

Return to: (enclose self-addressed stamped envelope)

This Instrument Prepared by and Return to:
Robert L. Tankel, Esq.

Address:
Robert L. Tankel, P.A.
1299 Main St. Suite F
Dunedin FL 34698-5333

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VERIFIED BY:
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FILED & RECORDED
CITRUS COUNTY FLORIDA
BETTY STINLER, CLERK

CERTIFICATE OF AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF RESTRICTIONS OF SUGARMILL WOODS, CYPRESS VILLAGE AND AMENDMENTS TO BY-LAWS OF CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC.

WE HEREBY CERTIFY THAT the attached amendments to the Amended and Restated Declaration of Restrictions of SUGARMILL WOODS, CYPRESS VILLAGE pertaining to the SUGARMILL WOODS SUBDIVISION, CYPRESS VILLAGE, according to the Plat thereof as recorded in Plat Book 9, Pages 86-150, inclusive; Plat Book 10, Pages 1-9, inclusive; Amended in Plat Book 9, Pages 87-a of the public records of Citrus County, Florida and which restrictions were originally filed of record on June 26, 1973 at Book 342, Page 762; Book 342, Page 770; Book 350, Page 637; Book 377, Page 609; Book 377, Page 617; Book 412, Page 412; Book 443, page 395; Book 443, Page 405; Book 443, Page 411; Book 462, Page 672; Book 527, Page 11; Book 621, Page 2158; Book 1034, Pages 1876-1879; Book 1081, Page 274; and Book 1156, Pages 1988-1990 of the public records of Citrus County, Florida and the By-Laws of the CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC. and were approved by the members at a duly called meeting of the membership held September 23, 1998 in the manner required by the Declaration and By-Laws.

IN WITNESS WHEREOF, we have affixed our hands this 20th day of January, 1998 at Citrus County, Florida.

CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC.

WITNESSES:

Sign: Harvey B. Hoffman
Print: Harvey B. Hoffman

(SEAL)

By: Dr. Russell Van Dyke
Dr. Russell Van Dyke, its President

Attest: Richard (Dick) Smith
Richard (Dick) Smith, its Secretary

Sign: Diane F. Evans
Print: DIANE F. EVANS

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STATE OF FLORIDA
COUNTY OF CITRUS

BEFORE ME, the undersigned authority, personally appeared Dr. Russell Van Dyke, to me known to be the President and Richard (Dick) Smith, Secretary, respectively, of CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC. and they jointly and severally acknowledged before me that they freely and voluntarily executed the same as such officers, under authority vested in them by said corporation. They are personally known to me or have produced _____ and _____ (type of identification) as identification.

WITNESS my hand and official seal in the County and State last aforesaid, this 20th day of January, 1998.

Irma Lee Perry
Notary Public
Printed Name: Irma Lee Perry

My commission expires:



IRMA LEE PERRY
My Comm. Exp. 5/08/2001
Bounded by Service Ins
No. CCG45788
 Personally Known Other I.D.

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**AMENDMENTS TO THE
RESTATED AND AMENDED DECLARATION OF RESTRICTIONS OF
SUGARMILL WOODS CYPRESS VILLAGE**

The following section (8d, 9d, 28, and 30) of the Restated and Amended Declaration of Restrictions were amended to read as follows:

- 8d. Location of Garages and Parking**
No parking is permitted on the lawns at anytime. No off-drive parking is permitted between the hours of 2:00 A.M. to 6:00 A.M. daily.
- 9d. Walls, Hedges and Fences**
Retaining walls required to control ground erosion may exceed the three (3) foot height maximum and may extend beyond the front of the house should the elevation differential call for it.
- 28. Garage, Yard, Estate Sale Prohibition**
No garage or yard sale shall be permitted on, or affiliated with any lot. Estate sales may be held provided a permit is obtained from the Association and parking and sinage restrictions adhered to. Only single day estate sales managed by professional estate sales companies will be permitted.
- 30. Outside Antennas**
No amateur radio antenna shall be installed without approval by the Association's Architectural Control Board (ACB).

