association and to whom the Owner must sell the Living Unit and Lot or the interest therein transferred or acquired, upon the following terms:

(i) The sales price for the interest shall be the fair market value thereof determined by agreement between the Owner of such interest and the purchaser within thirty (30) days from the delivery or mailing of such agreement, and in the absence of an agreement as to price, the price shall be determined by arbitration, in accordance with the then existing rules of the American Arbitration Association, except that the arbitrator shall be two appraisers appointed by the American Arbitration Association. The arbitrators shall base their determination upon average of their separate appraisals of the Living Unit and Lot, or interest therein. A judgment of specific performance of the sale upon the award rendered by the arbitrators may be entered in any court of competent

jurisdiction. The expense of arbitration shall be paid by the purchaser.

(ii) The purchase price shall be paid in cash.

(iii) The sale shall be closed within fifteen (15) days following the determination of the sales price.

(iv) If the Association shall fail to price a purchaser as herein required, or if a purchaser furnished by the Association shall default in his agreement to purchase, then notwithstanding prior Association disapproval, then such disapproved transfer or ownership shall be deemed to have been approved and the Association shall furnish a certificate of approval as elsewhere herein provided.

(v) Anything herein contained to the contrary notwithstanding, in the event of a proposed but incomplete gift, or transfer to a trustee, the Owner shall have the option of withdrawing such proposal.

18.4 Corporate or Partnership Owners: Inasmuch as a Living Unit and Lot may be used only for residential purposes and a corporation or partnership cannot occupy a Living Unit and Lot for such purpose, if an Owner or proposed owner of a Living Unit and Lot or any interest therein is a corporation or partnership, the approval of ownership by the corporation or partnership may be conditioned upon the requirement that all persons who shall occupy the Living Unit and Lot pursuant to such ownership shall also be approved by the Association's Board of Directors.

18.5 Approval Standards: The Association may disapprove a Sale, Transfer, Gift, Devise, Inheritance, Distribution by Trust or Other Acquisition for any non-discriminatory reason.

18.6 Exceptions: The provisions of this Article shall not apply to a transfer to or purchase by an institutional mortgagee acquiring its title as a result of owning a first mortgage upon a Living Unit and Lot, whether such title is acquired through foreclosure proceedings or by deed in lieu of foreclosure. Similarly, the provisions of this Article shall not apply to a transfer, or sale by an institutional first mortgagee which so acquires its title. Further, approval shall not be required by the Association of a purchaser who acquires title to a Living Unit and Lot at a duly advertised public sale, with open bidding, which is conducted pursuant to law, including but not limited to execution sales, foreclosure sales, judicial sales and tax sales.

18.7 Separation of Unit Prohibited: Any sale or transfer of a Living Unit and Lot, or interest therein, shall include all of the appurtenances thereto, whether so stated or not, and no appurtenance may be served from a Living Unit and Lot and sold, transferred or otherwise dealt with separate, and apart from the Living Unit and Lot to which it is appurtenant. No Living Unit and Lot may be partitioned or further subdivided provided, however, that this provision shall not be deemed to prevent ownership of a Living Lot in undivided interests. All references to Living Units and Lot shall, where the context requires, be construed to refer to the Parcel of which the Living Unit and Lot is a part.

18.8 Unapproved Transactions: Any Sale, Conveyance, or other Transfer which is not authorized or approved pursuant to the terms of this Declaration shall be voidable, unless subsequently approved by the Association. Anything herein to the contrary notwithstanding, any transfer requiring Association approval under this Article shall, in the absence of record evidence of disapproval by the Association, be conclusively deemed approved two (2) years after the date of recordation of the instrument effecting such transfer.

18.9 Fees for Review and Personal Interview: The Association may charge a transfer fee in the amount of \$100 per applicant, with a husband/wife and a parent/dependent child considered one applicant. The Association may require any potential Owner, tenant or other resident of a Living Unit and Lot to submit to an in-person interview as part of its review and approval process.

Section 19. Lease of Living Units and Lots. In order to foster a stable residential community and prevent a motel-like atmosphere, the leasing of Living Units and Lots by Owners shall be restricted as provided in this Article. All leases of Living Units and Lots must be in writing. A Unit Owner may lease only the entire Living Unit and Lot, and then only in accordance with this Section, after receiving the approval of the Association. The lessee must be a natural person.

19.1 Term of Lease and Frequency of Leasing. No Living Unit may be advertised, offered for use via a license or other agreement, held out, offered, advertised, rented, or leased for a period of less than one (1) year, and no option for the lessee to extend or renew the lease for any additional period shall be permitted without Board approval. The Board, at its discretion, may approve the same lease from year to year. No subleasing or assignment of lease rights by the lessee is allowed without written Board approval.

19.2 Procedures.

A. Notice by the Owner. An Owner intending to lease the Owner's Living Unit and Lot shall give to the Board of Directors or its designee written notice of such intention at least twenty (20) days prior to the first day of occupancy under the lease together with the name and address of the proposed lessee, a fully-executed copy of the proposed lease, and such other information as the Board may reasonably require. The Board may require a personal interview with any lessee and their spouse, if any, as a precondition to approval.

B. Board Action. After the required notice and all information, fees and/or interviews requested have been provided, the Board shall have twenty (20) days in which to approve or disapprove the proposed lease. The Board may delegate its authority to a single director, a committee or an agent.

C. Disapproval. A proposed lease shall be disapproved only if a majority of the whole Board so votes and in such case the lease shall not be made. Appropriate grounds for disapproval shall include, but not be limited to, the following:

(1) The Unit Owner is delinquent in the payment of any monetary obligation to the Association at the time the lease application is considered;

(2) The Owner has a history of leasing his or her Unit without obtaining the prior written approval of the Association, or leasing to troublesome lessee and/or refusing to control or accept responsibility for the occupancy of the Living Unit;

(3) The real estate company or rental agent handling the leasing transaction on behalf of the Owner has a history of screening lessee applicants inadequately, recommending undesirable lessees or entering into leases without prior Association approval;

(4) The application on its face indicates that the person seeking approval (which shall include all proposed occupants) intends to conduct himself or herself in a manner inconsistent with the Governing Documents.

(5) The prospective lessee (which shall include all proposed occupants) has been designated by a court as a sexual predator or sexual offender, been convicted of the manufacture or distribution of a controlled substance as defined under the Federal Controlled Substances Act, or been convicted of a felony crime involving violence to persons or damage to property. For purposes of applying the foregoing factors, arrests shall not

be considered, nor misdemeanor offenses, and the nature, severity and recency of the crime shall be considered as well as to what the convicted person has done since a conviction. The Association may disregard a conviction if the facts warrant it;

(6) The prospective lessee gives false or incomplete information to the Board as part of the application procedure, or the required transfer fees and/or security deposit are not paid; or

(7) The Owner fails to give proper and timely notice of the intention to lease the Owner's Living Unit to the Board.

19.3 Failure to Give Notice or Obtain Approval. If proper notice is not given, the Board, at its election, may approve or disapprove the lease. Any lease entered into without approval, at the option of the Board, may be treated as a nullity, and the Board shall have the power to evict the lessee without securing consent to such eviction from the Unit Owner.

19.4 Applications, Assessments. Applications for authority to lease shall be made to the Board on such forms and include such terms as the Board may provide from time to time. The legal responsibility for paying Assessments or other monetary obligations due to the Association may not be delegated to the lessee.

19.5 Occupancy During Lease Term. No one but the lessee, his or her family members within the first degree of relationship by blood, adoption or marriage, and his or her spouse and temporary (not more than thirty (30) days in a calendar year) house guests may occupy the Living Unit.

19.6 Occupancy in Absence of Lessee. If a lessee absents himself or herself from the Living Unit for any period of time during the lease term, his or her family within the first degree of relationship already in residence may continue to occupy the Living Unit and may have house guests subject to all the restrictions contained in this Declaration and any Rules and Regulations adopted by the Association. If the lessee and all of the family members mentioned in the foregoing sentences are absent, no other person may occupy the Living Unit.

19.7 Regulation by Association. All of the provisions of the Governing Documents and the Rules and Regulations of the Association shall be applicable and enforceable against any person occupying a Living Unit as a lessee or guest to the same extent as against the Owner. A covenant on the part of each occupant to abide by the Rules and Regulations of the Association and the provisions of the Governing Documents designating the Association as the Owner's agent with the authority to terminate any lease agreement and evict the tenants in the event of breach of such covenant, shall be deemed to be included in every lease agreement, whether oral or written, and whether or not specifically expressed in such agreement. The Owner shall not be relieved of any liability or responsibility hereunder by virtue of the existence of said lease or any of the foregoing provisions. The Owner shall have a duty to bring his or her tenant's conduct into compliance with the Governing Documents by whatever action is necessary, including without limitation the institution of eviction proceedings, without notice to cure, where legally permissible. If the Owner fails to obtain Association approval of the tenant, or fails to bring the conduct of the tenant into compliance with the Association Documents, the Association shall then have the authority to act as agent of the Owner to undertake whatever action is necessary to abate the tenant's non-compliance with the Governing Documents and Rules and Regulations, including without limitation the right to institute an action for eviction against the tenant. The Association shall have a right to recover any costs or fees, including attorney's fees, from the Owner.

19.8 Fees and Deposits Related to the Lease of Units. Whenever herein the Board's approval is required to allow the lease of a Unit, the Association may charge the Owner a preset fee for processing the application,

such fee not to exceed the maximum amount allowed by law (currently \$100.00 per applicant with husband and wife or parent and child considered one applicant). No fee may be charged for approval of a renewal or extension of a lease with the same lessee. The Association may also require any deposits that are authorized by the Homeowners Association Act as amended from time to time, including but not limited to, a security deposit not to exceed the equivalent of one (1) month's rent, into an escrow account maintained by the Association to protect against damages to the Common Elements or Association Property. Payment of interest, claims against the deposit, refunds, and disputes under this paragraph shall be handled in the same fashion as provided in Part II of Chapter 83, Florida Statutes.

