

EXHIBIT "F"
DECLARATION OF CONDOMINIUM
PARK LAKE NUMBER THREE

BYLAWS OF
PARK LAKE ASSOCIATION NUMBER THREE, INC.
A CONDOMINIUM PURSUANT TO THE
FLORIDA CONDOMINIUM ACT.

ARTICLE ONE. PLAN OF OWNERSHIP

SECTION ONE. UNIT OWNERSHIP. The condominium, located at 2037 San Marcos Drive, S.E., Winter Haven, Florida 33880, is submitted to the provisions of Chapter 718 of the Florida Statutes, known as the Condominium Act, by declaration recorded simultaneously herewith in the office of the county recording officer of Polk County, Florida.

SECTION TWO. APPLICABILITY TO PROPERTY. The provisions of these by-laws are applicable to the condominium, which term includes the land, the buildings, and all other improvements thereon, all easements, rights, and appurtenances belonging thereto, and all other property, personal and mixed, intended for use in connection therewith.

SECTION THREE. APPLICABILITY TO PERSONS. All present and future owners, lessees, and mortgagees, their employees, and any other person who may use the facilities of the condominium in any manner shall be subject to these by-laws, the declaration, relevant unit deeds, and rules and regulations pertaining to the use and operation of the condominium property.

Acquisition, rental, or occupancy of any unit in the condominium shall be sufficient to signify acceptance and ratification of the provisions of the aforementioned instruments, and an agreement to comply therewith.

ARTICLE TWO. FORM OF ADMINISTRATION.

SECTION ONE. THE ASSOCIATION AND GOVERNING BOARD. Members of the initial governing board shall be designated by the developer or elected by the unit owners as follows:

(a) Until fifteen per cent (15%) of the units that will eventually be operated by the association are owned by unit owners other than developer, and thereafter until successors shall have been elected by unit owners, the governing board shall consist of such of the officers and directors of developer as developer shall from time to time designate.

(b) When unit owners other than the developer own fifteen per cent (15%) or more of the units, then, in an election by unit owners as provided by law and in these by-laws, unit owners other than developer shall elect one member of the three member board, and one member previously designated by developer shall resign.

(c) The unit owners' representation on the board specified above shall continue until an election, as provided by law and in these by-laws, after the earliest of (1) the date three (3) years after sales by developer of fifty (50%) percent of the units in the condominium have closed; or (2) the date three (3) months after sales by developer of ninety percent (90%) of the units in the condominium have closed; or (3) the date when all the units have been completed, some of them have sold, and no unsold units are being offered for sale by developer in the ordinary course of business. At such election, and in all subsequent elections, the unit owners other than developer shall elect a majority of the members of the board.

(d) Persons elected to the governing board by unit owners other than developer shall be owners, co-owners, spouses of owners, or mortgagees of units, officers, directors, shareholders, or employees of such corporations.

SECTION THREE. POWERS AND DUTIES. The governing board shall have the powers and duties necessary for the administration of the affairs of the condominium, and may do all such acts and things as are permitted by law, by the declaration, or by these by-laws directed to be exercised and done by the unit owners. The powers and duties to be exercised by the governing board shall include, but shall not be limited to, the following:

(a) Maintenance, repair, replacement, cleaning and sanitation of the common elements;

(b) Determination, assessment, and collection of funds for common expenses of the association and expenses of the Park Lake Master Association, and payment of such expenses;

(c) Adoption, distribution, amendment, and enforcement of rules governing the use and operation of the condominium and the use of the common elements, subject to the right of a majority of unit owners to change such rules;

(d) Procurement and maintenance of insurance as hereinafter provided.

(e) Maintenance of accounting records, in accordance with law and generally accepted accounting principles, which records shall be made available for inspection by unit owners and mortgagees at all reasonable times.

(f) Authorization and prosecution, in the name of the association, of any and all actions and proceedings deemed necessary or appropriate in furtherance of the interests of unit owners generally, including suits to foreclose liens for nonpayment of assessments or to recover money judgments for unpaid assessments;

(g) Entry into any and all contracts deemed necessary or appropriate in furtherance of the interests in unit owners generally;

(h) Employment and dismissal of personnel deemed necessary or appropriate for the maintenance and operation of the property, the common elements, and the restricted common elements;

(i) Establishment of bank accounts in the name of the condominium, and authorization of signatories therefor;

(j) Contracting for maintenance of and repairs of and additions and improvements to the property, and for repairs to and restoration of the property in accordance with the provisions of these by-laws, after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(k) Employment of managing agent and/or manager at such reasonable compensation and to perform such duties as the governing board may authorize; provided, however, that the governing board shall not delegate to any such managing agent or manager any of the powers set forth in subsections (c), (f), (g), and (k) of this section, nor may it delegate the power to determine and assess common charges as provided in subsection (b) of this section.