While the installation of an 18" or 40" satellite dish does not require ACB approval, homeowners are asked to make the installation as obscure as possible; if on the lawn, it should be surrounded by foliage and if on the roof as invisible from the street as possible.

**REWORDING
OF
BYLAWS
OF
CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC.
(A Corporation Not-For-Profit)**

Formerly Known As
SUGARMILL WOODS CYPRESS VILLAGE ASSOCIATION, INC.

1. Identity. These are the Bylaws of CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC., formerly known as SUGARMILL WOODS CYPRESS VILLAGE ASSOCIATION, INC., hereinafter sometimes called the "Association," a corporation not-for-profit under the laws of the State of Florida, the Articles of Incorporation of which are filed in the office of the Secretary of State.

1. A. The Association has been organized for the purpose of administering the ~~common-area-of~~ Cypress Village subdivision of Sugarmill Woods, according to the plat thereof recorded in Plat Book 9, Pages 86-150, and Plat Book 10, Pages 1-9, of the Public Records of Citrus County, Florida, ~~this common-area-is~~ located upon lands in Citrus County, Florida, describe in the above referenced Plat and Paragraph 22 of the Declaration of Restrictions recorded in O.R. Book 462, Page 672, Public Records of Citrus County, Florida, May 10, 1977, as amended in O.R. Book 527, Page 11 of Public Records of Citrus County, Florida January 2, 1979, and Paragraph 22, Declaration of Restrictions recorded in O.R. Book 462, Page 685, Public Records of Citrus County, Florida, May 10, 1977, as amended in O. R. Book 527, Page 11 of Public Records of Citrus County, Florida, January 2, 1979, To administer the properties subject thereto including regulation of use of lots and administration of the common area, except that the common area shall not include (a) any platted lot unless the Association is the owner thereof, and (b) any property which has been dedicated to and accepted by any public authority or body which has assumed the obligation to maintain same. The terms common area, common element and common property are synonymous as used herein. In addition, the Association, as defined in its Articles of Incorporation, shall carry out all of the duties and responsibilities imposed upon it by the Declaration of Restrictions, as amended, for Sugarmill Woods Cypress Village recorded in Public Records of Citrus County, Florida, including, but not limited to, maintaining of the common areas of Cypress Village, providing for the mowing of road shoulders and for security services, promoting the general well being and harmony among the property owners of Cypress Village and performing such other and further duties as may be imposed upon by its membership.

1. B. The office of the Association shall be at 108 Cypress Boulevard West, Homosassa, Florida 34446.

1. C. The fiscal year of the Association shall be from October 1st to September 30th.

1.D. The seal of the corporation shall bear the name of the Corporation, the word "Florida" the words "Corporation Not-For-Profit," and the year of the incorporation.

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2. Members' Meetings. The minutes of all meetings of members shall be kept in a book available for inspection by members, or their authorized representatives, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

2.A. The annual members' meeting shall be held at the office of the Corporation, (or at such other location in the vicinity thereof, that is deemed to be suitable by the Board of Directors), at 7:00 P.M., on the fourth Wednesday in September of each year, for the purpose of electing directors and transacting any other business authorized to be transacted by the members provided, however, that if that day is a legal holiday, the meeting shall be held at the same hour on the next day that is not a legal holiday.

2.B. Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from not less than ten (10%) per cent of the voting members of the Association.