19.9 Twelve (12) Month Rental Restriction. Lots acquired after March 10, 2016 shall not be rented or leased, for a period of twelve (12) months following acquisition of title to the Lot. The date of acquisition of title to the Lot shall be established by the date of recordation of a deed or other instrument of conveyance in Public Records of Sarasota County, Florida. Subsequent to such twelve (12) month restrictive period, long term rentals (that is rentals of six (6) months or longer) are subject to a limitation of no more than ten percent (10%) of the total Lots in the subdivision being rented at the same time. Once ten percent (10%) of the total Lots in the subdivision are rented for periods of six (6) months or longer, there shall be no additional rentals permitted in the subdivision. The Association's Board of Directors or Management shall maintain a long term rental waiting list on a first come first served basis. This ten percent (10%) limitation does not apply to those holding title to a Lot or Lots prior to the effective date of this amendment. This restriction does not apply to Ownership transferred to family members.

ARTICLE X GENERAL PROVISIONS

Section 1. Amendments. Anything in this Declaration to the contrary notwithstanding, this Declaration of Covenants and Restrictions may be amended from time to time by recording among the Public Records of Sarasota County, Florida, an Instrument executed by the President and attested to by the Secretary of the Association indicating that at an annual regular membership meeting or at a special membership meeting called for that purpose, two-thirds (2/3) of the fee owners voting in person or by proxy have approved such amendment. Provided, however, no such amendment shall affect or interfere with vested rights previously acquired by Lot or Unit Owners.

Section 2. Duration. Except as provided in Section 1 hereof, the covenants and restrictions of this Declaration shall run with and bind the land, and shall enure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration and their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, unless the same be amended, modified or revised pursuant to the provisions of Section 1 of this Article. Thereafter, and after the expiration of said initial twenty (20) year period, said covenants shall be automatically extended for successive periods of ten (10) years unless amended, modified, or revised as provided in Section 1 of this Article. However, notwithstanding anything contained herein, the covenants and restrictions of this Declaration are subject to the provisions of the Marketable Record Title Act, currently sections 712.01 to 712.10 inclusive of the Florida Statutes (2000), as amended from time to time. The Marketable Record Title Act currently provides that covenants and restrictions such as are contained in this Declaration automatically expire after 30 years if not affirmatively renewed. These covenants and restrictions were affirmatively renewed pursuant to the Marketable Record Title Act on November 1, 2007 and the appropriate document was recorded at Instrument #2007164736 of the public Records of Sarasota County, Florida. Pursuant to the current Marketable Record Title Act, affirmative action will have to be taken to again renew these covenants and restrictions, on or before 30 years from this last renewal date.

Section 3. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as member or Owner on the records of the Association at the time of such mailing.

Section 4. Enforcement. Enforcement of these covenants and restrictions may be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain the violation or to recover damages, and against the land to enforce any lien created by these covenants, and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Any dispute between the Association and one or more owners regarding the construction of, or compliance with, any provision of this Declaration, the Articles of Incorporation, the Bylaws, the Rules and Regulations promulgated by the Board of Directors, or any other matter, shall first be submitted to arbitration. In the event an arbitration remedy is sought by the Association or any owner, the prevailing party shall be entitled to reasonable attorneys' fees and costs, to include trial and appellate attorneys' fees and costs. Should any of the provisions of this Declaration or of the Articles of Incorporation, the Bylaws, or of the Rules and Regulations adopted by the Board of Directors be violated, subject to the arbitration provision above, any unit owner or the Association acting on behalf of the unit owners as a class, shall have the right to institute suit in any court of competent jurisdiction to enjoin further violations and to obtain money damages (actual and/or punitive) for past violations, and the prevailing party shall be entitled to court costs and reasonable attorneys' fees, to include appellate attorneys' fees and costs, for enforcing this Declaration, the Articles of Incorporation, the Bylaws and/or the Rules and Regulations, or part thereof.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way effect any other provision hereof, which shall remain in full force and effect.

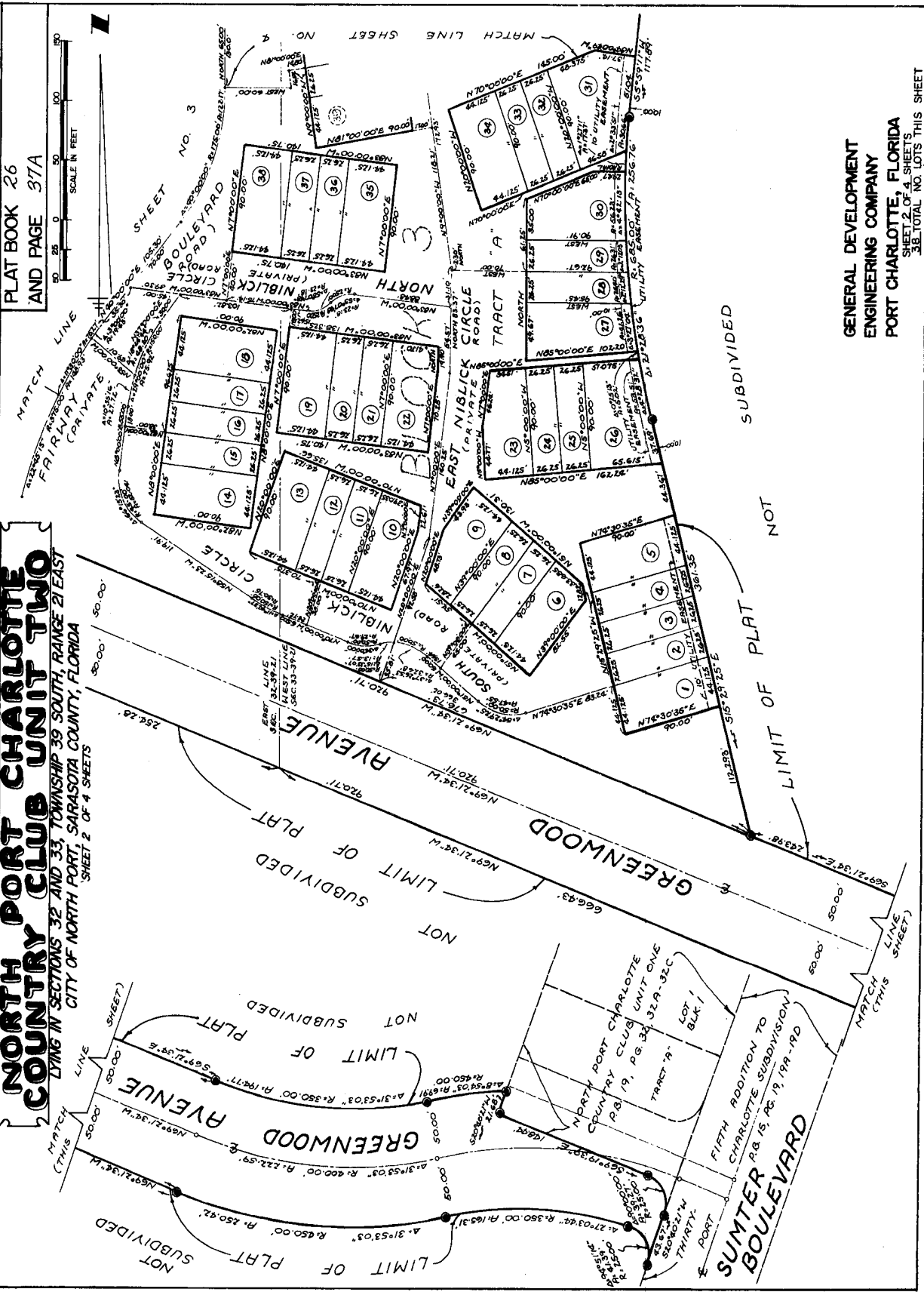
ARTICLE XI RESTATEMENT OF DECLARATION

The Amended Declaration may be restated in the same manner as the Florida Not For Profit Corporation Act, as amended from time to time, provides for the restating of Articles of Incorporation with the exception that all references to filing, where applicable, shall be replaced with references to recording.

NORTH PORT CHARLOTTE COUNTRY CLUB UNIT TWO

LYING IN SECTIONS 32 AND 33, TOWNSHIP 39 SOUTH, RANGE 21 EAST CITY OF NORTH PORT, SARASOTA COUNTY, FLORIDA SHEET 2 OF 4 SHEETS