(l) All powers specified in Florida Statutes 718.111 and 718.112.

SECTION FOUR. ELECTION AND TERMS OF OFFICE. At the first meeting of unit owners after the date on which unit owners other than developer become entitled to elect at least a majority of the members of the governing board, the terms of office of board members shall be fixed as follows: the term of office of one member shall be set at three years; the term of office of one member shall be set at two years; and the term of office of one member shall be set at one year. At the expiration of the initial term of office of each board member, his successor shall be elected to serve for a term of three years. Board members shall hold office until their successors have been elected and hold their first meeting.

SECTION FIVE. VACANCIES. Vacancies in the governing board caused by any reason other than the removal of a member by vote of the unit owners shall be filled by a vote of the majority of the remaining board members, even though they may constitute less than a quorum; each person so elected shall hold office until a successor is elected at the next annual meeting of unit owners.

SECTION SIX. REMOVAL OF BOARD MEMBERS. At any regular or special meeting duly called, any one or more members of the governing board may be removed with or without cause by a majority vote of unit owners, and a successor may then and there be elected to fill the vacancy so created. Any board member so elected shall serve for the unexpired term of his predecessor in office. Any member whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting at which a vote is to be taken on the issue of removal.

SECTION SEVEN. ORGANIZATIONAL MEETING. The first meeting of each governing board, at least a majority of the members of which have

been elected by unit owners other than developer, shall be held within 60 days after the election of such board, at such place as may be fixed by the board. No notice shall be necessary to the newly elected governing board to legally constitute such meeting, providing that a majority of the board shall be present.

SECTION EIGHT. REGULAR MEETINGS. Regular meetings of the governing board may be held at such times and places as shall from time to time be determined by the board; provided, however, that at least one such meeting shall be held during each calendar year. Notice of each regular meeting of the governing board shall be given to each board member personally, or by mail, telephone, or telegraph, at least ten days prior to the date set for such meeting.

SECTION NINE. SPECIAL MEETINGS. Special meetings of the governing board may be called by the president, and shall be called by the president or secretary on the written request of at least two board members, on 3 days' notice to each board member, given personally, or by mail, telephone or telegraph. The unit owners may call a special meeting as provided in Florida Statutes, Chapter 718. Any such notice shall state the time, place and purpose of the meeting.

SECTION TEN. MEETINGS OPEN TO UNIT OWNERS. All meetings of the governing board shall be open to all unit owners. Notice of each meeting will be posted at least 48 hours before the meeting, except in the case of emergency meetings.

SECTION ELEVEN. WAIVER OF NOTICE. Any board member may at any time waive notice of any meeting of the board in writing, and any such written waiver shall be deemed equivalent to the giving of the notice required herein. Attendance of any board meeting by a member shall constitute a waiver of him of notice of the time and place thereof. If all board members are present at any meeting of the board, no notice shall be required, and any business may be transacted at any such meeting.

SECTION TWELVE. QUORUM OF GOVERNING BOARD. At all meetings of the governing board, a majority of the board shall constitute a quorum for the transaction of business, and the acts of a majority of members present at a meeting at which a quorum is present shall constitute the acts of the board. If at any meeting of the governing board there be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION THIRTEEN. MINUTES. Minutes shall be taken at all meetings and be available for inspection at the President's or Secretary's unit by unit owners and board members at all reasonable times.

SECTION FOURTEEN. FIDELITY BONDS. The governing board shall require that all officers and employees of the condominium handling or

responsible for condominium funds furnish adequate fidelity bonds as required by Florida Statutes, Chapter 718. The premium on such bonds shall constitute a common expense.

SECTION FIFTEEN. COMPENSATION. No member of the governing board shall receive compensation for acting as such. Nothing herein contained shall be construed to preclude any board member from serving the condominium or the board member from serving the condominium or the board in any other capacity and receiving compensation therefor.