2.C. Notice of all members' meetings stating the time and place and the objects purpose(s) for which the meeting is called shall be given by the President, Vice President or Secretary unless waived in writing. Such notice shall be in writing to each member at his the address as it appears appearing on the books of the Association and shall be mailed no less than thirty (30) days nor more than sixty (60) days prior to the date of the meeting. Notice of the annual meeting shall also be posted ~~in a conspicuous place on the common property~~ at the communications center bulletin board at least ~~fourteen (14)~~ thirty (30) days prior to the annual meeting. Proof of such mailing and proof of posting of notice shall be given by the affidavit of the person giving the notice. ~~Notice of meetings may be waived before or after meetings, but unless a member waives in writing the right to receive notice of the annual meeting by mail, the notice of the annual meetings shall be sent by mail to each member and the required affidavit shall be retained as proof of such mailing. However, notwithstanding the above.~~ Notice of any meeting where assessments against members are to be considered for any reason shall specifically contain a statement that assessments will be considered and the nature of any such assessments.

2. D. A quorum at members' meetings shall consist of those members present. The acts approved by a majority of the votes at a meeting at which the quorum is present shall constitute the acts of the members, except when approval of a greater number of members is required by the Declaration of Restrictions, the Articles of Incorporation or these Bylaws.

2. E. Where there is more than one owner of a lot or unit, those owners shall collectively be entitled to one membership and one vote and shall participate in the Association in the following manner:

(1) A statement must be filed with the Secretary of the Corporation, in writing, signed by all of the persons owning a majority interest in the lot or unit, which shall state which one of the owners of the lot or unit is to represent all of the owners of such lot or unit at membership meetings and cast the vote to which they are entitled.

(2) The owner so designated by all of the owners ~~of~~ of a lot or unit shall be known as the voting member and shall be the only person owning an interest in the lot or unit eligible to cast the vote for the lot or unit at membership meetings.

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(3) The voting member shall be determined by the majority in interest of all of the owners of the lot or unit.

(4) The person designated as the voting member may continue to cast the binding vote for all persons owning an interest in the lot or unit until such time as another person is properly designated as the voting member by those persons owning the majority interest by a similar written statement filed with the Secretary. Failure of the owners of a lot or unit to file such statement with the Secretary prior to a members' meeting will result in depriving the owners with an interest in such lot or unit of a vote at such meeting.

(5) A corporation, or any individual with an interest in more than one lot or unit, ~~may be designated the voting member for each lot or unit in which he or it owns an interest is owned~~ cast one vote for each lot or unit in the manner described herein.

2.F. Votes may be cast ~~in person or by proxy~~ by any one of the following methods:

(1) In person.

(2) By proxy. A proxy may be given by any person entitled to vote and shall be valid only for the particular meeting designated in the proxy and any lawfully adjourned meetings thereof and only for the issues listed on the proxy. It must be filed with delivered to the Secretary before the appointed time of the meeting or any adjournment of the meeting. All proxies whether assigned to the Secretary of the Association or any other individual property owner must be delivered to the Secretary not later than four (4) days prior to the annual meeting.

In no event shall any proxy be valid for a period longer than ninety (90) days after the date of the first meeting for which it was given. Every proxy shall be revocable at any time at the pleasure of the person executing it.

(3) By absentee ballot. An absentee ballot may be cast by any person entitled to vote. The completed official absentee ballot form must be delivered to the Secretary not later than four (4) days prior to the annual meeting.

2.G. The order of business at the annual members' meetings and as far as practical at other members' meetings, shall be:

- (1) Calling of the roll and certifying proxies.
- (2) Proof of notice of meeting or waiver of notice.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers.
- (5) Reports of committees.
- (6) Election of directors
- (7) Unfinished business
- (8) New business (including consideration of the budget)
- (9) Report of election results, vote on budget and any other matters
- (10) Adjournment

~~The Chairman of the Board of Directors~~ President shall preside at all meetings. In his absence, the Board shall designate the person to preside.

3. Directors. The affairs of the Association shall be managed by a board of nine (9) directors. All of the powers and duties of the Association existing under the laws of the State of Florida, the Declaration of Restrictions, the Articles of Incorporation and these bylaws shall be exercised exclusively by the Board of Directors, the agents, contractors, or

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employees of the Board of Directors, subject only to the approval by the lot and unit owners when such is specifically required. Such Board of Directors shall act in the name of the Association when and only when duly convened by its Chairman or President, after due notice to all the directors of such meeting.