PLAT BOOK 26 AND PAGE 37A



GENERAL DEVELOPMENT
ENGINEERING COMPANY
PORT CHARLOTTE, FLORIDA
SHEET 2 OF 4 SHEETS
38 TOTAL NO. LOTS THIS SHEET

CSGC

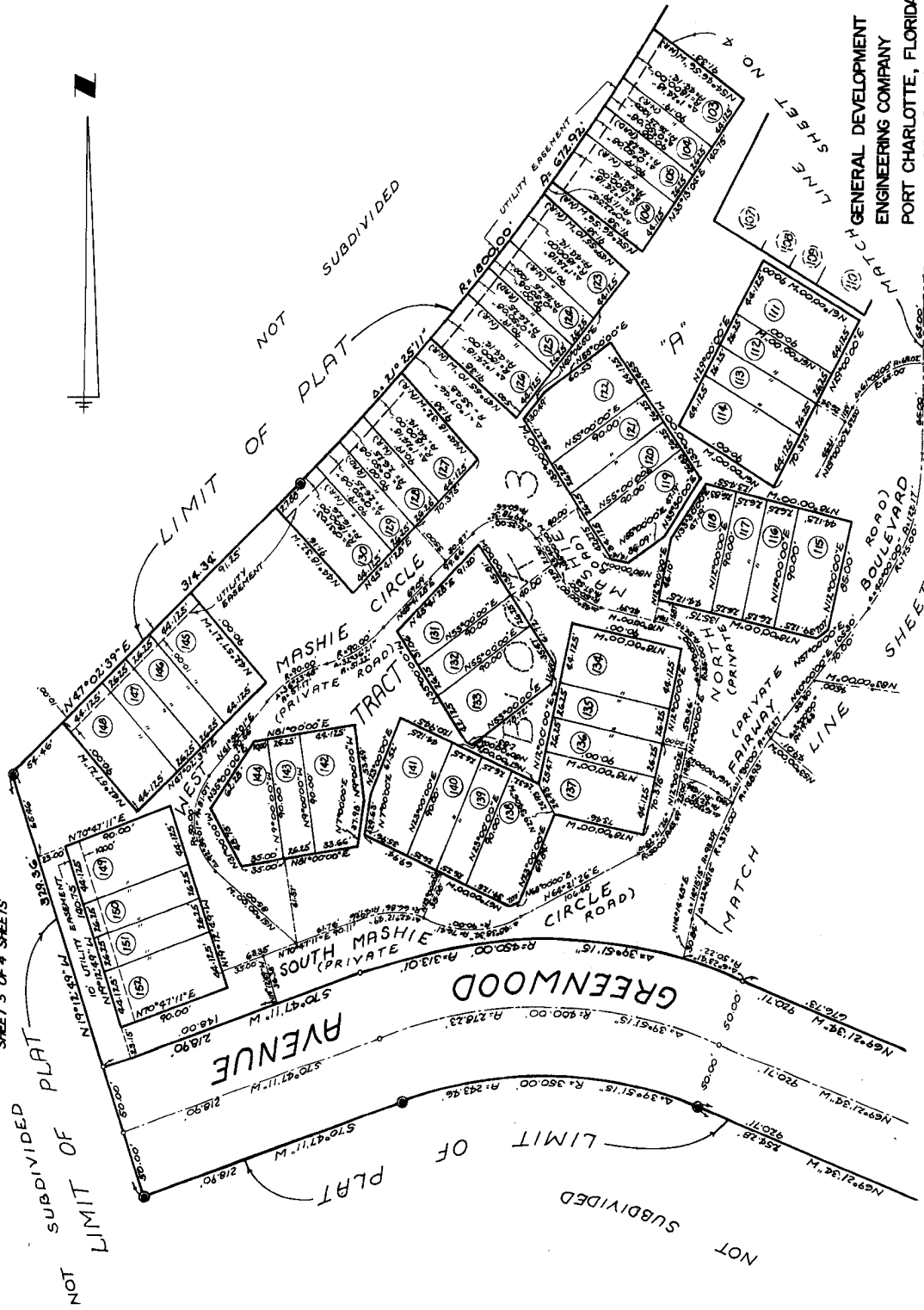
CALCULATED BY _____
DRAWN BY _____
CHECKED BY _____
APPROVED BY _____

NORTH PORT CHARLOTTE COUNTRY CLUB UNIT TWO

LYING IN SECTIONS 32 AND 33, TOWNSHIP 39 SOUTH, RANGE 21 EAST CITY OF NORTH PORT, SARASOTA COUNTY, FLORIDA

SHEET 3 OF 4 SHEETS

PLAT BOOK 26
AND PAGE 37B



GENERAL DEVELOPMENT
ENGINEERING COMPANY
PORT CHARLOTTE, FLORIDA

SHEET 3 OF 4 SHEETS
46 TOTAL NO. LOTS THIS SHEET

CSGC

CALCULATED BY _____
DRAWN BY _____
CHECKED BY _____
APPROVED BY _____

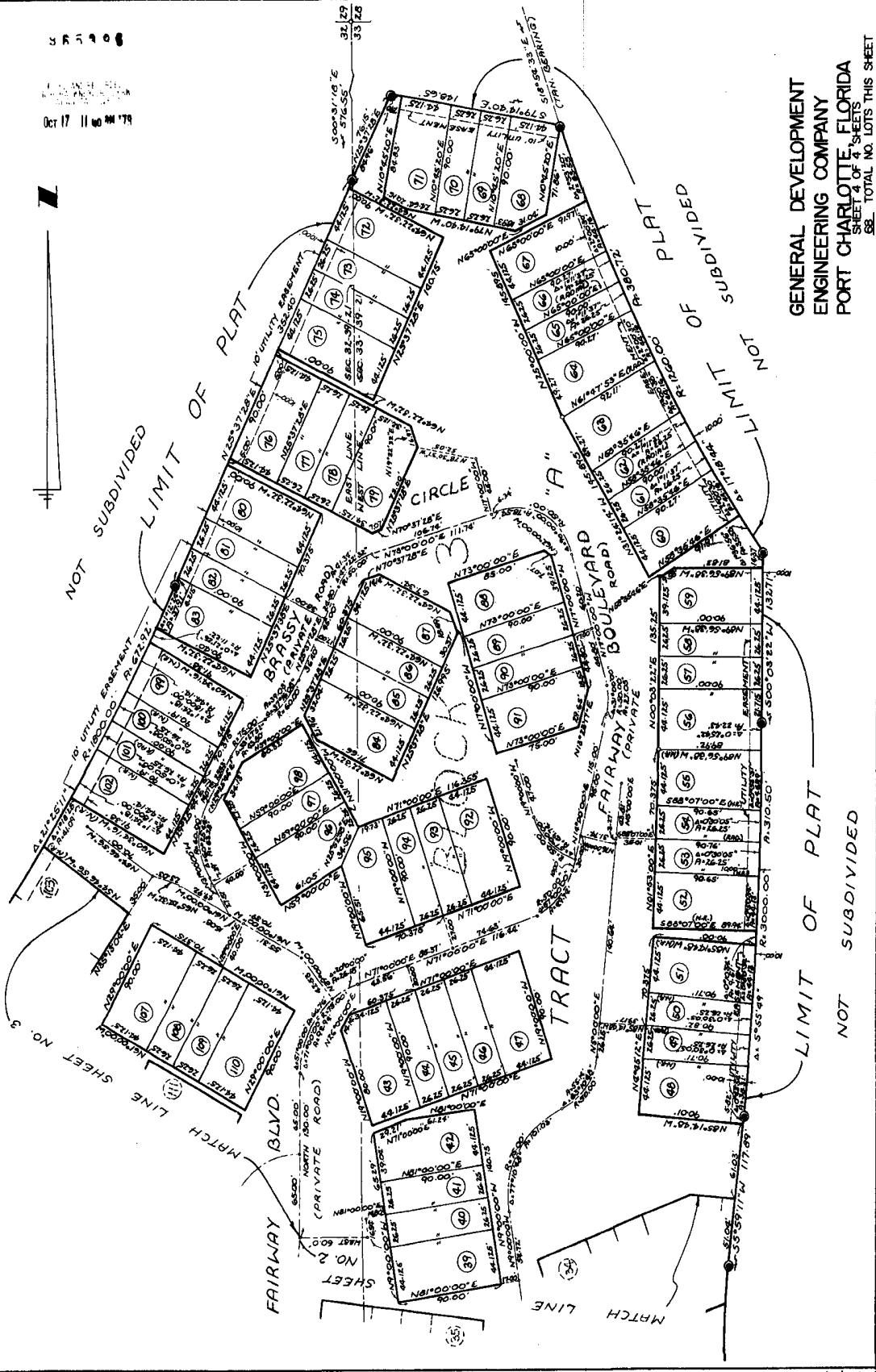
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NORTH PORT CHARLOTTE COUNTRY CLUB UNIT TWO

LYING IN SECTIONS 32 AND 33, TOWNSHIP 39 SOUTH, RANGE 21 EAST
CITY OF NORTH PORT, SARASOTA COUNTY, FLORIDA
SHEET 4 OF 4 SHEETS



GENERAL DEVELOPMENT
ENGINEERING COMPANY
PORT CHARLOTTE, FLORIDA
SHEET 4 OF 4 SHEETS
SEE TOTAL NO. LOTS THIS SHEET

CSGC

CALCULATED BY _____
DRAWN BY _____
CHECKED BY _____
APPROVED BY _____

AMENDED AND RESTATED

BYLAWS

FAIRWAY VILLAS PROPERTY OWNERS' ASSOCIATION, INC.

[Substantial rewrite of Bylaws.

See existing Bylaws and all amendments thereto for present text.]

These Bylaws are to be read and construed in conjunction with Chapter 617, the Florida Not For Profit Corporation Act, Chapter 720, the Florida Homeowners' Association Act, the Declaration of Covenants and Restrictions for Fairway Villas, and the Articles of Incorporation of Fairway Villas Property Owners Association, Inc., all as amended from time to time.

ARTICLE I

NAME, PRINCIPAL OFFICE, DEFINITIONS, CORPORATE INFORMATION AND SEAL

SECTION 1. Corporate Name. The name of the not for profit corporation is FAIRWAY VILLAS PROPERTY OWNERS' ASSOCIATION, INC. (herein, the "Association").

SECTION 2. Location of Principal Office. The principal office of the Association shall be located at 5640 Mashie Circle, North Port, FL 34287. The Association's Board of Directors may change the Association's principal office from time to time in the manner provided by law.

SECTION 3. Adoption. These Amended and Restated Bylaws of the Association have been adopted as the Bylaws of the Association at a duly-noticed Special Membership meeting held on July 29, 2021.

SECTION 4. Definitions. All terms used in these Bylaws have the same meaning, to the extent applicable, as set forth in Article 1 of the Amended and Restated Declaration of Covenants and Restrictions for FAIRWAY VILLAS, as subsequently amended from time to time ("Declaration"). Said definitions are hereby incorporated by reference.

SECTION 5. Corporate Seal. The corporate seal of the Association shall bear the name of the corporation, the word "Florida", the words "corporation not for profit" and the year of incorporation (1979). Alternatively, the words "Corporate Seal" shall serve as the official seal of the Association.

