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SECOND AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HERITAGE KEY VILLAS

These developer approved amendments via the authority reserved by Developer in Section 20.1 of the Declaration of Covenants, Conditions, and Restrictions for Heritage Key Villas ("Declaration") in Public Records of Osceola County, Florida of Book 3053, Page 1388 are amended as follows:

Section 3.1(b) of the Declaration is amended as follows:

(b) Leasing and Rental. The right of an Owner to lease or rent Owner's Unit shall not be subject to the approval of Association; however, any lease or other occupancy arrangement will be deemed to be an acknowledgment and consent on the part of the occupant to use, occupy, and possess such Unit in conformance and compliance with the Governing Documents. Owner shall be responsible for providing a copy of the Governing Documents to the occupant of Owner's Unit prior to execution of the lease or prior to any other occupancy arrangement. All lease and other occupancy arrangements also shall be deemed to contain a provision requiring that any sums due to Association as assessments must be deducted from the gross rentals and paid directly to Association.

No Owner may assign or otherwise transfer Owner's obligations under this Declaration to any occupant. Association shall have the right to enforce the Governing Documents against Owner, occupant, or any member of occupant's household; individually or collectively. Association shall not be bound by any provision in the lease other occupancy arrangement between Owner and Owner's occupant, including those requiring prior notice or imposing other conditions on the rights of Association.

Association shall be deemed a third party beneficiary of all leases and other occupancy arrangements for Units, and shall have the right, but not the obligation, to enforce such leases and rental arrangements against the occupant or Owner. Notwithstanding the foregoing, Association's failure to object to any term or condition of a lease or other occupancy arrangement, nor shall Association have any obligation whatsoever for the performance of any obligation of Owner or occupant in the lease, other occupancy arrangement, or otherwise.

After closing, each Owner may have the option, but not the obligation, to enter into a rental management agreement with any rental agent of Owner's choosing, for the right to rent a Unit as a transient accommodation. The terms and conditions of any rental management agreement will be agreed on between each individual Owner and the Person with whom the Owner contracts. It is not known how many Units will be subjected to rental management agreements. Please also refer to other provisions of the Governing Documents, which contain certain provisions regarding an Owner's ability to lease or rent Owner's unit.

The rental of Units is permitted under this Declaration. Do not buy a Unit without an expectation of transient occupancy that may include nightly rentals.

Developer makes no representations whatsoever regarding short term rentals, renal rates, or the ability to rent the Units. The purchase of a Unit should be based on its value to the

and a copy of the lease. Written notice of a prospective tenant is required for the leasing of a Unit shall be made in the following manner:

- 1) A Unit Owner intending to make a bona fide lease of his/her Unit shall give to the Association notice of such intention, together with the name and address of the intended lessee, such other information concerning the intended lessee as the Association may reasonably require and an executed copy of the proposed lease.
- 2) Within ten (10) days after receipt of such notice and information provided by the Unit Owner to the Association, the Association may, but is not required to, either approve or disapprove of the proposed lease of the Unit. If approved, the approval shall be by a certificate in a non-recordable form executed by the Association. Among other viable reasons, the Association shall have the right to use as grounds for disapproval of any lease the fact that the Unit Owner is currently delinquent in the payment of an assessment at the time approval is sought. If the Association takes no action within ten (10) days of receipt of notice and information provided by the Unit Owner, the lease will be deemed approved.
- 3) The Associations shall require the deposit of \$50.00 as a reasonable screen fee simultaneously with the giving of notice of intention to lease for the purpose of defraying the Association's expense and providing for the time involved in determining whether to approve or disapprove the lease. The screening fee may be adjusted from time to time and shall be a reasonable fee to be set from time to time by the Association, which shall not exceed the maximum fee allowed by law.
- 4) Unauthorized leases Any lease disapproved pursuant to the terms of this Declaration or not noticed to the Association shall be voidable unless subsequently approved by the Association or otherwise cured by the terms of this Declaration.
- 5) If the Association shall disapprove a lease, the Unit Owner shall be advised of the disapproval in writing, and the lease shall not be made or, if previously executed by the parties, shall be null and void and of no further effect.
- 6) As to leases in effect in the Association at the time of adoption of this section, all leases shall undergo the approval process within thirty (30) days of the date of recording of this section. Any leases not submitted for approval process within thirty (30) days of date of recording this section, shall be voidable unless subsequently approved by the Association or otherwise cured by the terms of this Declaration.

