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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR THE LAKES, UNIT 2, PHASE 2

AMENDED AND RESTATED

TOTAL 73.50

THIS AMENDED AND RESTATED DECLARATION, made on the date hereinafter set forth by The Mills Land Development Group, Inc., a Florida corporation, hereinafter referred to as the "Declarant."

W I T N E S S E T H:

WHEREAS, Declarant desires to create a residential community known as The Lakes, Unit 2, Phase 2 on the Exhibit "A" land, pursuant to the terms and provisions of this Declaration; and

WHEREAS, Declarant previously recorded a Declaration of Covenants, Conditions, and Restrictions in O.R. 6996 Pages 713-727 of the Public Records of Pinellas County, which Declarant desires to amend; and

WHEREAS, pursuant to the terms of the previous declaration, Declarant as the sole member of the Association defined therein, is entitled to effect amendments to said declaration.

NOW, THEREFORE, the Declarant hereby declares that the real property described on attached Exhibit "A" shall be held, sold and conveyed subject to the following easements, restrictions and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest therein or any part thereof, their respective heirs, personal representatives, successors and assigns, and shall inure to the benefit of each owner thereof.

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ARTICLE I

DEFINITIONS

TOTAL: \$73.50

CHECK AMT. TENDERED: \$73.50

CHANGE: \$0.00

Section 1. "Association" shall mean and refer to The Lakes, Unit 2, Phase 2 Homeowners Association, Inc., a Florida nonprofit corporation, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Parcel which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. The term "Owner" shall include The Mills Land Development Group, Inc. for so long as it is the owner of any Lot.

Section 3. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for The Lakes, Unit 2, Phase 2 and any amendments or modifications thereof hereafter made from time to time.

Section 4. "Properties" shall mean and refer to that certain real property described in attached Exhibit "A," whether now or hereafter platted.

Section 5. "Common Area" shall mean all real property (including the improvements thereon) now or hereafter owned by the Association for the enjoyment of the Owners. In addition, "Common Area" shall include the right of Owners and Members to use, in conjunction with others having a similar right, that property referred to as The Lakes, Unit 2, Tract 7 as described in Plat Book 85, Pages 21-22 of the Public Records of Pinellas County, Florida.

Section 6. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Properties, now or hereafter recorded,

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MARLENE DE BLAKER  
CLERK OF CIRCUIT COURT  
PINELLAS COUNTY, FL.

with the exception of streets and the Common Area, and a Lot may include any portion or portions of any other Lot adjacent thereto and under common ownership.

Section 7. "Declarant" shall mean and refer to The Mills Land Development Group, Inc., a Florida corporation, its successors and assigns. It shall not include any person or party who purchases a Lot from The Mills Land Development Group, Inc., however, unless such purchaser is specifically assigned as to such property, by separate recorded instrument, some or all of the rights held by The Mills Land Development Group, Inc. as Declarant hereunder with regard thereto.

Section 8. "Parcel" shall mean and refer to any part of the Properties, other than the Common Area, Lots and streets. Any Parcel, or part thereof however, for which a subdivision plat is hereafter filed or record shall, as to such portion, cease being a Parcel, or part thereof, and shall become Lots, streets or Common Area, as appropriate.

Section 9. "Board of Directors" shall mean and refer to the Association's Board of Directors.

Section 10. "Articles" shall mean and refer to the Articles of Incorporation of the Association, including any and all amendments or modifications thereof.

Section 11. "Bylaws" shall mean and refer to the By-Laws of the Association, including any and all amendments or modifications thereof.

Section 12. "Home Builder" shall mean a person or entity engaged professionally in the business of building residential dwellings for sale. A person building a home who intends to retain ownership of the dwelling for his own personal use or as a rental property shall be excluded from this definition.

Section 13. "Residence" shall mean and refer to a single family dwelling located on a Lot, and the word Residence when the context so requires may be used interchangeably herein with the word Lot.

Section 14. "Plat" shall mean and refer to any recorded or unrecorded subdivision map or maps of all or a portion of the Properties.

## ARTICLE II

### PURPOSE

Section 1. Operation, Maintenance and Repair of Common Area. The Declarant, in order to insure that the Common Area will continue to be maintained in a manner that will contribute to the comfort and enjoyment of the Owners, and provide for other matters of concern to them, has organized the Association. The purpose of the Association shall be to operate, maintain and repair the Common Area, and any facilities thereon; to maintain any irrigation facilities servicing the Common Area; and to take such other action as the Association is authorized to take with regard to the Properties pursuant to its Articles of Incorporation and By-Laws, or this Declaration.

## ARTICLE III

### PROPERTY RIGHTS

Section 1. Owner's Easement of Enjoyment. Except as limited by Section 1(a) hereafter, every Owner shall have a right and non-exclusive easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

(a) Only those Owners of lots 89 through 102 which said lots adjoin that portion of the Common area described as Tract B on the Plat shall have the right to use Tract B, and each such Owner's right of use and enjoyment shall be restricted to those portions of Tract B located adjacent to the Owner's lot and between linear extensions of the side boundaries of said lot. In the same manner, only those Owners of lots 153 through 185 shall have the right to use Tract C, and each Owner's right of use and enjoyment shall be similarly restricted to those portions of Tract C located adjacent to the Owner's lot and between linear extensions of the side boundaries of said lot. That portion of Tract 7, as defined in Article 1, Section 5, located between the rear boundaries of lots 112 through 126 and the water's edge of the lake located in said Tract 7 shall be restricted for the use of and ingress and egress to said area shall be restricted to the Owners of said lots 112 through 126, so that the Owner of any lot 112 through 126 shall be the only Owner authorized to have access to and the use of that portion of Common Area located between an extension of the side boundaries of their lot to an intersection with the nearest water's edge of the lake on Tract 7 and the side boundary extensions of said lot.

(b) The right of the Association from time to time in accordance with its By-Laws to establish, modify, amend and rescind reasonable rules and regulations regarding use of the Common Area;

(c) The right of the Association to levy annual and special assessments and to charge reasonable admission and other fees for use of any recreational facilities situated on the Common Area;

(d) The right of the Association to suspend the voting rights and right to use any recreational facilities by an Owner for any period during which any assessment levied under this Declaration against his Lot remains unpaid and for a period not to exceed sixty (60) days for any infraction of it published rules and regulations;

(e) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.

(f) The right of the Association to grant easements as to the Common Area or any part thereof as provided by its Articles; and

(g) The right of the Association to otherwise deal with the Common Area as provided by its Articles.

(h) The right of the Association, in accordance with its Articles and its Bylaws, to borrow money for the purpose of improving or increasing the Common Area and in aid thereof with the assent of two-thirds (2/3) of each class of Members to mortgage said properties. Said mortgage shall be subordinate to the Members' rights as provided hereinafter. In the event of a default upon any such mortgage, the Lender's rights hereunder shall be limited to a right, after taking possession of such area, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such area to a wider public until the mortgage debt is satisfied, whereupon the possession of such area shall be returned to the Association and all rights of the Members hereunder shall be fully restored; provided that under no circumstances shall the rights of the Members of ingress, egress and parking be affected.

(i) The right of the Declarant, without approval of the Association or the Membership, to dedicate easements and rights-of-way over the Common Areas in accordance with the terms of this Declaration.

**Section 2. Easement for Irrigation Facilities.** The Declarant hereby reserves the right and easement to construct, place, and install on all Lots from time to time such irrigation and sprinkler lines and heads, control panels, and related facilities and equipment (the foregoing being

collectively referred to hereafter as the "Irrigation Facilities") for the purpose of providing irrigation to the Common Area within the Properties as it deems appropriate. The Declarant shall also have and does hereby reserve, the right of access to any such Irrigation Facilities. If installation occurs after the Declarant has sold the Lot to its initial purchaser, it shall be undertaken so as not to interfere with the dwelling or the improvements on such Lot. By recorded instrument, the Declarant shall have the right to waive or relinquish its easement rights in whole or in part, and shall also have the right to assign them to the Association. The Declarant hereby grants to the Association an easement as to each Lot for the maintenance, repair and replacement of any and all Irrigation Facilities now or hereafter constructed, placed or installed on the Common Area by the Declarant pursuant to the authority of this Section. By recorded instrument, the Association shall have the right to waive or relinquish its easement rights in whole or in part by action of its Board of Directors.

Section 3. Grants and Reservations of Easements. Declarant hereby reserves easements for the installation and maintenance of utilities and drainage areas as shown on the Plat. Within the easements, no structure, planting or other materials may be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may change the direction of flow of drainage canals in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The area of each Lot upon which an easement is located shall be maintained continuously by the Owner of the Lot, except that those improvements which are the property of a public authority or utility company shall be maintained by such authority or utility company.

Section 4. Delegation of Use. An Owner's right of enjoyment to the Common Area and any recreation facilities existing thereon, subject to the Association's Rules and Regulations, shall extend to the members of his family, provided the foregoing actually reside at the Owner's Lot. If an Owner shall rent his Lot or sell it pursuant to a contract for deed, the tenant or contract purchaser shall only have such right of enjoyment if it is delegated by the Owner in accordance with the By-Laws. An Owner shall not be entitled to use any recreational facilities during the time such rights have been delegated to a tenant or contract purchaser.

Section 5. Prohibition of Certain Activities. No damage to, or waste of, the Common Area or any part thereof, shall be committed by any Owner or any tenant or invitee of any Owner. No noxious, destructive or offensive activity shall be permitted on or in the Common Area or any part thereof, nor shall anything be done thereon which may be or may become an unreasonable annoyance or nuisance to any other Owner. No Owner may maintain, treat, landscape, sod, or place or erect any improvement or structure of any kind on the Common Area without the prior approval of the Board of Directors.

Section 6. Signs Prohibited. No sign of any kind shall be displayed in or on the Common Area without the prior written consent of the Association. This Section, however, shall not apply to the Declarant, which shall be entitled to do so.

Section 7. Animals. No animals shall be permitted on or in the Common Area at any time except as may be provided in the Rules and Regulations of the Association.

Section 8. Rules and Regulations. No Owner or other permitted user shall violate the reasonable Rules and Regulations for the use of the Common Area, as the same are from time to time adopted by the Association.

Section 9. Title to Common Area. The Declarant shall convey to the Association title to any Common Area, except for Tract 7 described in Article I, Section 5, subject to such easements, reservations, conditions and restrictions as may then be of record.