SECTION 6. Incorporation by Reference. These Bylaws are deemed to include all relevant provisions of Chapter 617, the Florida Not For Profit Corporation Act and Chapter 720, the Florida Homeowners Association Act, as existing on the date of the adoption of these Bylaws, and as shall be amended from time to time, to the extent that these Bylaws do not make specifically authorized deviations from the statutory provisions. All future mandatory statutory amendments shall be deemed to be automatically Included herein without further action of this corporation, to the extent that these Bylaws do not make authorized deviations from the statutory provisions. All references to Chapter 617, the Florida Not For Profit Corporation Act shall automatically include Chapter 720, the Homeowners Association Act, as amended from time to time.

**ARTICLE II
FORM OF ADMINISTRATION**

The administration of this association shall be in the corporate form, as a not-for-profit Florida corporation, as prescribed in Chapter 617, the Florida Not for Profit Corporation Act, and Chapter 720, the Florida Homeowners Association Act, as amended from time to time.

**ARTICLE III
MEMBERS**

SECTION 1. Membership. Every Owner of a Lot in FAIRWAY VILLAS shall be a mandatory Member of the Association and continue such membership in good standing during the entire time of the ownership of said Lot. Each Owner accepts membership in the Association and agrees to be bound by the Governing Documents. Membership in the Association is automatic upon acquisition of ownership of a Lot in FAIRWAY VILLAS and may not be transferred separate and apart from a transfer of ownership of the Lot.

SECTION 2. Voting Rights. Members shall all be Owners of a Lot in FAIRWAY VILLAS. Members shall be entitled to one (1) vote for each Lot in which such Members hold a required ownership interest. A Member's Voting Rights may be regulated or suspended as provided in the Governing Documents and the Homeowners Association Act.

SECTION 3. Approval or Disapproval of Matters. Whenever the decision of a Lot Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed in accordance with the Bylaws of the Association and the Homeowners' Association Act. Members shall have no authority to act on behalf of the Association by virtue of Lot ownership.

SECTION 4. VOTING CERTIFICATES. As a precondition to casting the vote of any Lot, the following shall apply:

A. **INDIVIDUAL Lot OWNERS.** If the Lot is owned by one person, that person shall provide the secretary of this corporation with a signed, written notice that he or she is the sole owner of the Lot and that no other persons or entities have any interest therein. This notice, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting.

B. **MULTIPLE LOT OWNERS.** If the Lot is owned by more than one person, the owners shall be required, as a precondition to voting the Lot, to furnish the secretary of this corporation with a voting certificate signed by all owners of such Lot which shall designate the one of them authorized to cast the Lot vote. Husband and wife, or parent and child combinations, are considered to be multiple owners for this purpose. This voting certificate, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting.

C. **CORPORATE LOT OWNERS.** Corporations, Limited Liability Companies, or Professional Service Corporations owning Lot shall be required, as a precondition to voting the Lot, to furnish the secretary of this corporation a certified copy of a resolution of the Board of Directors or other governing body of said corporation naming one individual to exercise the vote of the corporate Lot, or, in the alternative, shall execute a voting certificate naming

one individual to exercise the vote of the corporate parcel. This resolution or voting certificate, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting. If required by law, Foreign Corporations, Foreign Limited Liability Companies, and Foreign Professional Service Corporations owning Lot shall be required, as a precondition to voting, to comply with the Florida Business Corporation Act, Florida Not For Profit Corporation Act, and/or Florida Limited Liability Company Act with regard to obtaining a certificate of authority, designation of a resident agent, and all other matters required therein.

D. PARTNERSHIP LOT OWNERS. Partnerships owning Lots shall be required, as a precondition to voting the Lot, to furnish the secretary of this corporation a written statement signed by a general partner naming one individual to exercise the vote of the partnership Lot, or, in the alternative, shall execute a voting certificate naming one Individual to exercise the vote of the partnership Lot. This statement or voting certificate, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting. If required by law, Foreign Partnerships owning Lots shall be required, as a precondition to voting, to comply with the Florida Revised Uniform Limited Partnership Act (1986) with regard to obtaining a certificate of authority, designation of a resident agent, and all other matters required therein.

E. TRUST LOT OWNERS. Trusts owning Lots shall be required, as a precondition to voting the Lot, to furnish the secretary of this corporation a written statement signed by the trustee naming one individual to exercise the vote of the trust Lot, or, in the alternative, shall execute a voting certificate naming the one individual to exercise the vote of the trust Lot. This statement or voting certificate, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting.

F. LIFE ESTATE LOT OWNERS. Holders of life estates in Lots shall be deemed, for the purposes of this corporation, to be equal joint owners with their remainderman or remaindermen. As a precondition to voting the Lot, there shall be filed with the secretary of this corporation a written statement signed by the all those having a present or future interest in the Lot naming one Individual to exercise the vote of the Lot, or, in the alternative, shall execute a voting certificate naming the one Individual to exercise the vote of the Lot. This statement or voting certificate, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting.

G. PROBATED ESTATE LOT OWNERS. Representatives of a deceased sole owner of a Lot shall be required, as a condition to voting the Lot, to furnish the secretary of this corporation with a certified copy of the Letters of Administration or similar court appointment document. These Letters of Administration, to be effective for any given meeting, must be on file with the secretary of the corporation prior to the cut-off date and time for the submission of proxies for said meeting.

H. VOTING APPROVAL. Whenever the decision of a Lot owner or member is required upon any matter, whether or not the subject of an association meeting, such decision shall be expressed by the same person who would cast the vote for such Lot if in an association meeting, unless the joinder of all of record owners of a Lot is specifically required by law, the declaration of covenants and restrictions or the Articles of Incorporation.

SECTION 5. TERMINATION OF MEMBERSHIP. Membership in this corporation shall terminate at such time as the member ceases to be a Lot owner as evidenced by a recorded conveyance or distribution of such Lot to a third party.

SECTION 6. TRANSFER OF MEMBERSHIP. Membership in this corporation, or any rights in connection therewith, are not transferable or assignable, by power of attorney or otherwise, except as an appurtenance to a Lot or by the execution of a valid proxy for voting only, or a valid voting certificate, and is subject to such change in membership provisions as provided above.

SECTION 7. PROHIBITED PRACTICE. No member shall use a Lot, or conduct or allow the conduct, of any practice which interferes with the peaceful and proper use of property by other members. No member shall commence any litigation, arbitration, or file any complaint or request for declaratory statement, relating to the association unless first having given the board of directors written notice of, and thirty (30) days for resolution of, such matter.

ARTICLE IV MEETING OF MEMBERS

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held at a time and date on a day in January of each year as set by the board of directors for the purposes of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the board of directors shall cause the election to be held at a special meeting of the members as soon thereafter as it conveniently may be held.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members may be called by the president, a majority of the board of directors, or not less than ten (10) percent of the total voting Interests of the Association.

SECTION 3. PLACE OF MEETINGS. The board of directors may designate any place within Sarasota County, Florida, as the place of meeting for any meeting, and, if no such designation is made, such meeting shall take place at the principal office of the corporation.

SECTION 4. NOTICE OF MEETINGS. Notice of Membership Meetings. The Association shall provide proper notice of all members' meetings. The meeting notice shall include an agenda and shall state the date, time and place for which the meeting is called. The notice shall be mailed, emailed or hand-delivered to each Member at the Member's designated address as it last appears on the books of the Association. The Association shall provide notice of the meeting to all Members not less than fourteen (14) days or more than sixty (60) days prior to the date of the membership meeting. The person providing the notice of the membership meeting shall provide proof of proper and timely notice by affidavit. Except as otherwise provided herein or by Florida law, notice of meetings of the Board of Directors, membership meetings, and committee meetings may be given by electronic transmission to those Members who consent to receive notice by electronic transmission.

SECTION 5. ACTION BY WRITTEN AGREEMENT. Any action required by law or the Governing Documents to be taken at a meeting of the Members, or any action which may be taken at a meeting of Members, may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by the required percentage of Members entitled to vote with respect to the subject matter thereof. Such Member action by written agreement shall comply with the procedural requirements of Section 617.0701(4), Florida Statutes.

SECTION 6. QUORUM. The percentage of voting rights required to constitute a quorum and to make decisions, shall be thirty percent (30%) of the total number voting interests eligible to vote. However, where a Lot owner has failed to satisfy a precondition to voting as required by these Bylaws or applicable law, that Lot shall not be counted in determining a quorum nor for any other purpose.

SECTION 7. PROXIES. Members may cast their vote in person or by proxy; provided, however, that the form of the proxy substantially meets the requirements of Florida law. A limited proxy may be made by any person entitled to vote, and must be filed with the Secretary or manager of the Association before or at the appointed time of the meeting or prior to the reconvening of an adjourned meeting. Proxies may be used in the election of Directors. To be valid, a proxy must state the date, time, and place of the membership meeting for which it was given, and must be signed by the person(s) authorized to cast the vote on behalf of the Lot. A proxy is effective only for the specific membership meeting for which it was originally given, and as the meeting may lawfully be adjourned and reconvened from time to time. Proxies automatically expire ninety (90) days after the date of the original membership meeting for which it was originally given. A proxy is revocable at any time at the pleasure of the person who executes it. If the proxy so provides, any proxy holder may appoint, in writing, a substitute to act in his or her place. Any copy, facsimile transmission, or other reliable reproduction of an original proxy may be substituted or used in lieu of the original proxy for any purpose for which the original proxy could be used if the copy, facsimile transmission, or other reproduction is a complete reproduction of the entire proxy.