Section 3.1 (e) of the Declaration is amended as follows:

(e) Parking. Vehicular parking is only permitted on those areas designated on the Plat or as otherwise provided in this Declaration. There shall be no other parking on the roadways or in other locations in the Community. No commercial trucks or vans or other commercial vehicles shall be parked in any parking space except with the written consent of the Developer or Board of Directors of the Association, except such temporary parking spaces provided for such purpose as may be necessary to effectuate deliveries to the Association, the Developer, the Unit Owner(s), or occupants. It is acknowledged that there are pickup trucks and vans that are not used for commercial purposes, but are family vehicles. It is not intended that such noncommercial family vehicles be prohibited. A commercial vehicle is one with lettering or display on it or is used in a trade or business or obviously intended for use as a car for hire or work vehicle for any purposes whatsoever; a vehicle designed to transport fifteen or more passengers including the driver; a vehicle which has open carriage of pipes, lumber or other

Association shall maintain the Common Property and all other areas for which it has maintenance responsibility in conformance with the Community-Wide Standard. All repairs made by Association shall be made using comparable standard and design to that provided by Developer with the initial construction of the Community. Variances in the look or materials of the exterior of any improvements are prohibited. This paragraph may only be amended by a vote of seventy-five percent (75%) of Owners.

Each Owner releases Developer, Developer's Affiliates, Association, as officers, Board, Association's managing agent, any committee, or any member of any of the foregoing for the approval of, disapproval of, or failure to approve or disapprove any plans; soil conditions, drainage, or other general site work related to approved work; any defects in plans revised or approved under this Declaration; any loss or damage arising out of the action, inaction, integrity, financial condition, or quality of work or any owner or their contractor or their subcontractors, employees, or agents; or any injury, damages, or loss arising out of the manner or quality or other circumstances of approved construction or activities on or modification to any Unit. In all such matters or claims related therefrom, Association shall defend, indemnify, and hold harmless Developer, Developer's affiliates, Board, the members of each, and Association officers as provided in the Articles.

This Article does not apply to Developer's, or its Affiliates', activities, nor to Association's activities during the Class "B" Control Period.

Section 7.4 (b) of the Declaration is amended as follows:

- (v) If a unit is occupied by a tenant and the parcel owner is delinquent in paying any monetary obligation due to the association, the association may demand that the tenant pay to the association the subsequent rental payments and continue to make such payments until all the monetary obligations of the parcel owner related to the parcel have been paid in full to the association and the association releases the tenant or until the tenant discontinues tenancy in the parcel.
 - 1) The association will provide the tenant a notice, by hand delivery or United States mail.
- 2) A tenant is immune from any claim by the parcel owner related to the rent timely paid to the association after the association has made written demand.
- 3) If the tenant paid rent to the landlord or parcel owner for a given rental period before receiving the demand from the association and provides written evidence to the association of having paid the rent within 14 days after receiving the demand, the tenant shall begin making rental payments to the association for the following rental period and shall continue making rental payments to the association to be credited against the monetary obligations of the parcel owner until the association releases the tenant or the tenant discontinues tenancy in the unit. The association shall, upon request, provide the tenant with written receipts for payments made. The association shall mail written notice to the parcel owner of the association's demand that the tenant pay monetary obligations to the association.
- 4) The association may issue notice under F.S. 83.56 and sue for eviction under F.S. 83.59-83.625 as if the association were a landlord under part II of chapter 83 if the tenant fails to pay a monetary obligation. However, the association is not otherwise considered a landlord under F.S. Chap 83 and specifically has no obligations under F.S. 83.51.
- 5) The tenant does not, by virtue of payment of monetary obligations, have any of the rights of a parcel owner to vote in any election or to examine the books and records of the association.