ARTICLE IVMEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot which is subject to assessment shall be a member of the Association, subject to and bound by the Association's Articles of Incorporation, By-Laws, Rules and Regulations, and this Declaration. The foregoing does not include persons or entities who hold a leasehold interest or interest merely as security for the performance of an obligation. Ownership, as defined above, shall be the sole qualification for membership. When any Lot is owned of record by two or more persons or other legal entities, all such persons or entities shall be members. An Owner of more than one Lot shall be entitled to one membership for each Lot owned by him. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment, and it shall be automatically transferred by conveyance or other transfer of that Lot. The Declarant shall also be a member so long as it owns one or more Lots or Parcels.

Section 2. Classes of Members. The Association shall have two classes of voting membership, Class A and Class B. All votes shall be cast in the manner provided in the By-Laws. When more than one person or entity holds an interest in any Lot, the vote for such Lot shall be exercised as such persons determine, but in no event shall more than the number of votes hereinafter designated be cast with respect to such Lot. The two classes of voting memberships, and voting rights related thereto, are as follows:

1. Class A. Class A members shall be all Owners of Lots subject to assessments; provided, however, so long as there is Class B membership the Declarant shall not be a Class A member. Class A members shall be entitled to one (1) vote for each Lot owned.

2. Class B. The Class B member shall be the Declarant, and shall be entitled to three (3) votes for each Lot which it owns.

3. Termination of Class B. Class B membership may cease and be converted to Class A membership upon the happening of any of the following events, whichever occurs earlier:

(i) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership,

(ii) On December 31, 1995, or

(iii) When the Declarant waives in writing its right to Class B membership.

ARTICLE VRIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Responsibilities. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area, and shall keep the same in good, clean and proper condition, order and repair. The Association shall be responsible for the payment of all costs, charges and expenses incurred in connection with the operation, administration and management of the Common Area, and performance of its other obligations hereunder and shall have the authority to levy assessments against each Lot for the purposes given in Section 2 in Article VI.

Section 2. Right of Entry. The Association is hereby granted a right of entry to each Lot to the extent reasonably necessary to discharge its duties of maintenance, or for any other purpose reasonably related to the Association's performance of any duty, or its exercise of any easement or

right granted by this Declaration. Such right of entry shall be exercised in a reasonable manner and at reasonable times whenever the circumstances permit. In the event the Association shall be unable to gain entry to a Lot as provided above, due to the absence of the Owner, the Association, at its election shall be authorized to use means reasonably necessary to gain entry. Such action shall not constitute a trespass, and any expenses so incurred by the Association shall be specially assessed against the Lot and be immediately due and payable.

Section 3. Rules and Regulations. The Association may from time to time adopt, alter, amend or rescind reasonable rules and regulations governing the use of the Lots, which rules and regulations shall be consistent with the rights and duties established by this Declaration.

Section 4. Manager. The Association may obtain, employ and pay for the services of an entity or person, hereinafter called the "Manager," to assist in managing its affairs and carrying out its responsibilities hereunder to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable, whether such personnel are furnished or employed directly by the Association or by the Manager. Any management agreement must be terminable for cause upon thirty (30) days notice, be for a term not to exceed three (3) years, and be renewable only upon mutual consent of the parties.

Section 5. Personal Property for Common Use. The Association may acquire and hold tangible and intangible personal property and may dispose of the same by sale or otherwise, subject to such restrictions, if any, as may from time to time be provided in the Association's Articles or By-Laws.

Section 6. Insurance. The Association at all times shall procure and maintain adequate policies of public liability and other insurance as to the Common Area as it deems advisable or necessary.

Section 7. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, its Articles or By-Laws, or by law and every other right or privilege reasonably implied from the existence of any right or privilege granted herein or therein or reasonably necessary to effectuate the exercise of any right or privileges granted herein or therein.

## ARTICLE VI

### COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed or other transfer or conveyance thereof, whether or not it shall be so expressed in such deed, transfer or conveyance, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; and (2) special assessments or charges against a particular Lot as may be provided by the terms of this Declaration. Such assessments and charges, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a lien upon the property against which such assessment is made. Each such assessment or charge, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fee was due. The personal obligation for delinquent assessments shall pass to Owner's successors as well as remain the obligation of the Owner at the time the assessment was due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents of the Properties, and for the improvement and maintenance of the Common Area and the carrying out of the other responsibilities and obligations of the Association under this Declaration, the Articles, and the By-Laws.

Section 3. Maximum Annual Assessment. The provisions of this Section 3 shall apply until there is no Class B member. After there is no Class B member, the annual assessments shall be determined by the Board Of Directors of the Association prior to January 1 of each year by determining the sum necessary to fulfill the obligations and purpose of the assessment. Written notice of the annual assessment shall then be sent to all Owners containing the due date and amount.

Until January 1 of the year immediately following the conveyance by the Declarant of the first Lot to an Owner, the maximum annual assessment per Lot owned by a Class A member shall be \$420.00.

(a) From and after January 1 of the year immediately following the conveyance by the Declarant of the first Lot to an Owner, the maximum annual assessment for Lots owned by Class A members, as stated above, may be increased each year to reflect one hundred fifty percent (150%) of the increase, if any, in the Consumer Price Index for All Urban Consumers, All Items, published by the Bureau of Labor Statistics, U.S. Department of Labor for the area including or nearest to Tampa, Florida. The maximum annual assessment shall be determined by multiplying the maximum annual assessment then in effect by the Consumer Price Index for the most recent month available and dividing the product by the Consumer Price Index for the same month during the immediately preceding calendar year. If publication of the Consumer Price Index should be discontinued, the Association shall use the most nearly comparable index, as determined and selected by the Board of Directors.

(b) For and after January 1 of the year immediately following the conveyance by the Declarant of the first Lot to an Owner, the maximum annual assessment may be increased above the increase permitted by Section 3(a) above, by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment for Lots owned by Class A members at an amount not in excess of the maximum annual assessment rate established therefor.

Section 4. Special Assessment for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement, including fixtures and personal property related thereto, the cost of acquiring any property pursuant to the authority granted in Article III, Section (h) hereof, or for any emergency purpose provided that any such assessments shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice of Meeting and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any members meeting called for the purpose of taking any action authorized under Section 3 and 4 of this Article shall be sent to all members pursuant to the By-Laws.

Section 6. Declarant's Assessment. Notwithstanding any provision of the Declaration of the Association's Articles or By-Laws to the contrary, as long as there is Class B membership in the Association, the Declarant shall not be obligated for, nor subject to, any annual assessment for any Lot which it may own, provided: (i) the annual assessment paid by the other Owners shall not exceed the maximum annual assessment permitted by Section 3 of this Article; and (ii) the Declarant shall be responsible for paying the difference between the Association's expenses of operation otherwise to be funded by annual assessments and the amount received from Owners, other than the Declarant, in payment of the annual assessments levied against their respective Lots. Such difference, herein called the "Deficiency," shall not include any reserve for replacements, operating reserves, depreciation reserves or capital expenditures. The Declarant may at any time give written notice to the Association prior to November 30 of a year, thereby terminating effective as of December 31 of such year its responsibility for the Deficiency, and waiving its right to exclusion from

annual assessments. Upon giving such notice, or upon termination of Class B membership, whichever is sooner, each Lot owned by the Declarant shall thereafter be assessed at twenty-five percent (25%) of the annual assessment established for Lots owned by Class A members other than the Declarant. Such assessment shall be prorated as to the remaining days of the year, if applicable. Upon transfer of title of a Lot owned by the Declarant, the Lot shall be assessed in the amount established for Lots owned by Owners other than the Declarant prorated as of and commencing with the first day following the date of transfer of title. Notwithstanding the foregoing, any Lots from which the Declarant derives any rental income, or holds an interest as mortgagee, shall be assessed at the same amount as Lots owned by Owners other than the Declarant prorated as of and commencing with the first day following the execution of the rental agreement or mortgage, or the contract purchaser's entry into possession, as the case may be.

Section 7. Exemption from Assessments. The assessments, charges and liens provided for or created by this Article VI shall not apply to the Common Area, any property dedicated to and accepted for maintenance by a public or governmental authority or agency, any property owned by a public or private utility company or public or governmental body or agency.

Section 8. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots owned by Class A members at the time of closing of the purchase of a Lot and shall be adjusted according to the number of remaining days in that calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. Unless otherwise established by the Board of Directors, annual assessments shall be collected in one installment with payment due on the first day of each year in advance. The due date for special assessments shall be as established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot shall be binding upon the Association as of the date of its issuance.

Section 9. Lien for Assessments. All sums assessed to any Lot pursuant to this Declaration, including those owned by the Declarant, together with interest and all costs and expenses of collection, including reasonable attorney's fees, shall be secured by a continuing lien on such Lot in favor of the Association. This Section shall not limit in any way the personal obligation of the Owner or Owners of such Lot.

Section 10. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, or abandonment of his Lot. In the event the Association chooses to bring an action at law for collection, rather than foreclose its lien, such action may be brought in the small claims division of County Court, or such other court as may have jurisdiction. In addition to the amount of all delinquent assessments, and interest due thereon, the Owner shall also be obligated in such action for all costs and expenses of collection, including attorney's fees incurred by the Association.

Section 11. Foreclosure. The lien for sums assessed pursuant to this Declaration may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Florida. In any such foreclosure, the Owner shall be required to pay all costs and expenses of foreclosure, including reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Lot which shall become due during the period of foreclosure, and the same shall be secured by the lien foreclosed and accounted for as



of the date the Owner's title is divested by foreclosure. The Association shall have the right and power to bid at the foreclosure or other legal sale to acquire the Lot foreclosed, and thereafter to hold, convey, lease, rent, encumber, use and otherwise deal with the same as the owner thereof.

Section 12. Homestead. By acceptance of a deed thereto, the Owner and spouse thereof, if married, of each Lot shall be deemed to have waived any exemption from liens created by this Declaration or the enforcement thereof by foreclosure or otherwise, which may otherwise have been available by reason of the homestead exemption provisions of Florida law, if for any reason such are applicable. This Section is not intended to limit or restrict in any way the lien or rights granted to the Association by this Declaration, but to be construed in its favor.