3. A. ~~The term of each member of the Board of Directors holding office at the time of the first annual meeting of the members shall expire at the time of that meeting. Each director elected at each annual meeting of the members, subsequent to the first one, shall serve for a term of three years, except that three of those elected at the first annual meeting of the membership shall serve for a term of only one year, three for a term of only two years, and three for a term of three years, as determined by lot, immediately following their election. Each term shall extend until the annual meeting of the members in the final year of the term, or until his successor is duly qualified and elected. Directors shall serve three year terms, and until their respective successors are duly qualified and elected. The terms of elected directors shall be staggered. One third of the total number of seats shall be filled by election at the each annual meeting.~~ A director may not serve more than two (2) consecutive three year terms.

(1) Any director may be removed with or without cause by a majority of all the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting. The special meeting of the Association members to recall a member or members of the Board of Directors may be called by ten (10%) percent of the Association members giving notice of the meeting as required for a meeting of the members, and the notice shall state the purpose of the meeting.

(2) Any director who fails to attend three (3) consecutive meetings of the Board, without an expressed reason or reasons considered to be adequate by the Board, will obligate the Board to take action for replacement of that director, including the possible removal of that director from the Board by two-thirds (2/3) vote of the members of the Board present at a Board meeting, if a voluntary resignation is not forthcoming.

3. B. Election of directors shall be held at the annual members' meeting. Each director shall be a member of the Association.

(1) A nominating Committee of five (5) members shall be appointed by the Board of Directors not less than ~~thirty (30)~~ one hundred seventy-five (175) days prior to the annual members meeting. The committee shall nominate at least three (3) candidates each year, plus at least the number of additional candidates needed to fill any vacancies that may exist at the time of the annual meeting. The nominating committee shall submit a written report to the Board of Directors not later than eighty-four (84) days prior to the annual meeting.

(2) Nominations can be made by petition(s) signed by at least twenty-five (25) qualified voting members. Such petition(s) must be delivered to the Secretary not later than seventy (70) days prior to the annual meeting.

(3) Nominations in addition to those made by the Nominating Committee can be made from the floor of the annual members' meeting with prior approval of the nominee.

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(4) Whenever any vacancy on the Board of Directors shall occur for any reason other than removal of a director as provided in Section 3A(1), a majority of the remaining directors then in office, even if the majority is less than a majority of the entire Board of Directors, may fill the vacancy or vacancies so created, by naming a successor ~~until a successor or successors shall be duly elected by the members and shall qualify, who shall hold office for the remaining balance of the three year term.~~

(5) The election shall be by secret, written ballot (unless dispensed with by unanimous consent of the members present). A plurality of the votes cast shall be required for election. Each person voting shall be entitled to cast a vote for each of as many nominees as there are vacancies to be filled. There shall be no cumulative voting.

3.C. The organizational meeting of a ~~Board newly-elected-new~~ with newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the Board of Directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary

(1) The Board of Directors may make such rules and regulations covering ~~this its meeting as it may in its discretion determine necessary~~ deem necessary.

(2) Each director shall have one vote and such voting may not be done by proxy.

(3) Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director, ~~personally in person or~~ by mail, telephone, ~~fax or e-mail~~ telegraph, at least three days (3) prior to the day named for such meeting. All meetings of the Board of Directors shall be open to all lot and unit owners, and adequate notice of all meetings, regular and special, shall be posted ~~conspicuously on common property at the communication center bulletin board~~ at least forty-eight (48) hours in advance, except in an emergency. The minutes of all meetings of the Board of Directors shall be kept in a book available for inspection by lot or unit owners, or their authorized representatives, at any reasonable time. The Association shall retain these minutes for a period of not less than seven (7) years.

(4) Special meetings of the Board of Directors may be called by the President or must be called by the Secretary at the written request of one-third (1/3) of the directors. Except in an emergency, not less than three (3) days notice of the meeting shall be given ~~in person personally or~~ by mail, telephone, ~~fax or e-mail or~~ telegraph which notice shall state the time, place and purpose of the meeting.