SECTION SIXTEEN. LIABILITY OF GOVERNING BOARD. Members of the governing board shall not be liable to unit owners for mistakes in judgment, for negligence, or otherwise, except for their own wilful misconduct or bad faith. Nor shall members of the board be personally liable with respect to any contract made by them on behalf of the association, and unit owners shall indemnify the board and each member thereof against all contractual liability to third parties arising out of contract made by the board on behalf of the association. However, such indemnification shall not extend to any contract made in bad faith or contrary to the provisions of the declaration or of these by-laws. The liability of each unit owner arising out of any contract made by the governing board or out of the aforesaid indemnification of the member so the board shall be the proportion of the total liability that such unit owner's interest in the common elements bears to the interests of all unit owners in the common elements. Every agreement made by the governing board or by any managing agent or manager employed by the board on behalf of the condominium shall provide that the members of the board, or the managing agent or manager, as the case may be, are acting only as agents for the unit owners, and shall have no personal liability thereunder except as unit owners, and shall further provide that each unit owner's liability thereunder is limited to the proportion of the total liability thereunder that his interest in the common elements bears to the interests of all unit owners in the common elements.

ARTICLE THREE. OFFICERS

SECTION ONE. DESIGNATION. The principal officers of the association shall be a president, a secretary and a treasurer, all of whom shall be elected by and from the governing board. The governing board may also appoint one or more vice presidents, an assistant treasurer, an assistant secretary, and such other officers as in its judgment may be necessary, none of which need be members of the board.

SECTION TWO. ELECTION OF OFFICERS. The officers of the association shall be elected annually by the governing board at its organizational meeting, and shall hold office at the pleasure of the board.

SECTION THREE. REMOVAL OF OFFICERS. On the affirmative vote of a majority of the members of the governing board, any officer may be removed, with or without cause, and his successor may be elected at any regular meeting of the board, or at any special meeting of the board called for that purpose.

SECTION FOUR. PRESIDENT. The president shall be the chief executive officer of the association. He shall preside at all meetings of the governing board and of unit owners. He shall have all general powers and duties that are incident to the office of president of Park Lake Number Two Association, Inc., including, without limitation, the power to appoint committees from among the owners from time to time as he may deem appropriate to assist in the conduct of the affairs of the association.

SECTION FIVE. SECRETARY. The secretary shall keep the minutes of all meetings of the governing board and of unit owners; he shall have charge of such books and papers as the governing board may determine; and he shall, in general, perform all the duties incident to the office of secretary of a Florida corporation not for profit.

SECTION SIX. TREASURER. The treasurer shall have responsibility for the funds and securities of the association, for keeping full and accurate accounts showing all receipts and disbursements, and for the preparation of all necessary financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the governing board or managing agent, in such depositories as may from time to time be designated by the governing board, and shall, in general, perform all duties incident to the office of treasurer of a Florida corporation not for profit.

SECTION SEVEN. COMPENSATION. No officer shall receive any compensation from the association for acting as such; provided, however, that nothing contained herein shall be construed to preclude any officer from serving the association in any other capacity, and receiving compensation therefor.

ARTICLE FOUR. UNIT OWNERS.

SECTION ONE. ANNUAL MEETINGS. Within 60 days after the date on which unit owners other than developer own fifteen percent (15%) of the units that will eventually be operated by the association, the governing board shall call and give notice of the first annual meeting of unit owners, which meeting shall be held not less than 30 or more than 40 days after the date of the notice. At such meeting one-third of the officers and directors of developer holding office as members of the governing board shall resign, as provided elsewhere in these bylaws, and unit owners other than developer shall elect one member to the board. Thereafter, annual meetings of the unit owners shall be held on the third Monday of each January of each succeeding year. At each such subsequent meeting the unit owners shall elect a number of members to the governing board sufficient to fill all vacancies and to replace or reelect members whose terms have expired. Unit owners may also transact such other business of the association as may properly come before the meeting. Written notice shall be given to each unit owner and shall be posted in a conspicuous place on the property at least 14 days prior.

SECTION TWO. SPECIAL MEETINGS. The president may, and shall if directed by resolution of the governing board or by petition signed

and presented to the secretary by unit owners owning a total of at least ten (10%) percent of the common interest, call a special meeting of unit owners. The notice of any special meeting shall state the time and place of the meeting, and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent either in person or by proxy of unit owners owning at least fifty percent (50%) of the common interest.