Section 13. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage which is given to or held by a commercial or savings bank, savings and loan association, insurance company, mortgage company, pension fund, any private or governmental institution such as FNMA, FHA, VA, or any other institutional lender. The sale or transfer of any Lot pursuant to foreclosure of such a first mortgage or any proceeding or deed in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

## ARTICLE VII

### ARCHITECTURAL CONTROL

No exterior change or modification shall be made to any residential dwelling constructed by a Home Builder on a Lot nor shall any fences, walls, structures or improvements be added to a Lot after it has been conveyed by the Home Builder until the plans and specifications showing the nature, kind, shape, height, materials, color to be used on the exterior, and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association, or by an Architectural Committee composed of three (3) or more representatives appointed by the Board. In the event the Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) days after such plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. No approval shall be given by the Board or its designated committee pursuant to the provisions of this Article unless it determines in its sole discretion that such approval shall: (a) assure harmony of external design, materials, and location in relation to surrounding buildings and topography within the Properties; (b) protect and conserve the value and desirability of the Properties as a residential community; (c) conform to or enhance, in the sole opinion of the Board or its designated committee, the aesthetic appearance of the Properties. Neither the Association, the Board, nor any member of the Board or its designated committee shall have any liability to anyone by reason of any acts or action taken in good faith pursuant to this Article. So long as the Declarant controls the Architectural Committee or Board of Directors of the Association, then any one (1) representative of the Declarant shall have the authority to act on behalf of the Architectural Committee.

With respect to the construction of initial homes on lots previously not built upon, the Declarant shall serve as the exclusive architectural control. No residence, wall or other structure shall be commenced or erected on a lot upon the subject property until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Declarant as to harmony of external design and location in relation to surrounding structures and topography. In the event the Declarant fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted, then approval shall be deemed granted and the requirements of this paragraph shall have

been fully complied with, provided the size and location of the proposed residence is not in violation of any other of the provisions of the protective covenants contained herein. Neither the Declarant, its successors or assigns shall have any liability to anyone by reason of any acts or action taken in good faith pursuant to this Article.

#### ARTICLE VIII

##### MAINTENANCE OF RESIDENCE

In order to further establish and preserve the Properties as a residential community, the Owners covenant that they shall at all times maintain the exterior portions of their Residences, including lawns, shrubbery and landscaping, in a neat and aesthetically pleasing and proper condition. In the event that any Owner fails to maintain his Residence pursuant to this Covenant ("Defaulting Owner"), an authorized designate of the Board shall have the right, upon thirty (30) days written notice, to enter the property of a Defaulting Owner for the purpose of performing the maintenance described in the notice. The cost of performing such maintenance and the expenses of collection, including court costs and reasonable attorneys' fees, shall be assessed against the Defaulting Owner and shall become a lien in favor of the Association upon the Lot of the Defaulting Owner under the lien rights of the Association as described in Article VI herein. Said lien shall be effective only from and after the time of recordation amongst the records of the County, of a written acknowledged statement signed by a majority of the Board of Directors setting forth the amount due. Upon full payment of all sums secured by the lien, the party making payment shall be provided a recordable satisfaction of lien by the Association.

#### ARTICLE IX

##### USE RESTRICTIONS

Section 1. Residential Use. All Lots shall be for residential use only, and only single family homes approved in accordance with Article VII (Architectural Control) may be constructed thereon. No commercial or business occupations may be carried on in The Lakes, Unit II, Phase II except for the construction, development and sale or rental of residences. No structure of temporary character, or trailer, or tent, or other "outbuildings" may be erected or located on a Lot, except for a construction shack or temporary toilet during construction of a Residence, and except for such temporary structures needed or utilized by the Declarant in connection with the construction, development, sale or rental of the Subject Property. No temporary structure may be used as a Residence. All residences must contain a minimum living area of 1,250 square feet, and contain a minimum of a two car garage attached to said residence. Structural additions to residences after initial construction of residences and structures on a Lot must conform to the existing setback requirements, which are 15' from rear lot line, 5' from side lot lines, and 20' from front lot line. No structural additions will be permitted without written permission of the Architectural Committee.

Section 2. Model Homes. No trade, business, profession or other type of commercial activity shall be carried out upon any Lot, except that real estate brokers, Owners and their agents may show Lots for sale or lease. Every person, firm or corporation purchasing a Lot recognizes that Declarant, its successors and assigns, shall have the right to (i) use Lots and houses erected thereon for sales offices, field construction offices, storage facilities, general business offices, and (ii) maintain model homes on Lots which it owns which may be open to the public for inspection seven (7) days per week or for such hours as are deemed necessary. Declarant's rights under the preceding sentence shall terminate on December 31, 1995, unless prior thereto Declarant has indicated its intention to abandon such

rights by recording a written instrument among the Public Records of Pinellas County, Florida.

Section 3. Animals. No pit bull dogs, animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except that cats, dogs (other than pit bull dogs), and other household pets may be kept provided they are not kept, bred, or maintained for any commercial purposes, are not a nuisance to the neighborhood, and are primarily maintained inside the residence. No person owning or in custody of an animal shall allow it to stray or go upon another's Lot without the consent of the Owner of such Lot. All animals must be on a leash when outside of the Owner's Lot. If any permitted animals shall in the sole discretion of the Association become dangerous, an annoyance, or a nuisance, they may not be kept on the Property.

Section 4. Vehicles. No trailers, campers, boats, recreational vehicles, motorcycles, or commercial vehicles of any kind shall be parked on or adjoining the property, unless inside a covered garage, with the exception of delivery vehicles or service vehicles while in the process of performing their services. No vehicle shall be parked on any part of the Property except on paved streets, paved driveways, and in garages.

Section 5. Dumping or storage of rubbish. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be kept in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

Section 6. Signs. No sign of any kind shall be displayed to the public view on any Lot except one sign not more than six square feet advertising the property for sale or rent, provided, however, that these restrictions shall not apply to signs used by the Declarant or Home Builders to advertise the property during the promotion and construction of the houses and sales of Lots.

Section 7. Street Lighting. All Lots are within a street lighting district pursuant to which street lighting service is to be provided and taxes or assessments therefor levied in accordance with applicable governmental ordinances, rules and regulations, now or hereafter in effect.

Section 8. Nuisances. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become a nuisance or an unreasonable annoyance to the neighborhood. No automobile or other vehicle mechanical repairs or like activity shall be conducted on any Lot other than in a garage and concealed from public view.

Section 9. Garage Doors. Garage doors shall be kept closed except when in use.

Section 10. Antennae and Aerials. No antennas or aerials shall be placed upon Residences without the express written approval of the Association except for an outdoor television antenna to provide normal television reception. No ham radios or radio transmission equipment shall be operated or permitted to be operated on the Subject Property. No satellite dishes are allowed unless same are located in back yard and hidden from view by either landscaping or wood fencing.

Section 11. Clothes Lines. Outdoor permanent clotheslines shall be prohibited on the Subject Property. Portable rotary type or reel type clothes dryers will be permitted in the rear yard only. On corner Lots such portable dryers will not be placed within 25' of side street line, and said clothes dryers must be stored when not in use.

Section 12. Trash Containers. All cans and containers used for collection and disposal of refuse, garbage, rubbish or other discarded matter upon the premises must be placed so as to be shielded from street view and not displayed in the front of any Lot or parcel except on regular days for collection of trash, garbage and rubbish as may be provided by any sanitary service unit, and then only when such service unit requires the container or containers to be placed in the front of any dwelling. Trash pads shall be either fenced or landscaped.

Section 13. Fences. No fences shall be erected or maintained on a Lot or Lots which shall be in excess of six (6) feet in height. Said fences shall conform to and be in keeping with the types of structure and architectural design of the house to which it is appurtenant and in all respects shall be of pleasing appearance. No wall type fence or solid board fences shall be erected or maintained in any front yard or in any yard facing a street or avenue.

Section 14. Lawns. All lawns shall be properly maintained. No gravel front yards shall exist. If the home is unoccupied or vacant for extended periods of time such as vacations, it shall be the Owner's responsibility to insure proper maintenance in Owner's absence.

Section 15. Water and Sewer Connection. Any house erected or constructed on the above described Lots must be connected to the existing water and sewer systems provided by the Declarant, its successors and assigns.

Section 16. Tree Removal. No trees shall be removed from Lots once all construction is complete unless the tree has died. In the event a tree is removed, it shall be replaced by the Owner of the Lot at his expense.

Section 17. Mailboxes. Any mailboxes which are located at the street curb shall be supported by wood posts or such other material as may be approved by the Architectural Committee.

Section 18. Roofing and House Colors. All roofing, paint and stain colors used on the outside of homes are to be compatible with the trees and other natural characteristics of the property. Roofing is to be of earth tones and dimensional type shingle. Only those approved colors used by Home Builders in the original construction of the subdivision shall be permitted when rework is done by Owners.

Section 19. Driveways and Sidewalks. All driveways and walks are to be constructed of concrete.

Section 20. Mining and Drilling. There shall be no mining, quarrying or drilling for oil or other minerals undertaken within any portion of the Subject Property.

Section 21. Effect on Insurance Rates. No Owner shall engage in any action which may reasonably be expected to result in an increase in the rate of any insurance policy or policies covering any portion of the Subject Property.

Section 22. Further Subdivision. The Lots shall not be further subdivided.

Section 23. Destruction of Residence. In the event a Residence is damaged or destroyed by casualty, hazard, or other loss, then within a reasonable period of time after such incident, the Owner thereof shall either commence to rebuild or repair the damaged Residence, or promptly clear the damaged improvements and grass over and landscape the Lot in a sightly manner.

Section 24. Damages. Owners of respective Lots shall be directly financially responsible to the Declarant or to the abutting Lot Owners or Association for damage to the utilities, sewer, water and drainage systems installed by the Declarant resulting from the actions of said Owners or independent contractors furnishing labor or materials to or for said Owners. In the event the Declarant or the abutting Owner or Association must repair or replace any utilities, including sewer, water, drainage system, electrical, telephone lines, sod, sidewalks, paving, shrubbery, trees, fences or other improvements as a result of the actions of any Owner or independent contractor furnishing labor or materials to and for said Owner, then in that event, said Owner shall pay for the cost of said repair or replacement of said damaged property within ten (10) days from the date of demand by the Declarant, abutting Owner who has been damaged, or the Association and the cost of said repair or replacement including labor and

materials shall bear interest at the maximum legal rate allowed by law in the State of Florida from the date of the expenditure for said replacement or repair. In the event the Association advances funds on behalf of said Owner for repair and replacement of said damaged property, said amount together with interest, court costs and attorney's fees shall be included in the lien right of the Association under Article VI herein.

Section 25. Amendments and Modifications by Declarant.

Notwithstanding any provisions of these restrictions to the contrary, the Declarant, its successors and designated assigns, reserves the right, until such time as the Declarant relinquishes control of the Architectural Committee as provided hereafter, to amend, modify or grant exceptions or variances from any of the restrictions set forth in this Article IX without notice to or approval by any Lot Owners of the Development or the Association.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, and any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations and provisions nor or hereafter imposed by the provisions of this Declaration. Failure of 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. If a person or party is found in the proceedings to be in violation of or attempting to violate the provisions of this Declaration, he shall bear all expenses of the litigation, including court costs and reasonable attorney's fees (including those on appeal) incurred by the party enforcing them. Declarant shall not be obligated to enforce this Declaration and shall not in any way or manner be held liable or responsible for any violation of this Declaration by any person other than itself.