SECTION 8. Adjournment of Meetings. A majority (that is, more than half) of the Association's eligible Voting Interests who are present (in person or by proxy) at a membership meeting may adjourn the meeting to a date, time and place no more than ninety (90) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If the date, time and place for reconvening the membership meeting are not announced at the meeting before an adjournment is taken, notice of the new date, time and place for the reconvened meeting shall be given to the Members in the manner prescribed in this Article. Any business that might have been transacted on the original date of the membership meeting may be transacted at the adjourned membership meeting.

SECTION 9. Waiver of Notice. Notice of a membership meeting may be waived by a Member before or after a membership meeting. A Member waives any defect or lack of notice by attending a membership meeting, except when that attendance is for the expressed purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called.

SECTION 10. Presiding Officer. The chairperson at all membership meetings shall be the President. The President may, however, designate any other person to preside. In the absence of the President or the President's designee, the Members present (in person or by proxy) may designate any other person to preside as chairperson of the membership meeting.

SECTION 11. Minutes of Meetings. The Secretary or the Secretary's designee shall keep the minutes of the membership meetings. The minutes of the membership meetings shall be kept in a business-like manner and be available for inspection and copying by the Members or their authorized representatives at any reasonable time. The Association shall maintain these minutes for a period of not less than seven (7) years or as required by the Homeowners Association Act.

SECTION 12. Order of Business. Unless otherwise determined by the meeting chairman, the order of business at annual membership meetings, and as far as practical at all special membership meetings, shall be as follows:

- A. Election of Chairperson (if necessary)
- B. Calling of the roll and certifying proxies

- C. Proof of meeting notice or waiver of notice
- D. Reading and disposal of unapproved minutes
- E. Reports of officers
- F. Reports of committees
- G. Appointment/Election of election committee
- H. Election of Directors
- I. Unfinished business
- J. New business
- K. Announcements
- L. Adjournment

SECTION 13. Vote Required. The acts approved by a majority of the total eligible Voting Interests present (in person or by proxy) at a membership meeting at which a quorum is obtained shall constitute the acts of the Members, except when approval by a greater number of Members is required by Florida law or the governing Documents. The term "majority" as used in these Bylaws and other Governing Documents and instruments in reference to voting by Members and the Board of Directors shall mean more than fifty percent (50%).

SECTION 14. Suspension of Voting Rights. The Association may suspend the voting rights of a Member for the nonpayment of any fee, fine, Assessment, or other monetary obligation due to the Association that is more than ninety (90) days delinquent. A Voting Interest allocated to a Lot or Member which has been suspended by the Association may not be counted towards the total number of Voting Interests for any purpose, including, but not limited to, the number of Voting Interests necessary to constitute a quorum, the number of Voting Interests required to conduct an election of Directors, or the number of Voting Interests required to approve an action under the HOA Act or pursuant to the Governing Documents. The suspension ends upon full payment of fees, Assessments, fines and other all obligations currently due or overdue to the Association. All suspensions of a delinquent Member's voting rights must be approved at a properly noticed Board meeting. Upon approval, the Association must notify the Lot Owner of the suspension in writing.

SECTION 15. Parliamentary Rules. Roberts Rules of Order (latest addition) shall govern the conduct of the Community Association meetings were not in conflict with the law, or the Declaration of Covenants, or with these Bylaws. The presiding officer may appoint a Parliamentarian, but the decision of the presiding officer and questions a parliamentary procedure shall be final. Any question or point of order not raised at the meeting to which it relates shall be deemed waived. After each motion is made and seconded by the Board members the meeting Chairperson will permit Member participation regarding the motion on the floor, which time may be limited to three (3) minutes

ARTICLE V BOARD OF DIRECTORS

SECTION 1. BOARD OF DIRECTORS. The governance and administration of the affairs and the operation of the Association shall be vested in the Association's Board of Directors ("Board").

SECTION 2. POWERS AND DUTIES. The Board shall exercise such corporate powers, and such duties, as detailed in Chapter 617, the Florida Not For Profit Corporation Act, Chapter 720, the Florida Homeowners Association Act, the Declaration of Covenants and Restrictions, the Articles of Incorporation and these Bylaws, all as amended from time to time. Specifically, the Board shall have the power and authority to adopt reasonable rules for the operation and maintenance of the association and the Lots, not inconsistent with the Declaration of Covenants, the Articles of

Incorporation, these Bylaws, or with Chapter 617, the Florida Not For Profit Corporation Act, and Chapter 720, the Florida Homeowners Association Act, as amended from time to time.

SECTION 3. NUMBER, TENURE AND QUALIFICATIONS. There shall be seven (7) members of the Board, each holding office for three (3) years. The Board shall be divided into three (3) classes of 3 members, 2 members and 2 members respectively, whose terms of office shall expire at subsequent annual meetings. The Board may temporarily assign a one (1) year or two (2) year term of office, if necessary, to implement or re-impose the proper staggering of the Board of Directors. In order to be eligible for board membership a person must meet the requirements set forth in the Declaration of Covenants and Restrictions, the Articles of Incorporation and these Bylaws. A person who has been convicted of any felony by any court of record in the United States and who has not had his or her right to vote restored pursuant to law in the jurisdiction of his or her residence is not eligible for board membership. The validity of an action by the board is not affected if it is later determined that a member of the board is ineligible for board membership due to having been convicted of a felony. Directors shall be members of this corporation or the spouse of a member; a stockholder of a Lot owned by a corporation, limited liability company or professional service corporation, the partner of a Lot owned by a partnership; the trustee of a unit held in trust; as provided and specifically limited by section 607.0802(2) and 617.0802(2), Florida Statutes, the grantor or beneficiary of a trust; or the personal representative of a Lot being probated; and shall not have their only Lot listed for sale, No spouse, co-Lot owner, co-stockholder, co-partner, co-trustee or co-personal representative of a director may serve as a member of the board of directors simultaneously with the other spouse, or another co-Lot owner, co-stockholder, copartner, co-trustee or co-personal representative.

SECTION 4. ELECTION. Proxies may be used in the election of Directors. The election of Directors shall be conducted at the annual membership meeting, in the following manner:

A. Not less than sixty (60) days before a scheduled election of Directors, the Association shall mail, email or deliver to each Lot Owner entitled to vote, a first notice of the date of the election. Any Lot Owner or other eligible person desiring to be a candidate for the Board of Directors shall give written notice to the Association not less than forty (40) days before a scheduled election. Not less than fourteen (14) days nor more than thirty-four (34) days before the membership meeting at which the election will occur, the Association shall mail, email or deliver a second notice of the meeting to all Lot Owners entitled to vote, together with a proxy which shall list all Director candidates in alphabetical order by surname. Upon request of a Director candidate received by the Association at least thirty-five (35) days prior to the election, the Association shall include with the second mailing of the director election proxy a candidate information sheet, not larger than 8 1/2 inches by 11 inches, furnished by the Director candidate to the Association. The costs of mailing and copying of the Director candidate information sheets shall be paid by the Association.

B. Written Director election proxies and election meeting ballots will be available for use by those Owners attending the meeting in person.

C. Each person voting is entitled to cast his or her vote for each of as many nominees as there are vacancies to be filled. The nominees receiving the greatest number of votes properly cast shall be elected. Elections shall be decided by a plurality of the votes cast. There shall be no cumulative voting. Tie votes shall be broken by agreement among the Director candidates who are tied, or absent such an agreement, by chance, such as the flipping of a coin by a neutral third party or the drawing of straws. An election is not required unless more candidates file notices of intent to run than Director vacancies exist. No Director nominations shall be permitted from the floor of the membership meeting.

D. There shall be no quorum requirement for the election of Directors; however, at least twenty percent (20%) of the Voting Interests must cast a Director election ballot to have a valid election.

E. Any election dispute between a Lot Owner and the Association shall be submitted to mandatory binding arbitration with the Division of Florida Condominiums, Timeshares and Mobile Homes in the manner provided by law.

SECTION 5. COMPENSATION FOR DIRECTORS. Directors of the corporation shall serve in that capacity without compensation unless otherwise determined by the members.

SECTION 6. MANNER OF REMOVAL. Any Director may be removed or recalled from office with or without cause, upon the written agreement of a majority of the total Voting Interests of the Association in the manner provided by Section 720.303(10)(b)1., Florida Statutes. Unless otherwise provided by law, upon removal of a Director, a successor shall be appointed by a majority of the remaining Board of Directors to fill the vacancy for the remainder of the term of such Director. Any Director who is delinquent in the payment of any fee, Assessment, fine, or other monetary obligation to the Association for more than ninety (90) days is not eligible for Board membership and shall be automatically removed from office. In the event of the death, disability, or resignation of a Director, the remaining members of the Board may appoint a successor to fill the vacancy for the remainder of the term of such Director.

SECTION 7. ORGANIZATIONAL MEETING. The organizational meeting of a newly elected Board of Directors for the purpose of electing officers shall be held within ten (10) days after the annual meeting of the members at such date, time, and place as shall be fixed by the Board of Directors at the membership meeting at which they were elected. No further notice of the Board's organizational meeting shall be necessary unless business in addition to the election of officers is to be considered at that meeting.

SECTION 8. REGULAR MEETINGS. A meeting of the Board of Directors occurs whenever a quorum of the Board gathers to conduct Association business. Regular meetings of the Board of Directors may be held at such date, time and place as shall be determined, from time to time, by at least two Directors or on the call of the President or Vice President. A meeting of the Board must be held at a location that is accessible to a physically handicapped person if timely requested by a physically handicapped person who has a right to attend the Board meeting.

SECTION 9. Authority to Call a Board Meeting. A meeting of the Board of Directors may be called by the President, the Vice President, the Secretary or at the written request of any two (2) Directors. If at least twenty percent (20%) of the Voting Interests deliver a written request to the Board to address an item of business, the Board shall at its next Board meeting, but not later than sixty (60) days after the receipt of the request, place the item on the Board's meeting agenda.