(5) A director may waive notice of a meeting before or after the meeting and such waiver shall be deemed equivalent to the giving of notice; the attendance of any director at a meeting of the Board of Directors shall be deemed a waiver of notice, unless the director appears and plainly states for the record that he is appearing at the meeting only to protest the defect in notice.

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(6) A quorum at a directors' meeting shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approved approval by a greater number of directors is required by the Declaration of Restrictions, the Articles of Incorporation or these Bylaws.

(7) 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 until a quorum is present. At any adjourned meeting any business that might have been transacted at the meeting as originally called may be transacted without further notice.

~~(8) The joinder of a director in the action of a meeting by signing and concurring in the minutes of that meeting shall constitute the presence of such director for the purpose of determining a quorum.~~

(8) The presiding officer of the Board of Directors' meetings shall be the Chairman of the Board if such an office has been elected; and if not, the President shall preside. In the absence of the presiding officer the directors present shall designate one of their number to preside.

(9) The order of business at the Board of Director's meeting shall be:

- (1) Calling of roll.
- (2) Proof of due notice of meeting.
- (3) Reading and disposal of any unapproved minutes.
- (4) Reports of officers and committees.
- (5) Election of officers.
- (6) Unfinished business.
- (7) New business.
- (8) Adjournment.

~~(11) The Board of Directors may select an Advisory Committee consisting of three (3) members of the Association. The Advisory Committee shall have no power or authority but shall offer the Board of Directors suggestions and advice regarding the management of the affairs of the Association. The Advisory Committee shall serve at the pleasure of the Board of Directors of the Association.~~

(10) Any action which is required to be or may be taken at a meeting of the directors may be taken without a meeting if consents in writing, setting forth the action to be so taken, are signed by all the directors. The consents shall have the same force and

effect as a unanimous vote of the directors at a meeting duly held. Any signed consent, or a copy thereof, shall be placed in the minute book of the Association.

(11) Directors may participate in and hold a meeting of the Board of Directors or a committee thereof by means of conference telephone or similar equipment pursuant to which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this section shall constitute presence in person at such meeting, except when a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

4. Officers. The executive officers of the Association shall be a President, who shall be a director; a Vice President, who shall be a director; and Secretary/Treasurer, who shall be a director. Separate persons may be named to fill the offices of Secretary and Treasurer, at the discretion of the Board of Directors. The Board of Directors from time to time shall elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

4.A. The officers of the corporation shall be elected by the Board of Directors at the organizational meeting defined in preceding Section 3.C. following the annual meeting of the members of the Association and shall serve at the pleasure of the Board of Directors unless they shall be removed by a majority of the Board of Directors at any regular or special meeting of the Board duly called.

4.B. Any officer may resign as officer at any time. Such resignation shall be made in writing, submitted to the Secretary and shall take effect as is specified in the instrument. Acceptance of resignation shall not be required to make it effective. The Secretary may resign by submitting such resignation in writing to the President of the Association.

4.C. Any vacancy resulting from the removal or resignation of an officer as herein provided may be filled by the Board of Directors at the same meeting.

4.D. The powers, duties and responsibilities of the officers of the Association shall be:

(1) The President shall be the chief executive officer of the Association. ~~He~~ The President shall have all of the powers and duties usually vested in the office of the president of an association including, but not limited to, the power to appoint committees other than the nominating committee, from among the members of the Association. ~~from time to time, as he, in his discretion, may determine appropriate, to assist in the conduct of the affairs of the Association.~~

(2) The Vice President in the absence or disability of the President, shall exercise the powers and perform the duties of the President. ~~He~~ The Vice President also shall assist the President generally and exercise such other powers and perform such other duties as shall be prescribed by the directors.