Section 2. Restrictions on Lease. Any and all lease agreements (herein the "Lease Agreement") between an Owner and a lessee of such Owner's Lot and/or Residence shall be subject in all respects to the terms and provisions of these Protective Covenants, and any failure by the lessee under such Lease Agreements to comply with such terms and conditions shall be a material default and breach of the Lease Agreement.

Section 3. Captions. Articles and paragraph captions inserted throughout this document are intended only as a matter of convenience and for reference only and in no way do such captions or headings define, limit, or in any way affect any of the terms and provisions of this Declaration.

Section 4. Interpretation. Unless the context otherwise requires, the use herein of the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the term "including" shall mean "including without limitation."

Section 5. Severability. In the event that any one of the provisions of these Protective Covenants shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect. Further, the invalidation of any of the Covenants or restrictions or terms and conditions of these Protective Covenants or a reduction in the term of the same by reason of judicial application of the legal rule against perpetuities shall in no way affect any other provision which shall remain in full force and effect for such period of time as may be permitted by law.

Section 6. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated by an eighty percent (80%) vote of the members of each

class of membership present, in person or by proxy, at a meeting called for such purpose. This Declaration may be amended during the first thirty (30) year period or any subsequent ten (10) year period either: (i) by an instrument signed solely by the duly authorized officers of the Association, provided such amendment has been approved by a two-thirds (2/3) majority vote cast in person or by proxy at a regular or special members meeting; or (ii) by an instrument signed by member(s) entitled to cast at least two-thirds (2/3) of the total number of votes of the Association able to be cast. Any amendment to be effective must be recorded.

Section 7. Declarant's Rights. Declarant reserves and shall have the sole and exclusive right:

(a) To modify and amend these Covenants as may be required by the Federal National Mortgage Association, or other insurer of first mortgages upon the Units or Lots without acquiring the approval or joinder of any other Unit Owner or mortgagee.

(b) To amend, modify or grant exceptions or variances from any of the use restrictions set forth in Article IX of this Declaration of Covenants, Conditions and Restrictions without notice to or approval by other Owners or mortgagees. All amendments, modifications, exceptions or variances increasing or reducing the minimum square footage of dwellings, pertaining to fence size, location of composition, or pertaining to the location of structures on a Lot shall be conclusively deemed to be within the authority and right of Declarant under this subsection.

(c) To amend these Covenants for the purpose of curing any error or ambiguity in or any inconsistency between the provisions contained herein without acquiring the approval or joinder of any other Unit Owner or mortgagee;

(d) To include in any contract, deed, sublease agreement or other instrument hereafter made any additional covenants and restrictions applicable to the Property which do not lower the standards of the Covenants;

(e) Notwithstanding anything contained herein to the contrary in this Declaration, the Articles of Incorporation or Bylaws, the Declarant shall be entitled to use any unsold Lot as an aide in selling Lots or as a sales office, construction office, or parking lot, and shall further be allowed to place on the Property signs advertising the sale of Lots, construction trailers and sales trailers. The Declarant shall further have the right to complete construction of all improvements to the Common Area contemplated by its development plan and to transact, on the Property, any business to consummate the sale of Lots, and all sales office and model furniture shall not be considered Association property and shall remain the property of the Declarant.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein and the sole member of the Association, has caused this Declaration to be executed by its duly authorized officers and affixed its corporate seal as of this 12TH day of OCTOBER, 1989.

Signed, sealed and delivered  
in the presence of:

Roy A. Caroli  
Allen C. Mathew

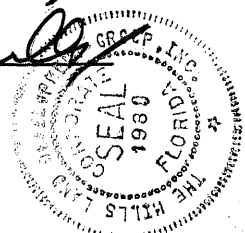
THE MILLS LAND DEVELOPMENT GROUP, INC.

By: [Signature]  
President

Attest: [Signature]  
Secretary

(Corporate Seal)

"Declarant"



Restrct2

STATE OF FLORIDA     )

COUNTY OF PINELLAS   )

The foregoing instrument was acknowledged before me this 12 day of October, 1989, by Ellie M. A. Mills ~~and~~, as President and Secretary, respectively, of The Mills Land Development Group, Inc., a Florida corporation, on behalf of the corporation.

Arlene C. Mathew  
Notary Public

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. APR. 27, 1993  
BONDED THRU GENERAL INS. UND.

ARTICLES OF INCORPORATION

OF

THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC.

(A Florida corporation not for profit)

The undersigned, by these Articles, hereby associate for the purpose of forming a corporation not for profit under Chapter 617, Florida Statutes, and certify as follows:

ARTICLE I - NAME

The name of the corporation shall be: THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC., hereinafter sometimes referred to as the "Association."

ARTICLE II - PURPOSE

2.1 The purpose for which the Association is organized is to provide for the maintenance, preservation and architectural control of resident Lots and the Common Areas within that certain tract of property described as:

See Exhibit "A" attached hereto and any addition thereto (hereinafter referred to as the "Lands"),

and to promote the health, safety and welfare of the residents within the above described property and any additions thereto as may hereafter be brought within the jurisdiction of this Association for the purpose to:

(a) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in that certain Declaration of Covenants, Conditions and Restrictions, hereinafter called the "Declaration" and applicable to the property, or any portion thereof, and recorded or to be recorded in the Public Records of Pinellas County, Florida, as the same may be amended from time to time as therein provided;

(b) Fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration; to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes or governmental charges levied or imposed against the property of the Association; to borrow money, and with the consent of two-thirds (2/3) of each class of membership, mortgage, pledge or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;

(c) Hold funds solely and exclusively for the benefit of the members of the Association for the purposes set forth in these Articles of Incorporation and the Declaration;

(d) Promulgate and enforce rules, regulations, bylaws, covenants, restrictions and agreements to effectuate the purposes for which the Association is organized;

(e) Delegate power or powers where such is deemed in the interest of the Association;

(f) Purchase, lease, hold, sell, mortgage or otherwise acquire or dispose of, real or personal property; to enter into, make, perform or carry out contracts of every kind with any person, firm, corporation or association; to do any and all acts necessary or expedient for carrying on any and



all of the activities and pursuing any and all of the objects and purposes set forth in the Articles of Incorporation and not forbidden by the laws of the State of Florida;

(g) Dedicate, sell or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication, sale or transfer shall be effective unless an instrument agreeing to such dedication, sale or transfer has been signed by members entitled to cast not less than two-thirds (2/3) of the votes of each Class of members of the Association;

(h) Charge recipients for services rendered by the Association and the user for use of Association property where such is deemed appropriate by the Board of Directors of the Association;

(i) Pay taxes and other charges, if any, on or against property owned or accepted by the Association;

(j) Have and exercise any and all powers, rights and privileges which a corporation organized under the Nonprofit Corporation Laws of the State of Florida by law may now or hereafter have or exercise;

(k) Participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area, provided that any such merger or consolidation shall have the assent of two-thirds (2/3) of the votes of each Class of members of the Association.

Notwithstanding anything contained above to the contrary, no part of the net earnings of the Association shall inure to the benefit of any member and no distributions of income shall be made to its members, directors or officers.

#### ARTICLE III - MEMBERSHIP

Every person or entity who is a record owner of a Lot which is subject by covenants of record to assessment by the Association shall be a member of the Association. Classes of membership may be established pursuant to the Declaration of Covenants, Conditions and Restrictions recorded for the Land. Any owner of more than one Lot shall be entitled to one (1) membership for each Lot owned by him. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment by the Association. Change of membership in the Association for an Owner shall be established by recording in the Public Records of Pinellas County, Florida, a deed or other instrument establishing record title to a Lot in the Development and by delivery of a recorded copy of the same to the Association. The Owner designated by such deed thus becomes a member of the Association and the membership of the prior Owner is terminated.

#### ARTICLE IV - VOTING

The Association shall have two (2) classes of members:

(a) Class A. Class A members shall be all Owners, except the Developer, of Lots and shall be entitled to one (1) vote for each such Lot so owned.

(b) Class B. the Class B member shall be the Developer and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in Class A membership equals or exceeds the total votes

outstanding in the Class B membership, or December 31, 1995, whichever first occurs.

#### ARTICLE V - BOARD OF DIRECTORS OR DIRECTORS

5.1 The affairs of the Association shall be managed by a Board of Directors consisting of the number of Directors determined by the Bylaws, which shall initially be three (3) and never less than three (3) Directors. Directors need not be members of the Association.

5.2 Directors shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided for in the Bylaws.

5.3 The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

<u>Names</u>	<u>Addresses</u>
Elli M. A. Mills	801 West Bay Drive Largo, Florida 34640
Gerald J. Leach	801 West Bay Drive Largo, Florida 34640
Roger A. Carolin	801 West Bay Drive Largo, Florida 34640

#### ARTICLE VI - OFFICERS

The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President	Elli M. A. Mills	801 West Bay Drive Largo, Florida 34640
Vice President	Roger A. Carolin	801 West Bay Drive Largo, Florida 34640
Secretary	Gerald J. Leach	801 West Bay Drive Largo, Florida 34640
Treasurer	Gerald J. Leach	801 West Bay Drive Largo, Florida 34640

#### ARTICLE VII - REGISTERED AGENT AND OFFICE

The street address of the initial registered office of the Association shall be 801 West Bay Drive, Largo, Florida, 34640. The initial registered agent for the Association at the above address shall be Elli M. A. Mills.

#### ARTICLE VIII - INDEMNIFICATION

Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding or settlement of any proceeding to which he may be a party or in which he may become involved by reason of his being or having

been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except when the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

#### ARTICLE IX - BYLAWS

The first Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided by the Bylaws.

#### ARTICLE X - AMENDMENTS

Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner.

10.1 Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

10.2 A resolution for the adoption of a proposed amendment may be proposed either by the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided:

(a) Such approvals must be by not less than seventy-five per cent (75%) of the votes of the entire membership of the Association.

10.3 Provided, however, that no amendment shall make any changes in the qualifications for membership nor the voting rights of members without the Developer's approval as long as the Developer owns a Lot in the Development.

10.4 A copy of each amendment shall be certified by the Secretary of State and be recorded in the Public Records of Pinellas County, Florida.

#### ARTICLE XI - TERM

The term of the Association shall be perpetual.

