

**BAY LAKE ESTATES ASSOCIATION, INC.
A CORPORATION NOT-FOR-PROFIT**

**RULES AND REGULATIONS
(as of 9/18/2018)**

(Condensed: Please refer to Declaration of Maintenance Covenants and Restrictions Document)

1. Membership in Bay Lake Estates Association, Inc. is automatic upon acquisition of the fee simple title to any Bay Lake Estates property and shall automatically terminate upon sale or transfer of title to property. All Owners of property are required to maintain membership in good standing.
2. The owner of each property, whether the property is owned by one or more persons, is entitled to ONE VOTE per lot. If more than one person holds an interest in any one lot, the owners shall designate one individual as the voting person for that lot.
3. The Association has the power to enforce covenants and restrictions, levy the annual maintenance assessment, and to set Rules & Regulations, Policies, Procedures, Fines and Enforcement Procedures for Violations.
4. The Association shall collect the Annual Assessment (costs of operating the Association) in monthly installments. The Association can file a lien against and if necessary force foreclosure on any lot for non-payment of assessments or fines; interest and court charges may also be applied.
5. The Association must approve all transfers or leases of property within the Subdivision except transfers to a co-owner or to a spouse, parent or child of an owner. Lease periods of less than twelve (12) months are not permitted. A portion of a residence shall not be leased, roomed out, or sublet.
6. Prospective lessees or buyers (including all prospective occupants) shall complete and file, with the Management Company, an Association Membership Application. Association approval or disapproval shall be made in writing and given within ten (10) days after receipt of the notice and a completed application. Failure of the Association to act within ten (10) days after receipt of the notice and application constitutes approval. Homeowners are responsible for notifying the Transfer Committee of pending sales or leases.

LEASES

The following will apply when a Bay Lake Estates (BLE) member notifies the HOA that they intend to rent their home to someone other than an immediate family member or another member of BLE. These rules are intended to implement Item 31 of the Revised Declarations of Maintenance Covenants and Restrictions (Declarations) adopted August 2013. The BLE Board of Directors (Board) shall also create additional detailed policies and procedures to further implement these rules.

a. No lease can be for a period of less than one year.

b. An applicant must submit a fully completed application to the BLE designated Property Management Company (Management Company). The date on which a fully completed application and required fees are received by the Management Company is the "application date." No leases are permitted unless approved by the Board or if the Board allows, the Transfer Committee. The Transfer Committee must issue a decision within 8 business days of the application date. The Board may overrule a decision by the Transfer Committee, as long as it is done within 10 business days of the application date.

c. At the time of application, the Management Company shall provide the applicant with a copy of BLE rules and answer any questions. Certain items should be highlighted such as prohibited vehicles, permitted storage of vehicles, trailers, boats, etc., pets, single family residential use, and nuisances. The applicant and/or member shall provide the following to the Management Company at the time of the application and the Management Company shall notify the President of the Board of the application:

- 1) A fully completed, dated, and signed application.
- 2) A full payment for the costs of a credit check and background check.
- 3) Identification and background information regarding the lessees and other proposed occupants of the home necessary to conduct a criminal, credit, and background inquiry. At a minimum this would include full name, aliases (maiden names, previous married names), date of birth, place of birth, social security number, previous residences in the last 10 years, and Government Issued Identification.
- 4) Information to cooperate that the lessee will have the ability to pay rent for the minimum lease term of one year and their other ordinary living expenses.
- 5) Names, addresses, and phone numbers of employers for the preceding 3 years. W-2s and / or 1099s to validate receipt of income may also be requested after review of the application by the Transfer Committee.

6) If the applicant is self-employed and not retired, 3 years of signed tax returns may be requested.

7) Three references who have known the applicant for at least 3 years, to verify the applicant's good moral character and financial responsibility.

8) Make, model, year, and description of all vehicles, trailers, motorcycles, trucks, ATVs, and commercial vehicles.

9) Description of any pets.

10) Bankruptcy filings within the last 7 years.

11) Proof of citizenship or legal immigration status.