SECTION THREE. PLACE OF MEETINGS. Meetings of unit owners shall be held at the principal office of the association, or at such other suitable place convenient to the owners as may be designated by the governing board.

SECTION FOUR. NOTICE OF MEETINGS. It shall be the duty of the secretary to mail a notice of each annual or special meeting stating the purpose, the time, and the place thereof, to each unit owner at least 14 days prior to such meeting. The mailing of a notice in the manner provided in this section shall be considered notice served. However, every such notice will also be posted in a conspicuous place on the condominium property at least 14 days prior to the meeting to which it refers.

SECTION FIVE. QUORUM. At all meetings of unit owners, 50% of the unit owners shall constitute a quorum for transaction of business. If a quorum is present at a meeting, the acts of a majority of owners of those unit owners present shall bind all unit owners for all purposes other than those for which a higher percentage is required by law, by the declaration, or by these bylaws. If, at any meeting of unit owners less than a quorum is present, a majority of those present may adjourn the meeting to a time not less than one from the time the original meeting was called. At any such subsequent meeting at which a quorum is present, any business that might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION SIX. ORDER OF BUSINESS. The order of business at all meetings of unit owners shall be as follows:

- (a) Roll Call
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of governing board.
- (f) Reports of committees.
- (g) Election of inspectors of election (when appropriate).
- (h) Election of members of governing board (when required).
- (i) Unfinished business.
- (j) New business.

SECTION SEVEN. VOTING. The owner or owners of each unit, or some person appointed by such owner or owners to act as proxy on his or their behalf, shall be entitled to cast the vote appurtenant to each such unit at all meetings of unit owners. The appointment of any proxy shall be made in writing with the secretary, and shall be revocable at any time by notice in writing to the secretary. No one per-

son may hold more than five (5) proxies. Voting shall be on a percentage basis. The percentage of the vote to which an owner is entitled shall be the percentage or the sum of percentages of ownership interest in the common elements assigned to the unit or units owned by him as set forth in this declaration.

SECTION EIGHT. MINUTES. Minutes shall be taken at all meetings of unit owners. Copies of the minutes shall be available for inspection at the President's or Secretary's unit.

SECTION NINE. TITLE TO UNITS. Title to units may be acquired and held in the name of an individual, in the name of two or more persons as joint tenants, tenants in common, or any other joint estate recognized under Florida law, or in the name of a corporation, a partnership, or a fiduciary.

ARTICLE FIVE. OPERATION OF PROPERTY.

SECTION ONE. DETERMINATION OF COMMON CHARGES. Each year, the governing board shall prepare a proposed budget of common expenses for the association. This budget shall include projections of common expenses, common revenues (from sources, if any, other than assessments of unit owners), the amount of common charges required to meet the excess of the former over the latter, and an allocation and assessment of such common charges against unit owners proportionate to each unit owner's interest in the common elements, as provided in the declaration.

As used in these bylaws, the term "common expenses" or "common charges" shall mean expenses or charges for which unit owners are proportionately liable, and shall include, but shall not be limited to the following:

- (a) All expenses of administration including those paid to Park Lake Management Company, maintenance, repair, and replacement of the common elements or limited common elements.
- (b) Insurance premiums on all policies of insurance obtained by the governing board, managing agent, or manager, as the case may be, pursuant to Sections Fourteen and Fifteen of this Article.
- (c) Working capital reserve.
- (d) General operating reserve.
- (e) Repair and replacement reserve.
- (f) Reserve for deficits accrued in prior years.
- (g) Taxes upon association property.
- (h) Costs of providing building security.
- (i) Fees payable to the State of Florida.
- (j) Utility rates for electricity, water, sewer, gas, etc. for serving the common elements and water, sewer and garbage service for all units.
- (k) Proportionate share of Park Lake Master Association's expenses.
- (l) All other amounts that the owners may agree upon or that the governing board may deem necessary or appropriate for the operation, administration, and maintenance of the condominium.

(a) All other amounts designated common expenses by the declaration, by these bylaws, or by law.