#### ARTICLE XII - SUBSCRIBERS

The names and addresses of the subscribers of these Articles of Incorporation are as follows:

<u>Names</u>	<u>Addresses</u>
Elli M. A. Mills	801 West Bay Drive Largo, Florida 34640
Gerald J. Leach	801 West Bay Drive Largo, Florida 34640
Roger A. Carolin	801 West Bay Drive Largo, Florida 34640

ARTICLE XIII - DISSOLUTION

The Association may be dissolved with the consent given in writing and signed by not less than two-thirds (2/3) of each Class of members of the Association. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association shall be dedicated to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event that dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any nonprofit corporation, association, trust or other organization to be devoted to such similar purposes, but in no event shall such assets inure to the benefit of any member or other private individual.

These Articles of Incorporation have been duly approved by the undersigned as and constituting all of the subscribers and directors of said corporation in a meeting duly held and assembled.

Dated this 12<sup>th</sup> day of OCTOBER, 1989.

*ELLI M. A. MILLS*  
ELLI M. A. MILLS

*GERALD J. LEACH*  
GERALD J. LEACH

*ROGER A. CAROLIN*  
ROGER A. CAROLIN

STATE OF FLORIDA       )  
COUNTY OF PINELLAS    )

BEFORE ME, the undersigned authority, personally appeared ELLI M. A. MILLS, GERALD J. LEACH and ROGER A. CAROLIN, who, after being duly sworn, acknowledged that they executed the foregoing Articles of Incorporation for the purposes expressed in such Articles this 12 day of October, 1989.

*Adrian C. Mathen*  
Notary Public  
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP. APR. 27, 1993  
BONDED THRU GENERAL INS. UND.

RCW:cae  
gencondo\1095

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE  
SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM  
PROCESS MAY BE SERVED.

In pursuance of Chapter 48.091, Florida Statutes, the  
following is submitted, in compliance with said Act:

First--That THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC.  
desiring to organize under the laws of the State of Florida  
with its principal office, as indicated in the articles of in-  
corporation at City of Largo, County of  
Pinellas, State of Florida has  
named ELLI M. A. MILLS  
located at 801 West Bay Drive  
(street address and number of building,  
Post Office Box address not acceptable)  
City of Largo, County of Pinellas,  
State of Florida, as its agent to accept service of process with-  
in this state.

ACKNOWLEDGEMENT: (MUST BE SIGNED BY DESIGNATED AGENT)

Having been named to accept service of process for the above  
stated corporation, at place designated in this certificate, I  
hereby accept to act in this capacity, and agree to comply with  
the provision of said Act relative to keeping open said office.

By   
ELLI M. A. MILLS  
(REGISTERED AGENT)

AMERICAN LAND  
 CLEARING COMPANY  
 PINEHILLS, FLORIDA

24.00 APR 19 PM 7:22

LICENSE AGREEMENT

THIS AGREEMENT made this 17 day of April, 1989,

by and between ROGER B. BRODERICK, hereinafter called the

"Licensor", and THE MILLS LAND DEVELOPMENT GROUP, INC., a Florida

corporation, hereinafter called the "Licensee":

R E C I T A L S:

WHEREAS, the Licensor is the owner of the following described real property:

The Lakes, Unit II, Tract 7 per plat thereof recorded at Plat Book 85, Page 21 and 22, Public Records of Pinellas County, Florida (herein "property");

WHEREAS, the Licensor agrees to grant to Licensee the right to exercise certain rights and privileges upon the property.

NOW, THEREFORE, for and in consideration of the sum of Ten Dollars (\$10.00) and the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

A G R E E M E N T:

1. Licensor hereby grants to the Licensee the irrevocable license to utilize the lake area existing within Tract 7 (as referred to above) and that land area within Tract 7 which will not be occupied by the lake as depicted on Exhibit "A" hereto, as a recreation area for the residents of The Lakes, Unit II.

2. The property described in this License Agreement shall remain subject to that certain mortgage between ROGER B. BRODERICK and U.S. HOME CORPORATION, dated December 23, 1987, and recorded in the Public Records of Pinellas County, Florida at O.R. Book 6652, Page 2123 and that certain Mortgage Modification dated August 17, 1988 and recorded in the Public Records of Pinellas County, Florida at O.R. Book 6819, Page 2241, herein collectively called "the Mortgage".

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 RECORDING 1 \$24.00  
 TOTAL: \$24.00  
 CHECK AMT. TENDERED: \$24.00  
 CHANGE: \$0.00

3. This license shall be non-exclusive and neither Licensee nor its successors and assigns shall have any right to object to or prohibit the use of said recreation area or lake by owners or residents of the balance of the property, to wit: Phases III and IV of the property commonly known as The Lakes, Unit II, provided however, that such residents shall pay a reasonable pro rata share of the common expenses for the use therefor. Participation or use by said owners or residents of the balance of the property shall be affected by a homeowner's association as a whole, rather than on any type of individual basis.

4. Licensee and its successors and assigns shall sod and perpetually maintain that portion of the recreational area and lake within Tract 7 as depicted on Exhibit "B" hereto; provided, however, Licensee shall have the right to assign such perpetual maintenance obligation to any master or local homeowner's association within The Lakes, Unit II which association accepts and consents to such assignment.

5. Licensee, and its assigns agree to indemnify Licensor, U.S. Home Corporation, a Delaware corporation and U.S. Home Mortgage Corporation, a Florida corporation and to hold them harmless as to any premises and/or public liability which might occur as a result of such recreational activities, and also shall cause to be issued certificates of insurance naming Licensor, U.S. Home Corporation, a Delaware corporation, and U.S. Home Mortgage Corporation, a Florida corporation, as additional insureds on policies of liability insurance covering such risks, in an amount not less than \$3,000,000; provided, however, that said coverage may be reduced by Licensee or its assigns to \$1,000,000 upon completion of construction of such recreational facilities and the payoff and release of Tract 7 from the Mortgage held by U.S. Home Corporation, or provided that such license is expressly restricted to passive recreation use only.

6. Licensee shall have the right to assign this non-exclusive license to any master or local homeowner's association within The Lakes, Unit II which accepts and consents to such assignment.

LICENSOR:

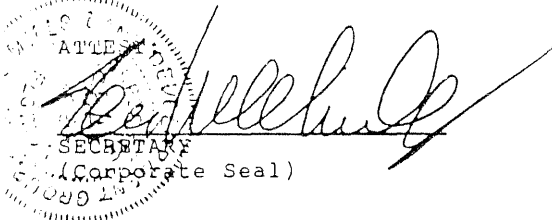
JSL Grawtitt  
James Grawtitt

R. B. Broderick  
 ROGER B. BRODERICK

LICENSEE:

THE MILLS LAND DEVELOPMENT  
 GROUP, INC.

By: E. M. A. Mills  
 President



ACCEPTED:

U.S. HOME CORPORATION

By: Arthur D. Smith

STATE OF FLORIDA

COUNTY OF PINELLAS

BEFORE ME, a notary public in and for said county and state, personally appeared ROGER B. BRODERICK, to me well known and known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me the execution of the same freely and voluntarily, for the purposes therein expressed.

WITNESS my hand and official seal this 17 day of April, 1989.

JSL C. Grawtitt  
 NOTARY PUBLIC  
 My Commission expires

STATE OF FLORIDA

COUNTY OF PINELLAS

BEFORE ME, a notary public in and for said county and state, personally appeared E. M. A. Mills, as President and

Notary Public, State of Florida  
 My Commission Expires Aug. 24, 1991  
 Bounded then they fail to return me



, as Secretary of THE MILLS LAND DEVELOPMENT GROUP, INC., a Florida corporation, known to me to be the persons who executed the foregoing instrument as such officers, and who acknowledged before me the execution of the same as and for the free act and deed of said corporation.

WITNESS my hand and official seal this 17 day of April, 1989.

John C. Giacchetti  
NOTARY PUBLIC

My Commission expires:

Notary Public, State of Florida  
My Commission Expires Aug. 24, 1991  
Bonded Three Troy Fale - Insurance Inc.

STATE OF FLORIDA

COUNTY OF PINELLAS

BEFORE ME, a notary public in and for said county and state, personally appeared Andrew G. Frick, II ~~BLIT M.A. MILLS~~, to me well known and known to me to be the person described in and who executed the foregoing instrument, who acknowledged before me the execution of the same freely and voluntarily, for the purposes therein expressed.

WITNESS my hand and official seal this 17 day of April, 1989.

John C. Giacchetti  
NOTARY PUBLIC

My Commission expires:

Notary Public, State of Florida  
My Commission Expires Aug. 24, 1991  
Bonded Three Troy Fale - Insurance Inc.



INST # 94-329041  
DEC 2, 1994 5:24PM

PINELLAS COUNTY FLA.  
OFF.REC.BK 8855 PG 933

Prepared by and return to  
R. Carlton Ward, Esquire/tc  
1253 Park Street  
Clearwater, Florida 34616

10033096 SJW 12-02-1994 17:18:02  
01 ASM-MILLS LAND  
RECORDING 1 \$15.00  
TOTAL: \$15.00  
CHECK AMT.TENDERED: \$15.00  
CHANGE: \$.00

ASSIGNMENT OF LICENSE AGREEMENT

THIS AGREEMENT, made this 4th day of November, 1994, by  
and between THE MILLS LAND DEVELOPMENT GROUP, INC., a Florida corpora-  
tion (hereinafter "Assignor"), and THE LAKES, UNIT 2, PHASE 2 HOMEOWN-  
ERS ASSOCIATION, INC., a Florida nonprofit corporation (hereinafter  
"Assignee").

W I T N E S S E T H:

WHEREAS, Assignor and ROGER B. BRODERICK (hereinafter "Licen-  
sor") did execute a License Agreement dated April 17, 1989, and  
recorded in O.R. Book 6982 beginning at page 0598 of the Public Records  
of Pinellas County, Florida, (hereinafter "Agreement"); and

WHEREAS, Assignor desires to assign the Agreement to Assignee  
and Assignee desires to receive assignment of the Agreement from  
Assignor.

NOW, THEREFORE, in consideration of this agreement and other  
good and valuable consideration and the mutual promises and covenants  
contained herein, it is hereby agreed as follows:

1. The recitals contained above are true and correct and are  
incorporated herein by reference.
2. Assignor hereby assigns to Assignee all of its right,  
title and interest as Licensee in that certain License Agreement  
referred to above and all provisions with respect to the Licensee  
thereunder shall inure to the benefit of Assignee.
3. Assignee agrees to assume all obligations of Licensee under  
the Agreement including but not limited to the obligation to maintain  
the Recreational area and lake as described in Paragraph 4 of the  
Agreement.
4. Assignee hereby accepts and consents to this Assignment.

5. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

In the presence of:

Carolyn Vierheller  
Print name: CAROLYN VIERHELLER

Sadie Lawrence  
Print name: Sadie Lawrence

THE MILLS LAND DEVELOPMENT  
GROUP, INC.,  
a Florida corporation

By: [Signature]

"ASSIGNOR"

[Signature]  
Print name: WILLIAM NEWTON

Linda L. Allen  
Print name: Linda L. Allen

THE LAKES, UNIT 2, PHASE 2  
HOMEOWNERS ASSOCIATION, INC.,  
a Florida nonprofit corporation

By: [Signature]

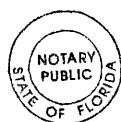
"ASSIGNEE"

STATE OF FLORIDA  
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, Eric M. A. Mills as President of THE MILLS LAND DEVELOPMENT GROUP, INC., a Florida corporation, who is personally known to me or who has produced [Signature] as identification and who did (did not) take an oath, and he is the person described in and who executed the foregoing Agreement and he acknowledged then and there before me that he executed the same as such officer on behalf of said corporation for the purposes therein expressed; and that the said Agreement is the act and deed of said corporation.

WITNESS my hand and official seal this 4<sup>th</sup> day of November, A.D., 1994.

M. Carolyn Vierheller  
Name: M. CAROLYN VIERHELLER  
Notary Public  
Commission No. \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

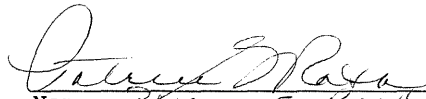


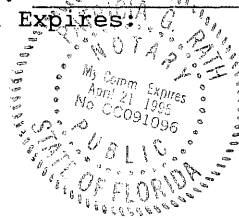
M. CAROLYN VIERHELLER  
My Comm Exp. 5-13-96  
Bonded By Service Ins.  
No. CC198295

STATE OF FLORIDA  
COUNTY OF PINELLAS

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, LOUI PHEUNTHANAK as PRESIDENT of THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC., a Florida corporation, who is personally known to me or who has produced \_\_\_\_\_ as identification and who did (did not) take an oath, and he is the person described in and who executed the foregoing Agreement and he acknowledged then and there before me that he executed the same as such officer on behalf of said corporation for the purposes therein expressed; and that the said Agreement is the act and deed of said corporation.

WITNESS my hand and official seal this 17th day of DECEMBER, A.D., 1994.

  
Name: PATRICIA G. RAY  
Notary Public  
Commission No. \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_



RCW/tc  
RE\AsgLicAg.MIL

TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS  
OF  
THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION INC.

WE HEREBY CERTIFY THAT the attached amendment to the Declaration of Covenants, Conditions and Restrictions of THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION INC., as described beginning in Book 6969 at Pages 713-727 of the Public Records of Pinellas County, Florida, was duly approved in the manner required by Declaration, at a duly noticed meeting of the Members at which a quorum was present, held on July 24, 1995.

IN WITNESS WHEREOF, we have affixed our hands this 5th day of August, 1995, at Pinellas County, Florida.

(SEAL)

THE LAKES UNIT 2, PHASE 2  
HOMEOWNERS ASSOCIATION  
INC.

Witness:

By: Lori Augustyniak  
Lori Augustyniak, President  
3834 105th Ave. N.  
Clearwater, Fl. 34622

Lori Augustyniak  
Printed Name

Attest: Wanda Odom  
Wanda Odom, Secretary  
3884 103rd. Ave. N.  
Clearwater, Fl. 34622

Wanda Odom  
Printed Name

STATE OF FLORIDA)  
COUNTY OF PINELLAS)

01 RECORDING  
REC 10.50  
DS \_\_\_\_\_  
ENT \_\_\_\_\_  
FEES \_\_\_\_\_  
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P/C \_\_\_\_\_  
REV \_\_\_\_\_  
TOTAL 10.50

BEFORE ME, the undersigned authority, personally appeared LORI AUGUSTYNIK, to me known to be the President of THE LAKES UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION INC., and she acknowledged before me that he freely and voluntarily executed the same as such officer, under authority vested in her by said corporation. She is personally known to me and did take an oath.

WITNESS my hand and official seal in the County and State last aforesaid, this 5 day of August, 1995.



My commission expires:

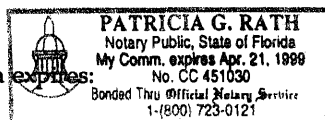
Patricia G. Rath  
Notary Public  
PATRICIA G. RATH  
Patricia Rath

Return to: Bennett L. Rabin, Esquire  
Becker & Pollakoff, P.A.  
5999 Central Avenue, Suite 104  
St. Petersburg, FL 33710

STATE OF FLORIDA )  
COUNTY OF PINELLAS )

BEFORE ME, the undersigned authority, personally appeared WANDA ODOM, to me known to be the Secretary of THE LAKES UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION INC., and she acknowledged before me that she freely and voluntarily executed the same as such officer, under authority vested in her by said corporation. She is personally known to me and did take an oath.

WITNESS my hand and official seal in the County and State last aforesaid, this 5 day of August, 1995.



My commission expires:

Patricia G. Rath  
Notary Public  
PATRICIA G. RATH  
Patricia Rath

THE LAKES UNIT 2 PHASE 2 HOMEOWNERS ASSOCIATION INC.

DECLARATION - ARTICLE IX - USE RESTRICTIONS - AMENDMENT

Section 13. Fences. No fences shall be erected or maintained on a Lot or Lots which shall be in excess of six (6) feet in height. Said fences shall conform to and be in keeping with the types of structure and architectural design of the house to which it is appurtenant and in all respects shall be of pleasing appearance. No wall type fence or solid board fences shall be erected or maintained in any front yard or in any yard facing a street or avenue, without the written approval of the Board.

WORDS OR TEXTS UNDERLINED ARE ADDITIONS. WORDS OR TEXT ~~STRICKEN~~ ARE DELETIONS

9C206664	COS	09-07-1995	10:42:19
01	CTF-THE LAKES UNIT 2		
RECORDING	1		\$10.50
		TOTAL:	\$10.50
		CHECK AMT. TENDERED:	\$10.50
		CHANGE:	\$0.00

**Prepared By and Return to:**

Bennett L. Rabin, Esquire  
Brudny & Rabin, P.A.  
4830 W. Kennedy Blvd., Suite 985  
Tampa, Florida 33609

PAGES 3  
ACCT \_\_\_\_\_  
REC 15.00  
DR219 \_\_\_\_\_  
DS \_\_\_\_\_  
INT \_\_\_\_\_  
FEES \_\_\_\_\_  
MTF \_\_\_\_\_  
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REV \_\_\_\_\_

TOTAL 15.00  
- CK BAL \_\_\_\_\_  
CHG AMT \_\_\_\_\_

KARLEEN F. DE BLAKER, CLERK OF COURT  
PINELLAS COUNTY, FLORIDA

50147426 07-28-2000 09:55:41 TNB  
51 CTF-LAKES UN2 PH2 HMCWN ASSOC INC  
0000000000  
IN: BK: SPG: EPG:  
RECORDING 003 PAGES 1 \$15.00

TOTAL: \$15.00  
P CHECK AMT. TENDERED: \$15.00  
CHANGE: \$.00  
BY DB DEPUTY CLERK

00-225640 JULY-28-2000 9:54AM  
PINELLAS CO BK 10995 PG 2013

**CERTIFICATE OF AMENDMENT TO  
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR THE LAKES, UNIT 2, PHASE 2**

This is to certify that at a duly called meeting of the members of The Lakes, Unit 2, Phase 2 Homeowners Association, Inc. (the "Association") held on July 25, 2000, at which a quorum of the voting interests were present, the attached Amendment to the Declaration of Covenants, Conditions and Restrictions for The Lakes, Unit 2, Phase 2, were duly adopted by the membership as required by Article X. The Declaration of Covenants, Conditions and Restrictions for The Lakes, Unit 2, Phase 2, was originally recorded in Official Records Book 7108, Page 2311, Public Records of Pinellas County, Florida, and as subsequently amended. The Plat related thereto is found in Plat Book 102, Page 79, of Pinellas County Public Records.

IN WITNESS WHEREOF, THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC., has caused this instrument to be signed by its duly authorized officer on this 25th day of July, 2000.

THE LAKES, UNIT 2, PHASE 2  
HOMEOWNERS ASSOCIATION, INC.

By: Wanda D. Odum  
Signature  
WANDA D. ODUM President  
Printed Name and Title

Signature of Witness #1

PAUL TUCKER JR.  
Printed Name of Witness #1

Signature of Witness #2

VERNON K. MAST  
Printed Name of Witness #2

STATE OF FLORIDA )  
COUNTY OF PINELLAS )

The foregoing instrument was acknowledged before me this 25th day of July, 2000, by Wanda D. Odum, as President of THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC., a Florida corporation, on behalf of the corporation, who is personally known to me or has produced \_\_\_\_\_ as identification.

Notary Public Bull

My Commission Expires:



Bennett L. Rabin  
MY COMMISSION # CC729627 EXPIRES  
March 31, 2002  
BONDED THRU TROY FAIN INSURANCE, INC.



**APPROVED AMENDMENT TO DECLARATION**

To amend Article I, Section 4, of the Declaration by adding the following text. Existing text unamended:

ARTICLE I - Section 4 - Properties

\* \* \* \*

In consideration of a transfer of title to the Association of Tract 7 [described in Article I, Section 5] free and clear of all liens and encumbrances except those accepted by the Association and taxes for the year of transfer (which acquisition is specifically authorized by this amendment to be held and maintained as "Common Area"), "Properties" shall mean and refer to that certain real property described in the attached Exhibit "B", upon which twenty-one (21) Lots shall be developed by John and/or Gerald Sachs (hereafter "Sachs"), which property shall be subject to the following additional terms and conditions:

(i) Provided Sachs, in good faith, is offering said Lots for sale, assessments relating to said Lots shall not become due until transfer of title by Sachs. Upon transfer of title of a Lot by Sachs, the provisions of Article VI shall apply to said Lot and its Owner. The exemption allowed for in this paragraph shall not apply to any Lot held for lease or personal occupancy by Sachs.

(ii) The provisions of Article VII requiring prior approval of plans and specifications for construction of initial homes on Lots by the Association shall not apply to development of said Lots, provided Sachs develops said Lots in a manner consistent with the requirements of Article VII, and in a manner otherwise in compliance with the provisions of this Declaration.