12) Based upon the initial application and interview (if one is needed) additional information may be requested to verify information provided by the applicant.

d. The Management Company shall provide the completed application packet and the background check results to the Transfer Committee Chairman within 4 business days of the application date. This may be accomplished by e-mail.

e. The Transfer Committee Chairman or Management Company must forward a copy of the application and related documents to all active members of the Transfer Committee within one business day. This may be accomplished by e-mail.

f. Follow-up questions of the applicant may be routed from the Transfer Committee to the applicant via the Management Company.

g. In some cases an interview of the applicant may be required, but interviews should only be conducted when there is an articulated reason that the required information could not be obtained expeditiously via the Management Company.

h. The results of all interviews should be documented in writing and maintained as part of the HOA's official records.

i. If an applicant makes a verbal or written materially false statement or fails to cooperate in the application process, they shall be permanently prohibited from leasing property in BLE.

j. The Transfer Committee members shall review the application in accordance with the policy and procedures established by the Board. Their decision whether to approve the lease must be unconditional and based on the policies. They should articulate the reason for their final decision in writing to the Chairman. Their decision must be sent to the Chairman of the Transfer

Committee within 7 business days of the application date.

k. The Chairman shall calculate the majority opinion of the Committee and advise the Board in writing within 8 business days of the application date.

l. The Board may override the decision of the Transfer Committee, but the decision must be within 10 business days of the application date. The Board should not override the Committee decision unless there is clear evidence of error or there is a clear risk of civil liability to the HOA that may result from the Committee's decision.

m. The Board or the Transfer Committee, whichever is applicable, shall transmit their final decision in writing to the Management Company and a brief statement of the basis for the decision.

n. If the lease is approved, then the Management Company shall arrange for the issuance of a Certificate of Approval and provide it to the member/applicant.

o. If the lease is disapproved, then the Management Company shall issue written notice of disapproval with a brief statement of the basis for the decision, eg. bad credit, criminal conviction, etc. to the applicant/ member.

n. If the owner leases their property but fails to provide notice and/or obtain approval, then the Board must issue a decision within 30 days of discovery of such a lease. The Board must then initiate legal proceedings within 6 months, if they choose this course of action.

o. The Management Company, Board, and the Transfer Committee members shall not divulge the applicant's DOB, Social Security Number, or other financial and tax information to persons, other than law enforcement personnel for a valid law enforcement purpose.

p. A member who desires to rent their residence must be in good standing with BLE. For the purposes of this rule, "good standing" means the member is current on all assessments or fee payments and may not already be in violation of any other restriction, bylaw, rule, or regulation.

q. Regarding conflict of interest issues, no member of the Transfer Committee may be currently employed as a licensed real estate agent. If a member of the Transfer Committee has a conflict of interest, then that Transfer Committee member shall be recused from the matter and the Board President may appoint a replacement. Any Board member who has a conflict of interest

shall be recused from the matter.

r. For the purposes of this rule, a member's direct or indirect financial interest in the lease, a familial relationship to the member/lessor or the applicant, or being listed as a reference on the application will constitute a conflict of interest.

SALES/ TRANSFER OF OWNERSHIP

The following rules apply when a Bay Lake Estates (BLE) member notifies the HOA that they intend to sell or transfer ownership of their BLE property to someone other than an immediate family member or to another member of BLE. These rules are intended to implement Item 31 of the Revised Declarations of Maintenance Covenants and Restrictions (Declarations) adopted August 2013. The BLE Board of Directors (Board) shall also create additional detailed policies and procedures to further implement these rules.

a. An applicant must submit a fully completed application to the BLE designated Property Management Company (Management Company). The date on which a fully completed application and required fees are received by the Management Company is the "application date." No transfers are permitted unless approved by the Board or if the Board allows, the Transfer Committee. The Transfer Committee must issue a decision within 8 business days of the application date. The Board may overrule a decision by the Transfer Committee, as long as it is done within 10 business days of the application date.