SECTION 10. Notice of Board Meetings. Notice of Board of Directors' meetings shall be given to each Director personally or by mail, email, telephone, facsimile transmission or telegraph, and posted in a conspicuous place in the community at least forty-eight (48) hours in advance of the meeting, except in the case of an emergency. Any Director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice. Attendance by a Director at a meeting shall constitute waiver of notice of the meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 11. Special Notice of Certain Board Meetings. In addition to the notice required by Article 5.10 herein, an Assessment may not be levied at a Board meeting unless the notice of the meeting includes a statement that Assessments will be considered and the nature of the Assessments. Written notice of any meeting at which special assessments will be considered or at which amendments to rules regarding Lot use will be considered must be mailed, delivered, or electronically transmitted to the Members and posted conspicuously on the property not less than fourteen (14) days prior to the Board meeting.

SECTION 12. Attendance at Board Meetings. A Director may participate in a Board meeting via telephone, real-time videoconferencing, or similar real-time electronic or video communication and such participation counts toward a quorum, and such Director may vote as if physically present. A speaker must be used at the meeting site so that the conversation of such person may be heard by all persons attending the meeting in person. Directors may use e-mail as a means of communication, but may not cast a vote on an Association matter via e-mail.

SECTION 13. Quorum and Approval. A quorum at Director's meetings shall consist of a majority (that is, more than half) of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the act of the Board of Directors; except where approval by a greater number of Directors is required by the HOA Act or the Governing Documents.

SECTION 14. Adjournment. A majority of the Directors who are present (in person or by other permitted means) at a Board meeting may adjourn the meeting from time to time as determined appropriate by the Directors. At the adjourned meeting, any business which might have been transacted at the Board meeting as originally called may be transacted without further notice.

SECTION 15. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary or management shall keep a minute book containing written records of meetings of the Board of Directors, recording therein all resolutions and motions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings as well as a notation as to any Director who abstained from voting or voted contrary to the prevailing opinion. No votes at any Board of Directors meeting may be by proxy or secret ballot, except that secret ballots may be utilized in the election of officers. A Director who is present at a Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the Director votes against the action or abstains from voting. A vote or abstention shall be recorded in the minutes.

SECTION 16. Open Meetings. Except for meetings with the Association's attorney for the purpose of legal advice with respect to proposed or pending litigation and meetings to discuss personnel matters, meetings of the Board of Directors shall be open to all Lot Owners. Any Member may tape record or videotape open meetings of the Board of Directors subject to reasonable rules adopted by the Board. The right to attend Board meetings includes the right to speak at such meetings with reference to all designated agenda items in accordance with any reasonable rules adopted by the Board of Directors. The Member's right to speak shall not exceed three (3) minutes unless the time to speak is extended by the presiding officer of the meeting or a majority of the Board.

SECTION 17. Delegation of Board Functions. The Board of Directors may delegate any or all of the functions of the Secretary or Treasurer to a management agent or employee, provided that the Secretary or Treasurer shall in such instance generally supervise the agent or employee in the performance of such functions.

SECTION 18. General Standard for Directors. A Director shall discharge his or her duties as a Director, including his or her duties as a member of a committee: (a) In good faith; (b) With the care an ordinarily prudent person

in a like position would exercise under similar circumstances; and (c) In a manner he or she reasonably believes to be in the best interests of the Association. In discharging his or her duties, a Director may rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

A. One or more officers or employees of the corporation whom the Director reasonably believes to be reliable and competent in the matters presented;

B. Legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within the persons' professional or expert competence; or

C. A committee of the Board of Directors of which he or she is not a member if the Director reasonably believes the committee merits confidence.

A Director is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted above unwarranted. A Director is not liable for any action taken as a Director, or any failure to take any action, if he or she performed the duties of his or her office in compliance with this Article.

SECTION 19. Minutes of Meetings. The minutes of all Board meetings shall be kept in a business-like manner in a book available for inspection by Lot Owners or their authorized representatives at any reasonable time. The Association shall maintain these minutes for a period as required by the Homeowners' Association Act.

SECTION 20. Resignation. A Director or officer may resign at any time by delivering written notice (including but not limited to emailed notice) to any Association officer or management. A resignation is effective when the notice is received, unless the notice specifies a later date. If the resignation is made effective at a later date, the members of the Board of Directors (including the Director whose resignation is not yet effective) may vote to fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

SECTION 21. Order of Business. Unless otherwise determined by the meeting chairman, the order of business at Board of Directors' meetings shall be as follows:

- A. Roll call
- B. Proof of meeting notice or waiver of notice
- C. Reading and disposal of unapproved minutes
- D. Reports of officers and committees
- E. Election of officers, if any
- F. Unfinished business
- G. New business
- H. Announcements
- I. Adjournment

ARTICLE VI OFFICERS

SECTION 1. Executive Officers. The executive officers of the Association shall be a President, Secretary, and Treasurer. The President shall be a Director. The Board of Directors may appoint such other officers, including one (1) or more Vice Presidents, one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, as it shall

deem desirable, such officers and assistant officers shall have the authority and perform the duties prescribed from time to time by the Board of Directors. The same person may hold two or more offices, provided, however, that the office of President and Secretary (or Assistant Secretary) shall not be held by the same person.

SECTION 2. Term of Office and Vacancies. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following the annual membership meeting. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term of office.

SECTION 3. Removal. Any officer may be removed, with or without cause, by a majority (that is, more than half) vote of the Board of Directors in the sole discretion of the Board. The removal or resignation of a Director who also is an officer shall automatically act as a removal of the Director as an officer.

SECTION 4. Resignation. Any officer may resign at any time by giving written notice (including but not limited to emailed notice) to any Association officer or management. Such written resignation shall take effect on the date of the receipt of such notice or at a later time specified in the notice and unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

SECTION 5. PRESIDENT. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. She/He shall preside at all meetings of the members and of the board of directors and shall execute any deeds, mortgages, bonds, contracts or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors or by these Bylaws or by statute to some other officer or agent of the corporation, and, in general, she/he shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

SECTION 6. VICE PRESIDENT. In the absence of the president, or in the event of her/his inability or refusal to act, the vice president, or, in the event there be more than one vice president, the vice presidents in the order of their election, shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice president shall perform such other duties as, from time to time, may be assigned to her/him by the president or by the board of directors.

SECTION 7. SECRETARY. The Secretary shall keep the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose, which such minutes shall be kept in a business-like manner, see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records, all official records of the association as specified in the Florida Not For Profit Corporation Act, as amended from time to time, and of the seal of the corporation and see that the seal of the corporation affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized. In accordance with the provisions of these Bylaws, authenticate such other corporate records as may be required, keep a current roster of all Lot owners in accordance with law, and shall perform such other duties as from time to time may be assigned to her/him by the president or by the board of directors.

SECTION 8. TREASURER. The treasurer shall have charge and custody of, and be responsible for, all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the board of directors, and in general perform all the duties incident to the office

of treasurer and such other duties as from time to time may be assigned to her/him by the president or by the board of directors.

SECTION 9. ASSISTANT SECRETARIES OR ASSISTANT TREASURERS. Any assistant secretaries or assistant treasurers shall be appointed as provided for by the Florida Not for Profit Corporation Act, as amended from time to time and, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, or by the president or by the board of directors.

SECTION 10. DUAL OFFICE. Any person may hold two or more offices, except that the president shall not also be the secretary, assistant secretary, treasurer, or assistant treasurer.

SECTION 11. FIDELITY BONDS. Fidelity bonds shall be required as specified by law.

ARTICLE VII COMMITTEES

SECTION 1. Committees. Unless otherwise provided herein, each committee shall consist of at least three (3) members, all of whom must be Members of the Association, spouses of Members or a Member's designated voting representative. The Board of Directors may appoint committees from time to time. The Board of Directors shall elect the Committee chairperson. The members of each Committee shall serve at the pleasure of the Board of Directors or until the succeeding committee members have been appointed or until their earlier resignation.

SECTION 2. Architectural Review Committee. The Architectural Review Committee ("ARC") provided for in Section 6 of the Declaration of Covenants shall be selected, and conduct its affairs as provided in this Section.

A. **Members; Qualification.** The Architectural Review Committee, hereinafter the "ARC," shall initially be composed of three (3) persons, all appointed by the Board of Directors, who may also be Directors of the Community Association and/or if there are no non-Board of Director Members willing to serve on the ARC. Whenever possible and practical, one of the Committee members should be an architect, general contractor, or other person with professional expertise in building, landscaping, or architectural design.

B. **Selection; Terms.** The members appointed by the Board of Directors to serve on the ARC shall serve terms of one year beginning on January 1 of each year. If a mid-term vacancy occurs for any reason, the President shall appoint a successor to fill the unexpired term.

C. **Compensation.** If approved by the Board of Directors, any or all members of the ARC may be compensated for their services.

D. **Meetings.** The ARC shall meet at least once during each quarter and otherwise at the call of the Chairman as necessary, to carry out its duties and functions. Special meetings may be called as needed by the Chairman.

E. **Procedures, Voting.** A majority of the members of the ARC present in person at any duly called meeting shall constitute a quorum. All questions shall be decided by a majority of the entire committee. Where a question involves proposed changes to a Lot or Living Unit owned by a member of the ARC, that member shall be disqualified from participation in the proceedings, and his place shall be taken by the then President of the Community Association. If proposed change is not approved, the reasons for disapproval shall be state in writing. Minutes of all meetings of the ARC shall be kept in a business-like manner, and shall be available at reasonable times for inspection

or photocopying by any owner. Copies of the plans and specification for all approved changes and construction shall be kept for at least five (5) years.

F. The Board of Directors and/or the ARC is authorized to adopt, amend, modify; repeal and enforce published Architectural Guidelines and Standards governing the location, size, type, or appearance of any structure or other improvement on a Lot, including, but not limited to, the following:

1. Permitted choices of color for various improvements on a Lot.
2. Permitted uses of material for various improvements on a Lot.
3. The permitted size of the structure or improvement on a Lot.
4. The permitted design of the structure or improvement on a Lot.
5. The permitted location of the structure or improvement on the Lot.