(iii) Any part of said property not included within the platted Lots shall also be transferred to the Association, free and clear of all liens and encumbrances except taxes for the year of transfer (which acquisition is specifically authorized by this amendment to be held and maintained as "Common Area").

(iv) In all respects, the terms and conditions of this Declaration shall apply to said Lots and their Owners.

Exhibit "B"

Legal Description, "Development Parcel":

A PORTION OF LOTS 2, 3, 4, 5 AND 16, PINELLAS GROVES, AS RECORDED IN PLAT BOOK 1, PAGE 55, RECORDS OF PINELLAS COUNTY, FLORIDA, LYING IN THE SOUTHEAST ¼ OF SECTION 15, TOWNSHIP 30 SOUTH, RANGE 16 EAST, PINELLAS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF TRACT 10, RECREATION AREA, PLAT OF THE LAKES UNIT II, PHASE 3, SECTION 1, AS RECORDED IN PLAT BOOK 85, PAGES 26 AND 27, RECORDS OF PINELLAS COUNTY, FLORIDA; THENCE N 00° 05' 02" E, ALONG THE EASTERLY BOUNDARY OF SAID TRACT 10, A DISTANCE OF 100.00 FEET TO THE SOUTHWEST CORNER OF LOT 42, SAID PLAT OF THE LAKES UNIT II, PHASE 3, SECTION 1; THENCE S 89° 54' 58" E, ALONG THE SOUTH BOUNDARY OF SAID LOT 42 AND THE EASTERLY EXTENSION THEREOF, 1294.65 FEET TO THE WESTERLY BOUNDARY OF TRACT 7, THE LAKES UNIT II, AS RECORDED IN PLAT BOOK 85, PAGES 21 AND 22, RECORDS OF SAID COUNTY; THENCE S 04° 00' 00" E, ALONG SAID WESTERLY BOUNDARY, 100.25 FEET TO THE NORTH BOUNDARY OF THE LAKES UNIT 2, PHASE 2, AS RECORDED IN PLAT BOOK 102, PAGES 79 THROUGH 83, RECORDS OF SAID COUNTY, SAID BOUNDARY ALSO BEING THE NORTH RIGHT-OF-WAY LINE OF LAKE BOULEVARD (80.00 FOOT WIDE RIGHT-OF-WAY); THENCE N 89° 54' 58" W, ALONG SAID RIGHT-OF-WAY LINE, 1301.79 FEET TO THE POINT OF BEGINNING.

CONTAINS 2.980 ACRES, MORE OR LESS.



BYLAWS  
OF  
THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC.

A corporation not for profit  
under the Laws of the State of Florida

ARTICLE I - IDENTITY

Section 1. These are the Bylaws of THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC., called Association by these Bylaws, a corporation not for profit under the Laws of the State of Florida, the Articles of Incorporation of which were filed in the office of the Secretary of State on \_\_\_\_\_, 19\_\_.

Section 2. The office of the Association shall be at \_\_\_\_\_  
c/o THE MILLS GROUP, INC. 801 WEST BAY DRIVE, LAKE, FL 34640.

Section 3. The Association shall operate upon the calendar year beginning on the first day of January and ending on the 31st day of December of each year. The Board of Directors is expressly authorized to change from a calendar year basis to a fiscal year basis whenever deemed expedient and for the best interests of the Association.

Section 4. The seal of the Association shall bear the name of the Association, the word "Florida," and the words "Corporation not for profit" and the year of incorporation, an impression of which is as follows:

ARTICLE II - DEFINITIONS

Section 1. All words, phrases, names and terms used in these Bylaws, the Declaration and the Articles of Incorporation of the Association shall have the same meaning and be used and defined the same as they are in the Declaration of Covenants, Conditions and Restrictions of THE LAKES, UNIT 2, PHASE 2.

ARTICLE III - THE ASSOCIATION

Section 1. Members. The members of the Association shall be those individuals or entities as so defined in the Declaration of Covenants, Conditions and Restrictions and the Articles of Incorporation, and shall be any legal entity capable of ownership of real property under the Laws of Florida.

Section 2. Place of Meetings. Meetings of the membership shall be held at the principal office or place of business of the Association, or at such other suitable place convenient to the membership as may be designated by the Board of Directors.

Section 3. Annual Meetings. The first annual meeting of the Association shall be held one (1) year from the date of incorporation of the Association. Thereafter the annual meetings of the Association shall be held on the same day of the month of each succeeding year. If the day so designated falls on a legal holiday, then the meeting shall be held on the first secular day thereafter. At the

annual meeting the members may transact such business of the Association as may properly come before them. The time of all meetings shall be set by the directors and the directors, by majority vote, may change the date of the annual meeting.

Section 4. Special Meetings. Special meetings of the members may be called by the President and shall be called by the President or Secretary at the request in writing of the Board of Directors or at the request in writing of members who are entitled to vote one-fourth (1/4) of all of the votes of Class A membership. Such requests shall state the purpose or purposes of the proposed meeting.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member of record, at his address as it appears on the membership books of the Association, and if no such address appears, at his last known place of address, at least fifteen (15) days for an annual meeting and ten (10) days for a special meeting, prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served. The notice shall specify the day, place and hour of the meeting, and if a special meeting, the purpose.

Section 6. Minutes. Minutes of all meetings shall be kept in businesslike manner and available for inspection by Lot Owners and Board members at all reasonable times.

Section 7. Quorum. The presence in person or by proxy at the meeting of members entitled to cast thirty-three and one-third per cent (33-1/3%) of all votes, regardless of class of membership, shall constitute a quorum for any action required by the membership, except as otherwise provided in the Articles of Incorporation, the Declaration of Covenants, Conditions and Restrictions or these Bylaws.

Section 8. Adjourned Meetings. If any meeting of members cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting to a time not later than ten (10) days from the time the original meeting was called, and hold the meeting adjourned, without additional notice, provided that a quorum can be obtained for such meeting.

Section 9. Voting. Except as otherwise provided in the Declaration of Covenants, Conditions and Restrictions or Articles of Incorporation, all motions, resolutions and actions of the Association shall be passed by a majority of the votes cast in person or by proxy, without regard to classes of membership.

Section 10. Proxies. A member may appoint any other member, any owner of any Lot, the Developer, or the manager as a proxy. Any proxy must be filed with the secretary before the appointed time of each meeting.

Section 11. Order of Business. The order of business at all annual or special meetings of the members shall be as follows:

- a. Roll call.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of the minutes of preceding meeting.
- d. Reports of officers.
- e. Reports of committees.
- f. Election of officers (if election is to be held).
- g. Unfinished business.

- h. New business.

#### ARTICLE IV - ADMINISTRATION

##### Section 1.

a. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The number of directors which shall constitute the Board shall be not less than three (3) nor more than nine (9). The number of directors may be increased or decreased within the above limits by affirmative vote of a majority of the membership. All directors, except for the initial directors named in the Articles of Incorporation, shall either be members of the Association, or designees of the Developer. The Directors shall be elected at the annual meeting of the owners by a majority vote. The initial Directors shall serve until their resignation or relinquishment of control of the Association by the Developer. No director, other than the Developer or its representatives, shall serve for more than two (2) consecutive three (3) year terms. After the Developer has relinquished control, there shall be three (3) Directors elected, one (1) for a one (1) year term, one (1) for a term of two (2) years and one (1) for a term of three (3) years, and at each annual meeting thereafter the members shall elect one (1) Director for a term of three (3) years.

b. Removal. Directors, except for the Developer's representatives, may be removed for cause by an affirmative vote of a majority of the owners. The vacancy so created shall be filled by the members of the Association. No Director, other than the initial Directors named in the Articles of Incorporation, or their duly elected replacements, shall continue to serve on the Board if, during his term of office, his membership in the Association shall be terminated for any reason whatsoever.

c. Vacancies. Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be appointed by the remaining Directors.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not by the Declaration, the Articles of Incorporation of the Association, or these Bylaws directed to be exercised and done by the members or officers. The powers and duties of the Board shall include, but not be limited to, the following:

a. All powers and duties of the Association as set forth in the Articles of Incorporation of the Association, except as limited as above provided.

b. To prepare and adopt an annual operating budget, which budget shall be sufficient in amount to pay for all necessary expenses and expenditures to be shared in common by the respective owners of units, and including a reasonable reserve for repairs, upkeep and replacement of the common area and for contingencies.

c. To prepare a detailed report of the acts, accounts, and statements of income and expense for the previous year, and present same at the annual meeting of members.

d. To determine who shall act as legal counsel for the Association whenever necessary.

e. To determine the depository for the funds of the Association.

f. To acquire the necessary personnel needed for the maintenance, care, and upkeep of the Common Parcels and Access Ways,

and set the salaries or compensation of said personnel.

g. Assess and collect all assessments pursuant to the Declaration.

h. Establishment of reserves or making assessments for betterments to the development property.

i. Within ninety (90) days following the end of the fiscal year or calendar year of the Association, the Board of Directors shall mail or furnish by personal delivery to each owner of a Lot a complete financial report of actual receipts and expenditures for the previous twelve (12) months. The report shall show the amounts of receipts by accounts and receipt classifications and shall show the amounts of expenses by accounts and expense classifications, including, if applicable, but not limited to the following:

- (1) Cost for security;
- (2) Professional and management fees and expenses;
- (3) Taxes;
- (4) Cost for recreation facilities;
- (5) Expenses for refuse collection and utility services;
- (6) Expenses for lawn care;
- (7) Cost for building maintenance and repair;
- (8) Insurance costs;
- (9) Administrative and salary expenses; and
- (10) General reserves, maintenance reserves and depreciation reserves.

The report, upon written request, shall be sent to holders, insurers or guarantors of any first mortgage on a Lot and, if required, the report shall be in the form of a financial statement certified by a corporate officer.

j. The Board shall make available for inspection, during reasonable business hours or circumstances, to Lot Owners and holders, insurers or guarantors of first mortgages current copies of the Declaration of Covenants, Conditions and Restrictions, the Bylaws and other rules concerning the operation of the Association, and the books, records and financial statements of the Association.

Section 3. Election of Directors. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4. Management Agent. The Board of Directors may employ for the Association a management agent at a compensation established by the Board to perform such duties, services and powers as the Board shall authorize, including, but not limited to, the duties, services and powers listed in Section 2 of this paragraph.

Section 5. Compensation. No compensation shall be paid to directors for their services as directors. No remuneration shall be paid a director for services performed by him for the Association in any other capacity, unless a resolution authorized such remuneration shall have been unanimously adopted by the Board of Directors before the services are undertaken.