b. At the time of application, the Management Company shall provide the applicant with a copy of BLE rules and answer any questions. Certain items should be highlighted such as prohibited vehicles, permitted storage of vehicles, trailers, boats, etc., pets, single family residential use, and nuisances. The applicant and/ or member shall provide the following to the Management Company at the time of the application and the Management Company shall notify the President of the Board of the application:

- 1) A fully completed, dated, and signed application.
- 2) A full payment for the costs of a credit check and background check.
- 3) Identification and background information regarding the transferee and other proposed occupants of the home necessary to conduct a criminal, credit, and background inquiry. At a minimum this would include full name, aliases (maiden names, previous married names), date of birth, place of birth, social security number, previous residences in the last 10 years, and Government Issued Identification.
- 4) Information to cooperate that transferee will have the ability to meet

their financial obligations to the HOA.

5) Names, addresses, and phone numbers of employers for the preceding 3 years. W-2s and / or 1099s to validate receipt of income may later be requested.

6) If the applicant is self-employed and not retired, 3 years of signed tax returns may be required under certain circumstances.

7) Three references who have known the applicant for at least 3 years, to verify the applicant's good moral character and financial responsibility.

8) Make, model, year, and description of all vehicles, trailers, motorcycles, trucks, ATVs, and commercial vehicles.

9) Description of any pets.

10) Bankruptcy filings within the last 7 years.

11) Proof of citizenship or legal immigration status.

12) Based upon the initial application and interview (if one is needed) additional information may be requested to verify information provided by the applicant.

c. The Management Company shall provide the completed application packet and the background check results to the Transfer Committee Chairman with in 4 business days of the application date. This may be accomplished by email.

d. The Transfer Committee Chairman/Management Company must forward a copy of the application and related documents to all active members of the Transfer Committee with in one business day of receipt. This may be accomplished by email.

e. Follow-up questions of the applicant may be routed from the Transfer Committee to the applicant via the Management Company.

f. In some cases an interview of the applicant may be required, but interviews should only be conducted when there is an articulated reason that the required information could not be obtained expeditiously via the Management Company.

g. The results of all interviews should be documented in writing and maintained as part of the HOA's official records.

h. If an applicant makes a verbal or written materially false statement or fails to cooperate in the application process, they shall be permanently prohibited from becoming a member of BLE, as such an act would indicate clear evidence of a lack of good moral character.

i. The Transfer Committee members shall review the application in accordance with the policy and procedures established by the Board. Their decision whether to approve the applicant must be unconditional and based on the policies. They should articulate the reason for their final decision in writing to the Chairman. Their decision must be sent to the Chairman of the Transfer Committee within 7 business days of the application date.

j. The Chairman shall calculate the majority opinion of the Committee and advise the Board in writing within 8 business days of the application date.

k. The Board may override the decision of the Transfer Committee, but the decision must be within 10 business days of the application date. The Board should not override the Committee decision unless there is clear evidence of error or there is a clear risk of civil liability to the HOA that may result from the Committee's decision.

l. The Board or the Transfer Committee, whichever is applicable, shall transmit their final decision in writing to the Management Company and a brief statement of the basis for the decision.

m. If the applicant is approved, then the Management Company shall arrange for the issuance of a Certificate of Approval and provide it to the member/ applicant.

n. If the applicant is not approved, then the Management Company shall issue written notice of disapproval with a brief statement of the basis for the decision, eg. bad credit, criminal conviction, etc. to the applicant/ member.

o. If the owner sells their property but fails to provide notice and/or obtain prior approval, then the Board must issue a decision within 30 days of discovery of such a transfer. The Board must then initiate legal proceedings within 6 months, if they choose this course of action.

p. The Management Company, Board, and the Transfer Committee members shall not divulge the applicant's DOB, Social Security Number, or other financial and tax information to persons, other than law enforcement personnel for a valid law enforcement purpose.

q. Regarding conflict of interest issues, no member of the Transfer Committee may be currently employed as a licensed real estate agent. If a member of the Transfer Committee has a conflict of interest, then the Transfer Committee member shall be recused from the matter and the President shall appoint a substitute. Any Board member who has a conflict of interest shall be

recused from the matter.

r. For the purposes of this rule, a member's direct or indirect financial interest in the transfer, a familial relationship to the member or the applicant, or being listed as a reference on the application will constitute a conflict of interest.