SECTION 3. Ad Hoc Committees. The Board of Directors may from time to time appoint and disband such ad hoc committees as necessary to conduct the business and affairs of the Association.

SECTION 4. Powers of Committees. Committees will report to and be under the direction of the Board of Directors. Committee members may be appointed and removed, with or without cause, upon majority vote of the Board of Directors.

SECTION 5. Term of Office. A person appointed to serve on a committee shall continue as such until the next annual membership meeting and until his or her successor is appointed, unless the committee be terminated sooner or the person be removed from the committee by the President, with the confirmation of the Board of Directors, the person resigns, or unless such person shall cease to qualify as a member on the committee.

SECTION 6. Committee Meetings. Unless otherwise provided by law or in these Bylaws, the meetings of any committee of the Association shall be open to all Members. If and where required by this Article, notice of the date, time and place of committee meetings shall be posted in a conspicuous place within the community at least forty-eight (48) hours prior to the time of the meeting. In the alternative, notice of the meeting may be mailed or delivered to all Members at least seven (7) days in advance of the meeting. Notice of committee meetings may be published or in the alternative each committee may provide Members with a pre-arranged schedule of meetings.

SECTION 7. Quorum and Procedures. A committee may act only when a quorum (a simple majority) is present. The act of a majority of the members present at a committee meeting shall be the act of the committee. Any committee or other body with authority to make a final decision with regard to the expenditure of Association funds or with the power to approve or disapprove architectural decisions with respect to a Lot shall follow the same procedures as the Board of Directors with regard to posting or mailing of meeting notices for Members, agendas, attendance and participation by Members, as required by the Homeowners Association Act. All other Association committees and similar bodies are exempt from the procedural meeting and notice requirements of Homeowners' Association Act and these Bylaws. Such committees shall adopt their own procedural rules and requirements.

SECTION 8. Scope and Rules. Each committee shall abide by the scope and stated purpose of the committee as defined by the by the Board of Directors, and may adopt rules for its operation consistent with these Bylaws and with rules adopted by the Board of Directors.

SECTION 9. Reports and Action. Every committee shall report its findings directly to the President, the Board of Directors or to the Board of Directors' designee. A committee may not take any action on behalf of the Association unless the Board of Directors adopts a written resolution specifically empowering the committee to take such action.

ARTICLE VIII FISCAL MANAGEMENT

SECTION 1. Fiscal Year. The fiscal year of the Association shall commence upon the first day of January and conclude on the thirty-first day of December. The Board of Directors is authorized to change the dates of the fiscal year as it determines appropriate.

SECTION 2. Annual Budget. The Board of Directors shall adopt and may amend from time to time an annual budget for each fiscal year that shall include the estimated funds required to defray the expenses and losses of the Association and to provide and maintain funds for the operating and reserve accounts established by the Board of Directors, in accordance with good accounting practices as set forth herein. The Association shall provide each Member with a copy of the annual budget or a written notice that a copy of the budget is available upon request at no charge to the Member.

SECTION 3. Assessment Roll. The Assessment roll shall be maintained in a set of accounting books in which there shall be an account for each Lot. Such an account shall designate the name and address of the Owner or Owners of each Lot, the amount of each Assessment against the Lot Owner(s), the dates and amounts in which the Assessments come due, and the amounts paid upon the account, and the balance due upon Assessments.

SECTION 4. Annual Budget Assessment. The annual Assessment, to fund the Association's annual budget, shall be paid by the Lot Owners per the payment schedule as provided in the Declaration. If an annual budget is not adopted or notice is not provided to the Lot Owners, the preceding budget and annual assessment shall continue until such budget is adopted or such notice is provided, as applicable. In the event the annual assessment proves to be insufficient, the budget and the assessment may be amended at any time by the Board of Directors at a duly-noticed Board meeting. The unpaid assessment for the remaining portion of the fiscal year, for which the amended assessment is made, shall be due as provided by the Board of Directors. The Board may elect to allow Owners to pay the annual assessment in installments due not less frequently than monthly.

SECTION 5. Reserve Funds. The Board of Directors may, but shall not be required to, establish and maintain an adequate reserve account for the periodic maintenance, repair and replacement of the Common areas and common property, capital improvements, and other matters as determined appropriate by the Board of Directors. If the Association annual budget includes reserves established by the developer or the Members, such reserves shall be determined, maintained, and waived in compliance with this subsection and according to the requirements of Section 720.303(6), Florida Statutes, as amended from time to time, including the following:

A. If the annual budget of the Association does not provide for reserve accounts and the Association is responsible for the 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 shall 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. OWNERS MAY ELECT TO PROVIDE FOR RESERVE ACCOUNTS PURSUANT TO THE

PROVISIONS OF SECTION 720.303(6), FLORIDA STATUTES, UPON THE APPROVAL OF NOT LESS THAN A MAJORITY OF THE TOTAL VOTING INTERESTS OF THE ASSOCIATION.

B. The amount to be reserved shall be computed by a formula that is based upon estimated remaining useful life and estimated replacement cost or deferred maintenance expense of each reserve item. The Association may adjust replacement reserve assessments annually to take into account any changes in estimates of cost or useful life of a reserve item. Funding formulas for reserves shall be based on either a separate analysis of each of the required assets or a pooled analysis of two or more of the required assets.

C. Once a reserve account or reserve accounts are established by the developer or the Members, the membership of the Association, upon a majority vote at a meeting at which a quorum is present, may provide for no reserves or less reserves than required by Section 720.303(6), Florida Statutes, as amended from time to time. If a meeting of the owners has been called to determine whether to waive or reduce the funding of reserves and a majority of the Members present do not affirmatively vote to waive or reduce reserves, the reserves as included in the budget shall go into effect. Any vote taken pursuant to this subsection to waive or reduce reserves shall be applicable only to one budget year.

D. Reserve funds created by the developer or the Members shall remain in the reserve account or accounts and shall be used only for authorized reserve expenditures unless their use for other purposes is approved in advance by a majority vote at a membership meeting at which a quorum is present.

SECTION 6. Special Assessments. Special assessments may be imposed by the Board of Directors whenever deemed necessary by the Board of Directors. Special assessments are due on the day specified in the resolution of the Board approving such assessment. The notice of any special assessment must contain a statement of the purpose(s) of the assessment, and the funds collected must be spend for the stated purpose(s) or returned to the Members in a manner consistent with law.

SECTION 7. Expenses. The receipts and expenditures of the Association may be credited and charged to accounts as the Board of Directors may determine, in accordance with good accounting practices as set forth herein.

SECTION 8. Depositories. The funds of the Association may be deposited in such accounts as may be selected by the Board of Directors, including without limitation checking and savings accounts in one (1) or more banks and/or savings and loan associations, Certificates of Deposit, U.S. Treasury Bills and money market accounts with an investment firm or firms, all in accordance with resolutions approved by the Board of Directors. The funds shall be used only for lawful purposes of the Association, as determined by the Board of Directors. Withdrawal of monies from such accounts shall be only by checks or other appropriate instruments signed by such persons as are authorized by the Board of Directors.

SECTION 9. Fidelity Bonds. The Association shall purchase and maintain blanket insurance or fidelity bonding for all persons who control or disburse funds of the Association, including without limitation those individuals who are authorized to sign checks and the Association President, Secretary and Treasurer and any contractor handling or responsible for Association funds. Each fidelity bond purchased by the Association shall name the Association as an obligee of the bond. The premiums for bonds shall be paid by the Association as part of the Common Expenses. The fidelity bonds shall cover the maximum funds that will be in the custody of Directors, officers, employees of the Association, or a management agent, at any time while the bonds are in force.

SECTION 10. Financial Report. A financial report shall be prepared annually by the Association and completed, or its preparation and completion shall be contracted for with a third party within ninety (90) days after the close of the fiscal year. Within twenty-one (21) days after the final financial report is completed by the Association or received from the third party, but not later than one-hundred twenty (120) days after the end of the fiscal year, the Association shall either: (A) furnish a copy of the report to each Member, or (B) provide a written notice to each Member that a copy of the report is available upon request at no charge to the Member. Any copy requested by a Member shall be furnished within ten (10) business days after receipt of the request. Financial reports shall be prepared according to the requirements of Section 720.303(7), Florida Statutes and in accordance with generally accepted accounting principles. If not less than twenty percent (20%) of the Members petition the Board for a level of financial reporting higher than that required by Section 720.303(7), Florida Statutes, the Association shall duly notice and hold a meeting of Members within thirty (30) days of receipt of the petition for the purpose of voting on raising the level of reporting for that fiscal year. Upon approval of a majority of the total voting interests of the Members, the Association shall prepare or cause to be prepared, shall amend the budget or adopt a special assessment to pay for the financial report regardless of any provision to the contrary contained in the Governing Documents and shall provide the required financial statements within ninety (90) days of the meeting or the end of the fiscal year, whichever occurs later.

SECTION 11. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by the President and Secretary or by such other members of the Board or officers or the Managing Agent of the Association as may be designated by resolution of the Board of Directors.

SECTION 12. Insurance. The Association shall procure, maintain and keep in full force and effect insurance as may be required by the Declaration, Articles of Incorporation, Bylaws or the Homeowners' Association Act, or as reasonably determined necessary and appropriate by the Board of Directors from time to time to protect the interests of the Association.

SECTION 13. Acceleration of Assessments. In the event any special or regular assessment is delinquent by more than thirty (30) days, the Board of Directors shall have the right to accelerate the due date of the entire unpaid balance of the Lot's annual and all special assessments for that fiscal year upon notice to the Lot owner, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the Lot Owner, or not less than twenty (20) days after the mailing of such notice to him by registered or certified mail, whichever shall first occur.