A copy of the proposed budget will be mailed to each unit owner not less than 30 days prior to the meeting at which the budget will be considered by the Board, together with a notice of that meeting. A final budget of common expenses will be adopted by the Board at such meeting, subject to the rights of the unit owners provided by law in the case of any budget requiring assessment against the unit owners in an amount exceeding one hundred and fifteen percent (115%) of the assessment for the preceding year. Each unit owner will be advised in writing of the amount payable by him during the following year.

SECTION TWO. COLLECTION OF ASSESSMENTS. The governing board shall, by suitable written notice, assess common charges against unit owners monthly, on the first day of each month, each such assessment covering the next. If any such installment remains unpaid for more than 15 days from the date due, the governing board will take prompt action to collect it.

SECTION THREE. COMMON SURPLUS. If in any taxable year, the net receipts of the association from assessments and all other sources except casualty insurance proceeds and other nonrecurring items exceeds the sum of (a) total common expenses for which payment has been made or liability incurred within the taxable year, and (b) reasonable reserves for common expenses and other liabilities in the next succeeding taxable year as may be determined by the governing board, such excess shall be retained and applied to lessen the assessments for the next succeeding year, the amount of such reduction for each unit owner being in proportion to his undivided interest in the common elements.

SECTION FOUR. LIABILITY FOR ASSESSMENTS. All unit owners are obligated to pay the common charges assessed by the governing board at the times set forth in these bylaws. No unit owner may exempt himself from liability for any assessment for common charges by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit. However, no unit owner shall be liable for any assessment for common charges against his unit subsequent to a sale, transfer, or other conveyance by him of such unit made in accordance with the provisions of Section Three of Article Seven of these bylaws. Moreover, any owner of a unit that is free and clear of all liens and encumbrances other than a first mortgage and the statutory lien for unpaid common charges, may, subject to the provisions of these bylaws, convey such unit to the governing board or its designee, corporate or otherwise, as grantee on behalf of all other unit owners, and such conveyance shall exempt the owner from liability for any common charges assessed thereafter. In all voluntary conveyances of units, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover over against the grantor for any amounts paid by the grantee. However, any such grantee, or any mortgagee shall be entitled, within ten (10) days after making request therefor,

to a certificate from the governing board, or the managing agent or manager as the case may be, setting forth the amount of unpaid assessments pertaining to such unit, and in such event, any person other than grantor who relies on such certificate shall be entitled to rely thereon, and shall not be liable for any amounts in excess of the amount stated therein. A mortgagee or other purchaser of a unit at a foreclosure sale shall not be liable for nonpayment of any common charges assessed prior to the date of the foreclosure sale, and such unit shall not be subject to a lien for nonpayment of such charges.

SECTION FIVE. DEFAULT IN PAYMENT OF COMMON CHARGES. In the event a unit owner shall fail for 15 days following the due date thereof, to pay to the governing board the common charges assessed against his unit, such unit owner shall be deemed in default, and shall be obligated to pay interest at the legal rate on such common charges from the due date thereof, together with all expenses, including reasonable attorney's fees, incurred by the governing board in any proceeding brought to collect the same, or to foreclose a lien for nonpayment thereof.

SECTION SIX. FORECLOSURE OF LIENS FOR UNPAID COMMON CHARGES. It shall be the right and duty of the governing board to attempt to recover unpaid common charges, together with interest thereon, and expenses of the proceeding, including reasonable attorney's fees, in an action brought against any unit owner in default on his obligation to pay the same, or by foreclosure of the lien on any condominium parcel in respect to which such default has occurred provided by law. In any such foreclosure the unit owner shall be required to pay a reasonable rental for the unit for the period beginning with the initial default and ending with satisfaction of amounts secured by such lien from the proceeds of the foreclosure sale. Any unpaid common expenses remaining uncollectible for more than 60 days after such foreclosure sale may be assessed by the governing board as common expenses to be collected from all unit owners including the purchaser who acquired title at the sale, his successors and assigns. The governing board, acting on behalf of all unit owners, shall have power to bid on and purchase any unit offered for sale at a foreclosure sale, and to acquire, hold, lease, mortgage, convey, or otherwise deal with the same. Suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same, and foreclosure shall be maintainable notwithstanding the pendency of a suit to recover a money judgment.

SECTION SEVEN. MAINTENANCE AND REPAIR.

(a) Every owner shall promptly perform all maintenance and repair work within his own unit, which if omitted would affect any common element, any portion of the property belonging to other owners, or the project as a whole, being expressly responsible for all damages and liabilities that any failure to repair or maintain may engender.