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(3) The Secretary shall keep the minutes of all proceedings of the directors and the members meetings. ~~He~~The Secretary shall attend to the giving and serving of all notices to the members and directors and other notices required by law. ~~He~~ The Secretary shall have custody of the seal of the Association, and affix it to instruments requiring a seal when duly signed. ~~He~~The Secretary shall keep the records of the Association, and shall perform all other duties incident to the office of secretary of an ~~the~~ Association and as may be required by the Board of Directors or the President.

(4) The Treasurer shall have custody of all monies belonging to the Association, shall be solely responsible for all such monies in accordance with good accounting practices and shall perform all other duties incident to the office of the Treasurer.

(5) The Assistant Treasurer shall be the Community Association Manager who shall act for the Association under written agreement with the board of directors. This person shall be licensed as a Community Association Manager under the laws of the State of Florida.

4.E. The Board of Directors and Officers shall serve without compensation. However, subject to approval by the Board, they may be reimbursed for expenses incurred in the course of their duties as related to the Association.

~~5. Actions Affecting Developer. If Punta Gorda Developers, Inc. holds lots or units for sale in the ordinary course of business, none of the following actions may be taken by the Association members or the Board of Directors, without approval in writing by Punta Gorda Developers, Inc.:~~

~~5.A. Assessment of Punta Gorda Developers, Inc. as a lot or unit owner for capital improvements.~~

~~5.B. Any action that would be detrimental to the sale of lots or units by Punta Gorda Developers, Inc. However, an increase in assessments for common expenses without discrimination against Punta Gorda Developers, Inc. shall not be deemed to be detrimental to the sales of units or lots.~~

5. Fiscal Management. The provision for fiscal management of the Association set forth in the Declaration of Restrictions and Articles of Incorporation shall be supplemented by the following provisions:

5.A. The receipts and expenditures of the Association shall be credited and charged to accounts under the following appropriate classifications, all of which expenditures shall be common expenses.

(1) Current expense, which shall include all receipts and expenditures within the year for which the budget is made including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves, to additional improvements or to operations. The balance in this fund at the end

of the year shall be applied to reduce the assessments for current expense for the succeeding year.

~~_____ (2) Reserve for deferred maintenance and replacement which shall include funds for maintenance items that occur less frequently than annually.~~

(2) Reserves

_____ (a) Deferred maintenance which shall include funds for maintenance items that occur less frequently than annually.

_____ (b) Replacement which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.

_____ (c) Capital improvements which shall include the funds to be used for expenditures for additional improvements or property that will be part of the common area. In no case will this exceed ten thousand dollars (\$10,000).

~~_____ (3) Reserve for replacement, which shall include funds for repair or replacement required because of damage, depreciation or obsolescence.~~

(3) Betterment's, Improvements, major repairs or replacements which shall include the funds to be used for capital expenditures for additional improvements or additional personal property that will be part of the common area, major repairs or replacements the amount for which individually shall not exceed ten thousand dollars, (\$10,000) unless approved by a majority of those voting in person or by limited/directed proxy at an annual meeting of the Association; provided, however, that in the expenditure of this fund no sum shall be expended for a single item or purpose without approval of a majority of the members of the Board of Directors. The question to be voted upon shall be accompanied by a detailed breakdown of the projected costs, a statement of operating costs for the first five years and of the proposed method of funding. Funds spent for the purpose of preparing plans and providing estimates shall not exceed five thousand dollars, (\$5,000). Such funds will be expended from the operating budget until such time as the project is funded.

In case of emergencies, major repairs or replacements exceeding the ten thousand dollar, (\$10,000), may be expended from the operating budget upon approval of the majority of the board of directors.

(3) Operation, the amount of which may be to provide a working fund or to meet casualty or operating loss.