7. All covenants and restrictions shall run with the land and are binding upon the heirs, executors, administrators, legal representatives, successors and assignees.

8. No lot can be subdivided or sold, except as a whole.

9. Lots can be used only for single-family residential dwellings. Other than an in-home business office, no member's home shall be used for any type of commercial activity. No external signs, commercial shipping deliveries, or customer visitations are permitted. The use of any dwelling for home occupation or home-based business shall be clearly incidental and subordinate to use for residential purposes and shall under no circumstances change the residential character of the community. There shall be no change in the outside appearance of the dwelling or other visible evidence of such a home based business.

10. Every residence must have address numbers no less than three inches in height in contrasting color attached to the residence and placed so as to be visible from the street.

11. The Association is responsible for the maintenance of lawns and landscaping, underground sprinkling system, lakes, and supplying common lightning for the Subdivision. Owners are responsible for maintaining the interior and exterior of individual residences.

12. All dwelling houses shall be constructed of new and durable materials including vinyl siding, except used brick may be utilized. Specifically, vinyl siding may be used to replace wood siding on the exterior of existing residences. The design must be harmonious with existing structures on comparable locations within the subdivision. Any proposed changes to existing structures shall comply with these same new construction rules. All proposed changes to the exterior of member's homes must be approved in advance by the HOA Architectural Review Committee using these rules.

13. No perimeter fencing shall be permitted. No landscape plantings or screening shall be permitted that signify adjacent property lines or that interferes with lawn care, utility maintenance or lake access.

14. All refuse/trash containers, outside clotheslines, water softening and filtration equipment, playground equipment and other similar items must be hidden from view of all neighborhood lots.

15. No trailers, boats, campers, trucks, commercial vehicles or other vehicles or equipment may be parked or stored exposed to the neighbors except:

- a. non-commercial , usable private automobiles
- b. private use pick-up trucks and SUVs not to exceed ¾ ton capacity, with 4 wheels, two axles, and be of Original Equipment Manufacturer (OEM) construction.

Commercial vehicle is defined as any vehicle displaying logos, lettering, and/or graphics, or any vehicle so equipped with racks, fixtures, devices, or appurtenances reasonably associated with commercial activity, whether or not the vehicle is actually used for a commercial purpose.

16. No exterior storage sheds, temporary structures or temporary out-buildings of any type are permitted.

17. Signs. No signs of any type may be displayed to the public view from any lot except for the following:

- a. One sign of no more than 1 square foot advertizing that a security system has been installed at that residence. Such sign must be within 20 feet of the front porch.

- b. One sign of no more than 1 square foot advertising a "Neighborhood Watch" program. These signs shall be in no more than 4 places in BLE and the locations shall be designated by the Board.

- c. One sign advertizing a garage sale, but it may not be used more than twice per year and more than 3 days on each of those occasions. Signs must be removed by the member once the sale is over.

- d. One sign of no more than 1 square foot advertizing that an invisible dog fence is being utilized at the member's location.

18. Parking on any unpaved area is not permitted.

19. Animals. Members may posses and train Dogs and Cats, but not breed them. In connection with permitted domestic pets, the same are limited in

number to a total of three, with a maximum of two of which may be dogs, and shall be kept in a manner or to an extent so as to not constitute a nuisance to neighboring lots and as long as the owner complies with BLE pet rules and regulations and Manatee County Animal Ordinances. While outside, members must immediately clean up all feces left by their pets.

Members who own more than 3 pets at the time of the adoption of the new rule #19 change setting the limit of pets to 3, who have more than 3 pets, will not be considered in violation by virtue of the fact that they own more than one pet. Thereafter, they must not acquire any more pets or attempt to replace a pet, when such action would cause the member to exceed the dog and cat limits set in the newly adopted rule #19.