(b) All maintenance, repairs and replacements to the common elements, and any limited common elements, whether located inside or outside individual units, shall be the responsibility of the governing board and shall be charged to all unit owners as common expenses un-

less such maintenance, repairs or replacements are necessitated by the negligence or misconduct of individual unit owners, in which case they shall be the responsibility of, and shall be charged to such individual unit owners.

(c) Each unit owner shall be responsible for and reimburse the association for any expenditures incurred in repairing or replacing any common element or limited common elements through his fault.

SECTION EIGHT. USES OF UNITS: RULES AND REGULATIONS. The use of units and common elements shall be subject to restrictions set forth in rules and regulations to be promulgated and amended from time to time by the governing board with the approval of a majority of unit owners.

Copies of all such rules and regulations shall be furnished by the governing board to each unit owner prior to their effective date.

SECTION NINE. MODIFICATIONS BY UNIT OWNERS. No unit owner shall make any structural additions or alterations to his unit without the prior written consent of the governing board. On request by any unit owner for approval of a proposed addition or alteration, the board shall answer the same within 60 days after receipt thereof, and failure to do so within the stipulated time shall constitute a consent. Any application to any governmental authority for a permit to make any addition or alteration to any unit shall be executed by the governing board only. However, neither the board nor any member thereof shall be liable to any contractor, subcontractor, or materialman, or to any such person claiming injury to person or property as a result of such addition or alteration or the construction thereof. The provisions of this section shall not apply to units owned by developer until such units shall have been initially sold by developer and paid for.

SECTION TEN. RIGHT OF ACCESS. The association shall have, and shall exercise through the manager, managing agent, or other person or persons authorized by the governing board, a right of access to each unit from time to time during reasonable hours, to maintain, repair, or replace any common elements therein or accessible therefrom, or to make emergency repairs necessary to prevent damage to common elements or to any other unit or units, or to correct any condition violative of the provisions of any mortgage secured by any other unit. Requests for access shall be made in advance and shall be scheduled for times convenient to the owner except that, in case of emergency, right of access shall be immediate, and shall exist whether the unit owner is present at the time or not.

SECTION ELEVEN. MODIFICATIONS BY GOVERNING BOARD. Any additions or alterations in or to common elements costing One Thousand Dollars (\$1,000.00) or less may be made by the governing board without approval of unit owners or unit mortgagees, and the costs thereof shall be treated as common expenses. Whenever in the judgment of the governing board, the common elements require additions or alterations costing in excess of One Thousand Dollars (\$1,000.00), the making of such additions or alterations shall require approval by a majority of unit owners. After such approval has been obtained, the board shall pro-

ceed with the additions or alterations, and the costs thereof shall be treated as common expenses:

SECTION TWELVE. REPAIR OR RECONSTRUCTION. In the event of any damage to or destruction of any improvements on the condominium property or any part thereof, or any common element or elements or any part thereof, required by the declaration, these bylaws, or by law to be insured by the association, such improvements including individual units therein, but excluding furniture, fixtures, decorations, equipment installed or placed therein by unit owners, or common elements shall be promptly repaired and restored by the governing board using the proceeds of such insurance. If such proceeds are inadequate to cover the cost of such repair and restoration, unit owners shall be assessed on an equitable basis according to the benefit derived by them from such repair and restoration. However, if the proceeds of such insurance shall be inadequate by a substantial amount to cover estimated costs of repair and restoration of an essential improvement or common element, or if such damage shall constitute substantially total destruction of the condominium property or of one or more buildings comprising the condominium property or if those unit owners entitled to exercise seventy five percent (75%) or more of the total voting power of those unit owners directly affected by such damage or destruction, shall determine not to repair or restore the property, the governing board shall proceed to realize the salvage value of the portion of the condominium property damaged or destroyed, by sale or otherwise, and shall collect the proceeds of any insurance. Thereupon the net proceeds of such sale or other disposition of the property, together with the proceeds of any insurance after making provision for the removal of all debris and the restoration of the land to level grade, if appropriate, shall be considered as one fund and shall be divided among unit owners directly affected by such damage or destruction in proportion to their respective undivided ownership of the common elements. Any liens or encumbrances on any affected unit shall be relegated to the interest of the owner thereof in the fund.