SECTION 14. Written Contracts. All contracts as further described herein or any contract that is not to be fully performed within one (1) year after the making thereof for the purchase, lease, or renting of materials or equipment to be used by the Association in accomplishing its purposes under the Homeowners' Association Act or the Governing Documents, and all contracts for the provision of services, shall be in writing.

SECTION 15. Competitive Bids. If a contract for the purchase, lease, or renting of materials or equipment, or for the provision of services, requires payment by the Association that exceeds ten percent (10%) of the total annual budget of the Association, including reserves, the Association must obtain competitive bids for the materials, equipment, or services. The Association is not required to accept the lowest bid. Notwithstanding the foregoing, contracts with employees of the Association, and contracts for attorney, accountant, architect, community association manager, engineering, and landscape architect services are not subject to the provisions of this Article. Nothing contained in this Article is intended to limit the ability of the Association to obtain needed products and services in an

emergency. This Article does not apply if the business entity with which the Association desires to enter into a contract is the only source of supply within Sarasota County.

ARTICLE IX BOOKS AND RECORDS

Official Records. The official records of the Community Association shall be maintained within the State of Florida and must be open to inspection and available for photocopying by members or their authorized agents at reasonable times and places within ten (10) business days after receipt by the Community Association of a written request for access. This requirement may be complied with by having a copy of the official records available for inspection or copying within the Community. The Community Association may adopt reasonable written rules governing the frequency, time, location, notice, and manner of inspection, and may impose fees to cover the costs of providing copies of the official records, including, without limitation, the costs of copying. The Community Association shall maintain an adequate number of copies of the recorded governing documents, to ensure their availability to members and prospective members, and may charge its actual costs for reproducing and furnishing these documents to those persons who are entitled to receive them. The official records will include a copy of the Southwest Florida Water Management District permit and all future permit actions. Either the Association or its registered agent will retain a copy of District permit records.

ARTICLE X FISCAL YEAR

The fiscal year of the Corporation shall be from January 1st to December 31st inclusive. The board of directors is expressly authorized to change this fiscal year at any time for the convenience of the corporation, however any such change must be recorded as an amendment to these bylaws.

ARTICLE XI SUSPENSION OF RIGHTS AND FINES

SECTION 1. Fining. In addition to all other remedies provided for in the Declaration, the Board of Directors shall have the power to levy reasonable fines against any Member or any Member's tenant, guest, or invitee for the failure of the Member or its tenant, occupant, licensee, or invitee to comply with the provision of the Homeowners' Association Act, the Declaration, the Association Bylaws, or reasonable Rules of the Association. A Member shall be jointly and severally liable for the payment of any fine levied against the Member's tenant, guest or invitee. A fine or suspension may not be imposed by the Board of Directors without at least fourteen (14) days' notice to the person sought to be fined or suspended and an opportunity for a hearing before a Hearing Committee. If the Board of Directors imposes a fine, the Association must provide written notice of such fine or suspension by mail or hand delivery to the Owner and, if applicable, to any tenant, licensee, or invitee of the Owner.

A. **Hearing Committee.** The Board shall appoint a Hearing Committee, which shall be composed of at least three (3) Members who are not officers, Directors, or employees of the Association, or the spouse, parent, child, or sibling of an officer, Director, or employee of the Association. The role of the Hearing Committee is limited to determining whether to confirm or reject the fine or suspension levied by the Board.

B. **Limits on Fine Amounts.** A fine may not exceed One Hundred Dollars (\$100.00) per violation, or \$100 per day in the case of a continuing violation with a single notice and opportunity for a hearing. No fine for a continuing violation shall exceed in the aggregate the amount of Five Thousand Dollars (\$5,000.00).

C. Collection. Fines shall be payable within thirty (30) days. In the event a person refuses or otherwise fails to pay a fine, the Association may mediate if and as required by law and proceed with legal action in a court of competent jurisdiction to collect the sum. In any action to recover a fine, the prevailing party is entitled to reasonable attorney fees and costs from the nonprevailing party as determined by the court. A fine of less than \$1,000 may not become a lien against a Lot; however, a fine of \$1,000 or more may become a lien against a Lot and may be foreclosed. A fine of \$1,000 or more shall be considered a Service Assessment as defined in the Declaration and may be foreclosed. If the proposed fine or suspension levied by the board is approved by the committee, the fine payment is due five (5) days after the date of the committee meeting at which the fine is approved. The association must provide written notice of such fine or suspension by mail or hand delivery to the Lot owner and, if applicable, to any tenant, licensee, or invitee of the Lot owner. All monies collected from the imposition of fines shall be placed into the Association reserves.

Fines not paid within thirty (30) days shall accrue interest at the highest rate allowed by law (currently eighteen percent (18%) per annum) and a late fee of Twenty-Five Dollars (\$25). Any judgment obtained by the Association shall be recorded in the public records and filed with the Florida Secretary of State.

SECTION 2. Suspension of Use Rights. If a Member is more than ninety (90) days delinquent in paying any fee, Assessment, fine, or other monetary obligation due to the Association, the Association may suspend the rights of the Member, or the Member's tenant, guest, or invitee, to use Common Areas and facilities until the fee, Assessment, fine, or other monetary obligation is paid in full. This subsection does not apply to that portion of Common Areas used to provide access or utility services to the Lot. A suspension may not prohibit an Owner or tenant of a Lot from having vehicular and pedestrian ingress to and egress from the Lot, including, but not limited to, the right to park. The notice and hearing requirements under Section 1 of this Article do not apply to a suspension imposed under this subsection. The suspensions permitted hereunder apply to a Member and, when appropriate, the Member's tenants, guests, or invitees, even if the delinquency or failure that resulted in the suspension arose from less than all of the multiple Lots owned by a Member.

SECTION 3. Nonpayment of Amounts Due; Suspension of Voting Rights. An Association may suspend the voting rights of a Member for the nonpayment of any fee, Assessment, fine, or other monetary obligation due to the Association that is more than 90 days delinquent. A voting interest or consent right allocated to a Lot or Member which has been suspended by the Association shall be subtracted from the total number of voting interests in the Association, which shall be reduced by the number of suspended voting interests when calculating the total percentage or number of all voting interests available to take or approve any action, and the suspended voting interests shall not be considered for any purpose, including, but not limited to, the percentage or number of voting interests necessary to constitute a quorum, the percentage or number of voting interests required to conduct an election, or the percentage or number of voting interests required to approve an action under the Homeowners' Association Act or pursuant to the Governing Documents. The notice and hearing requirements under Section 1 of this Article hereof do not apply to a suspension imposed under this subsection. The suspension ends upon full payment of all obligations currently due or overdue to the association.

SECTION 4. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Association's Board of Directors may elect, but shall be under no legal duty or obligation, to enforce any provisions of the Homeowners' Association Act, the Declaration, these Bylaws or the Rules and Regulations by suit at law in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the violator shall pay all costs, including reasonable attorneys' and paralegals' fees actually incurred by the Association.

**ARTICLE XII
SEAL**

The board of directors shall provide a corporate seal in a style so determined by them.

**ARTICLE XIII
AMENDMENT TO BYLAWS**

SECTION 1. Proposal. Amendments to these Bylaws may be proposed either by a resolution approved by a majority of the whole Board of Directors, or by a petition to the Board signed by the voting representatives of at least twenty-five percent (25%) of the voting interests of the Community Association. Once so proposed, the amendments shall be submitted to a vote of the Members at a meeting no later than the next annual meeting for which notice can still properly be given.

SECTION 2. Vote Required. These Bylaws may be amended by an affirmative vote of not less than a majority fifty-one percent (51%) of the Association's eligible Voting Interests present (in person or by proxy) and voting at a duly-noticed membership meeting.

SECTION 3. Certificate; Recording. A copy of each approved amendment shall be attached to a certificate reciting that the amendment was duly adopted, which certificate shall be executed by the President or Vice-President of the Community Association with the formalities of a deed. The amendment shall be effective when the certificate and copy of the amendment are recorded in the Public Records of the County. The certificate must identify the book and page of the Public Records where the Declaration of Covenants was originally recorded.

**ARTICLE XIV
AMENDMENT TO ARTICLES OF INCORPORATION**

The Articles of Incorporation may be amended as provided for therein.

**ARTICLE XV
MISCELLANEOUS**

SECTION 1. Conflicts. The term "Governing Documents", as used in these Bylaws and elsewhere shall include the Declaration, the Articles of Incorporation, these Bylaws, the Homeowners Association's Rules and Regulations, and the Plat and all other exhibits to the Original Declaration. In the event of a conflict between the language in the Declaration and the graphic descriptions of record, the graphic description of record shall control. In the event of a conflict between language in any of the other Governing Documents, the following priorities shall control, in descending order:

- A. the Declaration, as may be amended from time to time;
- B. the Articles of Incorporation, as may be amended from time to time;
- C. the Bylaws, as may be amended from time to time;
- D. the Rules and Regulations, as may be amended from time to time.

SECTION 2. Interpretation. The Board of Directors is responsible for interpreting the provisions of the Declaration, the Articles of Incorporation, the Bylaws, and the Rules and Regulations. Its interpretation shall be binding

upon all parties unless wholly unreasonable. A written opinion rendered by legal counsel that an interpretation adopted by the Board of Directors is not wholly unreasonable shall conclusively establish the validity of such interpretation.

SECTION 3. Gender. The use of the term "he," "she," "his," "hers," "their," "theirs" and all other similar pronouns should be construed to include all genders and encompass the plural as well as the singular.

SECTION 4. Severability. In the event that any provisions of these Bylaws are deemed invalid, the remaining provisions shall be deemed in full force and effect.

SECTION 5. Florida Statutes. Any reference to a statute herein, including, but not limited to, the Homeowners' Association Act, the Florida Not for Profit Corporation Act, or any provision or Section therein, shall include subsequent amendments or renumbering from time to time.