Dogs that are otherwise permitted by the rules must be on a leash at all times while outside the member's residence, unless the member utilizes a fully functioning "invisible electric" fence system. The owner shall post a sign, visible to persons walking in the street in front of their property, no larger than 1 foot in diameter, on their property providing notice that they are utilizing an invisible fence. If the system fails to control the pet, then the member will no longer be permitted to use the invisible fence as an alternative to a leash for any pets.

20. No Subdivision property or dwelling shall be used for any type of commercial activity (other than noted in no 9 above).

21. No activity shall be permitted on any lot that, in the sole judgment of the Board of Directors, is deemed to be or become an annoyance or nuisance to the neighborhood.

22. Lakes are not to be used for any purpose other than fishing, and then only by Members and their guests, at their own risk.
Decks or docks, whether connected to the land or free floating, are not permitted.

23. Lawns backing to lakes are not to be fertilized by homeowners. Excessive fertilization run-off increases lake maintenance costs due to increased algae and grasses and harms fish populations.

24. The Association reserves the utility, drainage, and other easements in the subdivision for maintenance access.

25. The annual meeting of the membership of Bay Lake Estates Association, Inc. shall be held at the office of the Association, or any other suitable place as designated by the Board of Directors, at 7:30 P.M. on the second Tuesday in

February of each year for the purpose of electing directors. Members may nominate themselves to serve on the Board of Directors.

26. The Board of Directors of Bay Lake Estates Association, Inc. consists of five: (5) directors. The officers shall consist of a President, Vice-President, Treasurer, and Secretary.

27. The Board of Directors is responsible for adopting the budget of the Association for each fiscal year, which begins on the first day of January.

28. The Association requires your cooperation in adhering to Florida Law by not feeding the wildlife.

29. Antenna / Satellite Dish . Radio antennae masts are not allowed. All other over -the -air television communication antennae / dishes shall conform to rules set forth in the FCC Telecommunications Act of 1996. Such satellite antennae or dishes shall be placed on the back of the roof of the home, unless such would impose an undue economic hardship to the member. Members shall obtain HOA approval before installing such devices and the HOA decision shall be issued expeditiously.

30. Pools, Lanais, & Patios. Pools, lanais, and patios are generally permitted only if they are connected to the home and meet setback provisions in these rules. Decks are not permitted. For the purposes of this rule, a patio is defined as a platform consisting of concrete, stone, or rock foundation such that there is no space between such foundation and the ground. A deck is defined as a platform having space between such platform and the ground.

31. Pools, Lanais, & Patios – Setbacks.

On lake side lots, pools, lanais, and patios that extend within 25 feet of the lake edge (which would normally violate our Declarations and rules), must not extend within 10 feet of the lake edge as measured at the time of the ARC request. For the purposes of these Rules, a lake edge is defined as the low tide water line on the lake edge or the top of a previously approved retaining wall or rip rap on such a lake edge.

On non-lake side lots, pools, lanais, and patios that extend within 20 feet of the rear property line, must not extend within 10 feet of the rear property line.

In the case of an otherwise permitted pool, lanai, and patio, landscaping cannot be added to the back of the lot in such a manner as to interfere with mowing equipment accessing that area of the property.

Pools are not permitted in the front or sides of any lot.

32. Enclosures. Enclosures are only permitted if connected to the home and for the purposes of concealing HVAC units, pools pumps, pool heaters, propane tanks, garbage cans, chemicals (permitted by Manatee County), water valves, electrical breaker boxes, and other items that the rules require to be concealed from the view of neighbors.

Enclosures on the side of a home may not extend beyond the front edge or back edge of the home. The size of the enclosure is limited to the area reasonably required to access, maintain, or handle items inside the enclosure. Enclosures are not to be used as "dog runs."

Enclosures must be tall enough to conceal the items inside from view by the neighbors. If doors are required, then they must be included.