SECTION FOURTEEN. FIRE AND EXTENDED COVERAGE INSURANCE. The governing board, or the managing agent or manager, as the case may be, shall obtain and continue in effect insurance against loss by fire and other casualties normally covered under broad-form fire and extended coverage insurance as written in Florida, covering all common elements, all limited common elements, all structural portions of the condominium property, and all units, but not including furniture, fixtures, decorations, equipment or the like installed or placed therein by unit owners, in an amount satisfactory to mortgagees holding first mortgages on one or more units but in any event not less than eighty per cent (80%) of the assessed value thereof. The premiums for such insurance shall be a common expense to be paid by monthly assessments levied by the governing board.

SECTION FIFTEEN. LIABILITY INSURANCE. The governing board or the manager or managing agent, as the case may be, shall obtain and continue in effect insurance against liability for personal injury and death and for damage to property arising from accidents occurring

within the common elements and limited common elements in such amounts as shall be determined by the governing board. The premiums for such insurance shall be a common expense.

SECTION SIXTEEN. RIGHT OF OWNERS TO INSURE UNITS. Any insurance obtained or maintained by the governing board, managing agent or manager, as the case may be, shall be without prejudice to the rights of unit owners to obtain and maintain such unit insurance as they see fit.

SECTION SEVENTEEN. ABATEMENT OF VIOLATIONS. Violation of any provision of the declaration, a unit deed, these bylaws, or any rule or regulation adopted pursuant thereto, shall give the governing board, acting on behalf of all unit owners, the right, in addition to any other rights set forth herein:

(a) To enter any unit in or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any thing or condition constituting such violation or breach, and the governing board shall not be deemed guilty of trespass in so doing; or

(b) To enjoin, abate, or remedy the continuance of such violation or breach by appropriate legal proceedings, or to bring an action for recover of damages.

ARTICLE SIX. MORTGAGE.

SECTION ONE. NOTICE OF MORTGAGE. An owner who mortgages his unit shall, within thirty (30) days after such mortgage has been executed, notify the manager, managing agent, or secretary of the association of the name and address of his mortgagee. The secretary shall maintain such information in a book entitled "Mortgagees of Units".

SECTION TWO. PAYMENT OF ASSESSMENTS. No unit owner shall be permitted to convey, mortgage, pledge, sell or lease his unit unless and until he shall have paid in full to the governing board all unpaid charges theretofore assessed against his unit, and until he shall have satisfied all unpaid liens against his unit other than mortgage liens.

SECTION THREE. NOTICE OF UNPAID ASSESSMENTS. The secretary of the association shall, at the request of a mortgagee of a unit report any unpaid assessments due from the owner of such unit.

SECTION FOUR. NOTICE OF DEFAULT. Upon giving notice to a unit owner of a default, whether in payment of common charges or otherwise, the governing board shall send a copy of such notice to each holder of a mortgage secured by such unit whose name and address appears in the book entitled "Mortgagees of Units".

SECTION FIVE. INSPECTION OF BOOKS. Unit owners and unit mortgagees shall be permitted to inspect the books of account of the association at reasonable times during business hours.

ARTICLE SEVEN. SALES AND LEASES OF UNITS.

SECTION ONE. COMPLIANCE WITH ARTICLE. Any sale of a unit must include the sale of the undivided interest in the common elements appurtenant to that unit, and the interest of the seller in any other assets of the association (hereinafter collectively referred to as appurtenant interest). No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of except as part of a sale, transfer or other disposition of a unit to which such interest are appurtenant, or as a part of a sale, transfer or other disposition of such part of the appurtenant interest of all units. Any deed, mortgage, or other instrument purporting to affect a unit or one or more appurtenant interests without including all such interests shall be deemed to include the interest or interests so omitted, it being the intention hereof to prevent any severance of combined ownership of units and their appurtenant interests.

ARTICLE EIGHT. EMINENT DOMAIN.