5B. The Board of Directors shall mail a meeting notice and copies of the proposed annual budget of common expenses to the unit owners not less than thirty (30) days nor more than sixty (60) days prior to the annual meeting at which the budget will be considered. The proposed annual budget of common expenses shall be detailed and shall show the amounts budgeted by accounts and expense classifications, including, if

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applicable, the accounts classifications listed above. In addition to annual operating expenses, the budget shall include reserve accounts for capital expenditures and deferred maintenance: improvements, major repairs, replacements, and working funds to meet casualty, or operating losses. This provision shall not apply to budgets in which the members of the Association have determined by a two-thirds (2/3) vote at a duly called meeting of the Association for a fiscal year, to provide no reserves, or reserves less adequate than are required by this and other provisions of these Bylaws.

5C. The Association's membership shall adopt the budget at the annual meeting.

5D. Assessments against the lot and unit owners of Cypress Village for their shares of the items of the budget shall be made for the fiscal year annually on or before October 30th of the fiscal year for which the assessments are made. Such assessments shall be due in one (1) annual installment not later than sixty (60) days after the beginning of the fiscal year for which assessments are made. If an annual assessment is not made as required, an assessment shall be presumed to have been made in the amount of the last prior assessment and payment of such assessment shall be due as though such assessment had been duly made on or before October 30th. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the affirmative vote of a majority of the Board of Directors and after proper notice to members, payments of the additional assessment shall be due not later than sixty (60) days after the amended assessment is made.

5 E. If a lot or unit owner shall be in default in the payment of an assessment or any installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the lot or unit owners, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the lot or unit owner, or not less than twenty (20) days after the remaining of such notice to him by registered or certified mail, whichever shall first occur.

5 F. If the assessments are not paid on the date when due, then such assessment shall become delinquent and shall, together with interest, and late fees, thereon, become a continuing lien on the lot or unit which shall run with the land. The personal obligation of the then lot or unit to pay such assessment shall not be affected by any conveyance or transfer of title to said lot.

5. G. If the assessment remains unpaid thirty (30) days after its due date, the assessment shall bear interest from the date due at the maximum percentage rate permitted by law, but not in excess of ten (10%) percent. In addition, a late fee, may be levied for the purpose of recouping costs associated with the mailing of delinquent account statements. The Association may bring an action at law against the lot or unit owner personally obligated to pay the same and/or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of collecting the same foreclosing the lien therefor, including reasonable counsel fees.

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5.H. The assessments, together with such interest thereon and costs of collection thereof as is hereinafter provided, shall be a charge and continuing lien upon the lot or unit against which such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as is hereinafter provided, shall also be the personal obligation of the persons owning such lot or unit at the date when the assessment becomes payable.

5. I. The following property shall be exempt from the assessments, charge and lien created herein; (a) all properties to the extent of any easement or other interest therein dedicated and accepted by the local public authority and devoted to public use, (b) all common area, and (c) all properties exempted from taxation by the laws of the State of Florida, upon and to the extent of such legal exemption as such exemption may exist from time to time.

5.J. Special assessments for emergency expenses that cannot be paid from the annual assessments or reserves shall be made only after notice of the need for such is given to the lot or unit owners concerned. After such notice and the holding of a special members meeting and upon approval in writing by members entitled to cast more than one-half (1/2) of the votes concerned, fifty (50%) percent plus one, of the voting interests represented at the meeting, in person or by proxy. the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors of the Association may require in the notice of assessment.

5. K. The Depository of the Association shall be such bank, banks or federally insured savings and loan associations as shall be designated from time to time by the Board of Directors and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the Board of Directors.

5. L. A review of the accounts of the Association shall be made annually by an accountant selected by the Board. ~~and a copy of the review report~~ Substantial and significant details shall be furnished mailed to each member ~~upon request~~ not later than ninety days following of the year following the fiscal year for which the review is made. ~~This provision shall take effect after transfer of the Association control.~~

5M. Fidelity Bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Board of Directors, but shall not be less than one-half (1/2) of the amount of the total annual assessments against members for common expenses. The premiums on such bonds shall be paid by the Association.

5.N. The compensation of all employees of the Association shall be fixed by the Board of Directors.