Enclosures with a permanent roof and connected to the home are considered structures by the county and must meet additional county code requirements. Such structures must comply with all setback requirements for homes in our rules as stated in No 15 of our Declarations. So they cannot be within 8 feet of the sides of the lot, within 20 feet of the rear property lines, or 25 feet of the lake edge, or 25 feet from the front property line.

Retractable blinds providing shade for pool pump equipment are permitted as long as they are below the top edge of the enclosure and not within view of the neighbors.

33. Structures and Irrigation. For the purpose of these Rules, the HOA defines a structure to include the same items as defined by Manatee County and additionally the following: pools, lanais, enclosures, and patios. Structures, otherwise permitted by these rules, are not to be placed over any irrigation lines. Irrigation lines, other than main lines, can be relocated at the expense of owners to comply with these rules and to accommodate an otherwise permitted structure. A main irrigation line is defined for the purposes of these rules as one that is 4 inches in diameter or larger. It is the responsibility of the owners to locate with reasonable certainty all main irrigation lines before submitting an ARC request for a structure that could possibly be over a main irrigation line.

34. Erosion abatement.

Members are required to maintain their lake edge to avoid serious erosion. For the purposes of this rule, serious erosion is defined as erosion that

threatens the stability of existing irrigation lines, HOA electrical posts, and any existing structures on the property. An acceptable method of abatement is one approved by a licensed engineer with expertise in the relevant subject matter and approved by the HOA ARC. Alternatives approved in the past include sea walls, rip rap, and poured concrete in the bank edge.

VIOLETIONS AND ENFORCEMENT PROCEDURES

The following is based on Florida State Statue 720.305

Dated 11/1/17

1. The Board of Directors must appoint a "Violation Hearing Panel" having at least three members. These members shall not be related to Board Members or Officers. A person sent a Notice of Violation and/or fine has the right to be heard by the Violation Panel, which may by majority vote, waive the fine.
2. A fine may not be levied for a period of fourteen (14) days after Notice of Violation has been issued.
3. One notice of a continuing violation is sufficient to result in multiple fines if the violation is repeated.
4. Maximum per day fine allowed is \$100.00 per violation. A fine may be levied on the basis of each day of a continuing violation with a maximum of \$15,000.00 per violation.
5. If the Documents allow, and ours do, the voting right of a violator may be suspended.
6. In the event that a fine may exceed \$1,000.00 for a particular violation, then the President of the Board (or the Vice President in his absence) shall appoint 7 members to a panel referred to as the "Extraordinary Fine Review Panel." If at least 3 members of the Board indicate in writing to the President that they wish for the appointment of the members of the Extraordinary Fine Review Panel to be approved by the Board, then a Board member must call for a meeting where these appointments will be approved by a majority vote of those Board members present. The President shall compile a list of potential members and the Board will vote on each member in the order that the President places them on the list. Once the list is complete, one alternate will be chosen by majority vote, as well. Notice of a request by a Board member to have the Board approve all appointments to the Panel must be received by the President no later than the day after the initial fine of \$100/day commences.

Board members, the original complainant, members who have unpaid assessments, and members who are witnesses are not eligible to be on the Panel. The President and the Board should make every effort to appoint members who are not biased against the member who is the subject of the potential fine.

The Panel may reduce a fine below the maximum initially set by the Board and Approved by the Violations Hearing Panel (if one was used), but it may not increase the fine above the amount previously set.

It is the responsibility of every member to be knowledgeable of the restrictions as set forth in the Declarations of Maintenance Covenants and Restrictions of Bay Lake Estates Association, Inc. and abide by them. Notices of Violations will be issued beginning January 1, 2002, based on those restrictions. Fines for all violations, unless corrected within the 14-day period, will be \$100.00 per day beginning the 15th after citation.

These Rules and Regulations were recommended for adoption on October 8th, and approved by the Board of Directors of Bay Lake Estates Association, Inc., on the 9th day of October 2001, and subsequently amended by the Board on November 3, 2012, August 13, 2013, October 8, 2013, June 10, 2014, November 2, 2015, November 1, 2017, and September 18, 2018.