SECTION ONE. CONDEMNATION OF COMMON ELEMENT. If all or any part of the common elements or limited common elements is taken, injured, or destroyed by eminent domain, each unit owner shall be entitled to notice of such taking and to participate through the association in the proceedings incident thereto. Any damages shall be for the taking, injury, or destruction as a whole, and shall be collected by the governing board. If those unit owners entitled to exercise fifty per cent (50%) or more of the total voting power of the association duly and promptly approve the repair and restoration of the common elements or limited common elements, the governing board shall contract for such repair and restoration and shall disburse the proceeds of the award in appropriate payments to contractors engaged in such repair and restoration. If the proceeds of the award are insufficient to defray the entire expense of repair and restoration, the excess of such expense over such proceeds shall be treated as a common expense or limited common expense. In the event that the unit owners entitled to exercise fifty per cent (50%) or more of the total voting power of the association do not duly and promptly approve the repair and restoration of the common elements, the net proceeds shall be divided by the governing board among all unit owners in proportion to their respective common interests, or limited common interests, as the case may be, paying out of the share of each unit owner, the amount of any unpaid liens on his unit in the order of priority of such liens.

SECTION TWO. CONDEMNATION OF UNITS. If all or any part of any unit or units, other than the undivided interests or interest in the common elements and limited common elements appurtenant thereto, shall be taken, injured, or destroyed by eminent domain, each unit owner so affected shall be entitled to notice of such taking and to participate directly in the proceedings incident thereto. Any damages shall be payable directly to such other or owners.

ARTICLE NINE. RECORDS.

SECTION ONE. RECORDS; CERTIFICATION. The president or managing agent shall keep detailed records of all actions of such President or managing agent and of the governing board, including financial records and books of account of the association, kept in accordance with generally accepted accounting principles. Such records shall include a chronological record of all receipts and disbursements. A separate account shall be kept for each unit containing, among other things, the amount of each assessment against such unit, the date when due, amounts paid thereon, and the balance remaining due. The governing board shall also prepare a quarterly written report summarizing receipts and disbursements of the association, copies of which shall be made available to all unit owners and mortgagees requesting the same, promptly after the end of the fiscal year.

ARTICLE TEN. MISCELLANEOUS.

SECTION ONE. NOTICES. A notice required or permitted to be sent to the governing board shall be sent by registered or certified mail in care of the manager or managing agent, or if there be no manager or managing agent, to the office of the board, or to such other address as the board may, from time to time designate. All notices required or permitted to be sent to any unit owner shall be sent by registered or certified mail to the condominium or to such other address as such owner may have designated in writing to the governing board. All notices to unit mortgagees shall be sent by registered or certified mail to their respective addresses, as maintained by the secretary in the book entitled "Mortgagees of Units". All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received.

SECTION TWO. WAIVER. No restriction, condition, obligation, or provision contained in these bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations and failures to enforce that may occur.

SECTION THREE. INVALIDITY. If any provision or provisions of these bylaws is or are declared invalid, such invalidity shall in no way impair or affect the validity, enforceability, or effect of the remaining provisions of these bylaws.

SECTION FOUR. CAPTIONS. Captions are inserted in these bylaws for convenience and reference only, and shall not be taken in any way to limit or describe the scope of these bylaws or any provision hereof.

ARTICLE ELEVEN. AMENDMENTS.

SECTION ONE. AMENDMENTS. These bylaws may be amended or supplemented by the vote of unit owners entitled to exercise fifty per cent (50%) or more of the total voting power of the association at a meeting of unit owners duly called and held for such purpose. Any such amendment or supplement shall be filed for record in the office in which these bylaws are recorded.

ARTICLE TWELVE. CONFLICTS.

SECTION ONE. CONFLICTS. These bylaws are intended to comply with the Requirements of, and are promulgated pursuant to Chapter 718 of the Florida Statutes. If these bylaws or any provisions hereof are so construed as to be in conflict with the provisions of such statute, or of the declaration to which they are attached, the provisions of such statute or of the declaration, as the case may be, shall control.

ARTICLE THIRTEEN. RESERVATION OF CONTROL BY DEVELOPER.

Until required by Section 718.301 of the Condominium Act or until Developer, its successors or assigns or any subsequent Developer, herein called Developer, elects to terminate its control of the Association and the condominiums operated by it, whichever occurs first, the proceedings of all meetings of members of the Association shall have no effect unless approved by the Board of Directors.

The foregoing were adopted as bylaws of the Park Lake Association Number Three, Inc. on the 15th day of October, 1984.

PARK LAKE ASSOCIATION NUMBER THREE,
INC.

By: *Alan Kandy*
President

ATTEST:

Carol C. Linhart
Secretary