5.O. Notwithstanding anything contained herein above to the contrary, the Association shall have authority to acquire title to real property. By virtue of the adoption

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of this provision, as evidenced by amendment recorded on 12/8/93 in O. R. Book 1010 Page 1281, Public Records of Citrus County, Florida, Cypress Village Property Owners Association, Inc., is empowered to acquire title to real property located at the entrance way to SUGARMILL WOODS SUBDIVISION, CYPRESS VILLAGE, including, but not limited to, lots 1-8, inclusive, of Block B-139 and lots 1-7, inclusive, of Block B-1, according to the Plat thereof, together with a parcel described as Parcel 10, not lying within the subdivision consisting of approximately 8 acres lying immediately adjacent to U.S. Highway 19, upon which a business/sales office of Sugarmill Woods, Inc., was formerly located. Approval of acquisition of the described properties is conditioned upon, and subject to the condition that Cypress Village Property Owners Association, Inc. holds title to the described platted lots as Common Areas, as described in paragraph 22 (Amended Declaration of Restrictions), and further provided that Cypress Village Property Owners Association, Inc. uses the described 8 acre parcel for conduct of the affairs of the Association in its normal business. The purchase price and all costs and expenses of acquiring the described properties, together with the expense of maintaining, repairing and replacing the property, or otherwise dealing with the property, as permitted by this Declaration, shall be deemed a common expense among all lot and unit owners located within Sugarmill Woods Subdivision, Cypress Village, as further provided by paragraph 22 (Amended Declaration of Restrictions) and as provided by the Bylaws of Cypress Village Property Owners Association, Inc. By adoption of this provision, it is the intent of the membership to not only clearly specify that such expenses are proper common expenses, but also to ratify and approve a special assessment levied by Cypress Village Property Owners Association, Inc. against its membership for these purposes, and for said Association's reallocation of existing reserve funds, to be used in part for such acquisition.

6. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Declaration of Restrictions, Articles of Incorporation or these Bylaws.

7. Amendments. Except as elsewhere otherwise provided, these Bylaws may be amended by including notice in writing of the subject matter of a proposed amendment with the notice of any meeting at which a proposed amendment is considered. The proposal to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text with underlines, and words to be deleted shall be lined through with hyphens. However, if the proposed change is so extensive that this procedure would hinder, rather than assist, the understanding of the proposed amendment, it is not necessary to use underlining and hyphens as indicators of words added or deleted, but, instead a notation must be inserted immediately preceding the proposed amendment in substantially the following language: "Substantial rewording of Bylaws. See Bylaw.....for present text." Nonmaterial errors or omissions in the Bylaw process shall not invalidate an otherwise properly promulgated amendment.

7.A. A resolution for the adoption or of a proposed amendment may be proposed by either the Board of Directors of the Association or by a written petition signed by not less than one hundred (100) of the voting members of the Association. Directors and

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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.

7.B. Adoption of amendments to the Bylaws must be by both:

(1) The affirmative vote of the Board of Directors at a regularly scheduled meeting of the Board; and

(2) The affirmative vote of more than fifty (50%) percent of the voting interests represented at an annual members meeting.

7.C. Provided, however, that no amendment shall discriminate against any lot or unit owner nor against any lot or unit or class or group of lots or units, unless the owners so affected shall consent; and no amendment shall change any lot or unit or decrease the share in the common elements appurtenant to it, unless the record owner of the lot or unit concerned and all record owners of the mortgages on such lot or unit shall join in the execution of the amendment.

7.D. A copy of each amendment shall be duly attached to a certificate certifying that the amendment was duly adopted, which certificate shall be executed by the President or Vice President of the Association and the amendment shall be effective when such certificate and copy of the amendment are placed in the minute book of the Association.

8. Arbitration. There shall be voluntary binding arbitration of internal disputes arising from the operation of the Association and/or its property, among developers, unit or lot owners, the Association, and their agents and assigns.

President,

Secretary,

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