Section 6. Organization Meeting. The first meeting of the Board of Directors shall be held within ten days after the annual members' meeting, at such place as shall be fixed by the Board and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing all of the Board of Directors shall be present.

Section 7. Regular Meetings. Regular meetings of the directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, telephone or telegraph, at least three days prior to the day named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days' notice to each director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President and Secretary, in like manner and on like notice, on the written request of at least two directors.

Section 9. Notice of Meetings to Lot Owners. Meetings of the Board of Directors shall be open to all Lot owners and notices of meetings shall be either hand delivered or mailed by regular mail forty-eight (48) hours in advance for the attention of unit owners, except in an emergency.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall be a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Minutes. Minutes of all meetings of the Board of Directors and of the Lot owners shall be kept in a businesslike manner and available for inspection by unit owners and Board members at all reasonable times.

Section 12. Quorum. At all meetings of the Board of Directors a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting from time to time.

Section 13. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

Section 14. Designation of Officer. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer and an Assistant Secretary, and such other officers as in their judgment may be necessary.

Section 15. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organization meeting of each new Board, and shall hold office at the pleasure of the Board.

Section 16. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 17. President. The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of president of the Association.

Section 18. Vice President. The vice president shall take the place of the president and perform his duties whenever the president shall be absent or unable to act. If neither the president nor the vice president is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 19. Secretary. The secretary shall keep the minutes of all meetings of the Board of Directors, and the minutes of all meetings of the Association; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of secretary.

Section 20. Treasurer. The treasurer shall have responsibility for Association funds and securities, and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

#### ARTICLE V - ASSESSMENT AND COLLECTION OF COMMON EXPENSES

As more fully provided in the Declaration of Covenants, Conditions and Restrictions, each Owner is obligated to pay to the Association annual and special assessments which are secured by a continuing lien against the Lot against which is made, which lien is in favor of the Association and shall come into effect upon recordation of the Declaration of Covenants, Conditions and Restrictions. Said lien shall secure not only unpaid, delinquent assessments, but also reasonable attorney's fees and other costs of collecting assessments and interest at the highest lawful rate. Said lien shall date back to the date of recording of the Declaration of Covenants, Conditions and Restrictions and shall be prior to the creation of any homestead status or subsequent lien or encumbrance, except that said lien shall be subordinate and inferior to that of any institutional first mortgage lender.

#### ARTICLE VI - ANNUAL BUDGET

Pursuant to Article IV, Section 2, paragraph b. of these Bylaws, the Board of Directors shall have the power and duty of preparing and adopting an annual operating budget for the Association. Each Lot Owner shall be given written notice of the time and place at which the meeting at which the budget will be considered shall be held, and such meeting shall be open to the Lot Owners. If a budget is adopted by the Board of Directors which requires assessment against the Lot Owners in any fiscal or calendar year exceeding one hundred fifteen per cent (115%) of such assessments for the preceding year, upon written application of ten per cent (10%) of the Lot Owners, a special meeting of the Lot Owners shall be held upon not less than ten (10) days' written notice to each Lot Owner, but within thirty (30) days of the delivery of such application to the Board of Directors or any member thereof, at which special meeting Lot Owners may consider and enact a revision of the budget, or recall any and all members of the Board of Directors and elect their successors. In either case, the revision of the budget or the recall of any and all



members of the Board of Directors shall require a vote of not less than two-thirds (2/3) of each Class of members of the Association. In determining whether assessments exceed one hundred fifteen per cent (115%) of similar assessments in prior years, there shall be excluded in the computation any provision for reasonable reserves made by the Board of Directors in respect of repair or replacement of the property or in respect of anticipated expenses by the Association which were not anticipated to be incurred on a regular or annual basis. There shall also be excluded from such computation assessments for betterments to the property. An example of this procedure is if a previous year's assessments for a Lot were \$\_\_\_\_\_ per year, then the assessment may increase to \$\_\_\_\_\_ per year by Board of Directors action alone.

The proposed annual budget shall be detailed and shall show the amounts budgeted by accounts and expense classifications.

#### ARTICLE VII - AMENDMENT OF BYLAWS

The Bylaws of the Association may be modified, amended or revoked, unless specifically prohibited elsewhere herein, at any regular or special meeting of the members of the Association by not less than seventy-five per cent of the votes of the entire membership of the Association, provided that no less than fourteen (14) days' notice of said meeting has been given to the members of the Association, which notice contained a full statement of the proposed modification, change or revocation.

The foregoing were adopted as the Bylaws of THE LAKES, UNIT 2, PHASE 2 HOMEOWNERS ASSOCIATION, INC., a corporation not for profit under the Laws of the State of Florida, at the first meeting of the Board of Directors on OCTOBER 12, 1989.

THE LAKES, UNIT 2, PHASE 2  
HOMEOWNERS ASSOCIATION, INC.

By   
Secretary

RCW:cae  
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# **WATERSIDE @ THE LAKES LOT 2 LOT 2 HOMEOWNERS**

## **ASSOCIATION INC.**

### **RULES REGARDING LOT OWNER PARTICIPATION AT MEETINGS BOARD AND COMMITTEE MEETING**

#### **I. Board and Committee Meetings Defined**

- A. "Meeting of the Board of Directors" is hereby defined as a quorum of Directors gathered to discuss official Association business. The term "meeting" does not include gatherings of less than a quorum of Directors engaged in fact-finding investigations or legal inquiries to be used as a basis to inform the Board of Directors for action to be taken at a "meeting". Additionally, where a quorum of the Board may happen to be present at a social gathering, at which Association business is not being discussed, notwithstanding the presence of such a quorum, it shall not be considered to be a "meeting".
- B. "Meeting of a Committee" is hereby defined as a quorum of committee members gathered to discuss the official business of the committee as set forth in the resolution creating the committee. The term "meeting" does not include fact finding investigations or legal inquiries by less than a quorum of committee members to be used as a basis to inform the committee for action to be taken at a committee meeting. Additionally, where a quorum of the Committee may happen to be present at a social gathering, at which Association business is not being discussed, notwithstanding the presence of such a quorum, it shall not be considered to be a "meeting".
- C. The term "Committee" is hereby defined as an official body created by resolution of the Board of Directors to which specific powers are delegated in said resolution.

#### **II. Attendance at Board and Committee Meetings.**

- A. Every lot owner or his authorized representative shall have the right to attend Board of Directors and Committee meetings except as may be provided by law. No person other than a lot owner or his authorized representative accompanying such lot owner may be permitted to attend such meetings.

#### **III. Participation at Meetings.**

- A. Every lot owner or his authorized representative shall have the right to attend Board of Directors and Committee meetings subject to the following rules:
- B. Statements by lot owners at meetings shall be restricted solely to items designated on the agenda of that meeting. No other statements shall be permitted except as may be authorized by the Board or Committee. Any owner who desires to speak must file a request with the Association which agenda item(s) he/she desires to speak upon prior to commencement of the meeting and not more than forty-eight (48) hours prior to the meeting. Said request shall indicate the exact agenda item(s) the member(s) desire to speak to at the meeting.
- C. A lot owner will be permitted to speak only in reference to the agenda item specified in the written request except as authorized by the Board or Committee Chairman. The lot owner's statement shall not exceed three minutes. The chairman of the meeting shall give the floor to any lot owner permitted to speak subsequent to the calling of the agenda item and prior to the discussion and vote of the Board or Committee upon the Agenda item.

#### **IV. Tape Recording or Videotaping of Meeting.**

- A. Any lot owner may tape record or videotape a Board or committee meeting subject to the following rules.
- B. No tape recording or videotaping of any meeting shall interfere with or obstruct the meeting and no equipment shall obstruct any lot owner's view, hearing or access to the meeting. The only audio and video equipment and devices which lot owners are authorized to utilize at any such meeting is equipment which does not produce distracting sound or light emissions.
- C. All audio and video equipment shall be assembled and placed not closer than twenty (20) feet from the table at which the Board is seated. At the discretion of the Board, microphones or audio recording devices may be placed upon the table at which the Board is seated.
- D. Members videotaping or recording a meeting shall not be permitted to move about the meeting room in order to facilitate the recording.
- E. Any owner desiring to utilize any audio or video equipment shall provide advance written notice to the Board.

## LOT OWNER MEETINGS

- I. Lot Owner Meeting Defined.
  - A. "Meeting of the lot owners" is defined as a quorum of lot owners gathered to discuss official Association business.
  - B. Every lot owner or his authorized representative shall have the right to attend meetings except as may be provided by law.
- II. Lot owners or his authorized representative shall have the right to speak at meetings subject to the following rules:
  - A. Statements by lot owners or their authorized representative at meetings shall be restricted solely to items designated on the agenda of that meeting.
  - B. A lot owner will be permitted to speak once for a period not to exceed three minutes on each agenda item unless otherwise authorized by the chairman of the meeting. The chairman of the meeting shall give the floor to the lot owner subsequent to the calling of the agenda item, but prior to the vote of the owners upon the agenda item. Any owner who desires to speak must file a request with the Association which agenda item(s) he/she desires to speak upon prior to commencement of the meeting and not more than forty-eight (48) hours prior to the meeting. Said request shall indicate the exact agenda item(s) the member(s) desire to speak to at the meeting.
  - C. No tape recording or videotaping of any meeting shall interfere with or obstruct the meeting and no equipment shall obstruct any lot owner's view, hearing or access to the meeting. The only audio and video equipment and devices which lot owners are authorized to utilize at any such meeting is equipment which does not produce distracting sound or light emissions.
- III. Tape Recording or Videotaping of Meeting.
  - A. Any lot owner may tape record or videotape a Board or committee meeting subject to the following rules.
  - B. No tape recording or videotaping of any meeting shall interfere with or obstruct the meeting and no equipment shall obstruct any lot owner's view, hearing or access to the meeting. No extra lighting shall be permitted and no accessory equipment shall be utilized.

## ENFORCEMENT OF MEETING RULES

- I. Ejection.
  - A. Any person not authorized by law to attend a meeting may be prohibited from attending the meeting or ejected therefrom.
  - B. Any lot owner or authorized representative who fails to comply with these rules shall be subject to ejection in the sole discretion of the chairman. The chairman shall give any non-complying person one warning regarding ejection and thereafter may call for immediate ejection.
  - C. The chairman of the meeting may appoint a sergeant of arms who at the direction of the chairman shall either remove the unauthorized person or contact a law enforcement representative to remove such a person.
- II. Legal Action
  - A. The Board reserves all rights available to it under the law and the Association Documents to deal with rule violators.

IN WITNESS WHEREOF, the Board has adopted these Rules and Regulations this 23rd day of May, 2006, by a vote of 3 to 1.