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**DECLARATION OF COVENANTS AND RESTRICTIONS FOR
ORMOND LAKES SUBDIVISIONS
ORMOND BEACH, VOLUSIA COUNTY, FLORIDA
AND
NOTICE OF PROVISIONS OF ORMOND LAKES
HOMEOWNERS ASSOCIATION, INC.**

THIS DECLARATION, made this 28th day of May, 1996, by Ormond Lakes, Ltd., a Florida Limited Partnership having its principal place of business at 150 S. Palmetto Avenue, Suite A, Daytona Beach, Florida 32114. Hereinafter, Ormond Lakes, Ltd. is sometimes referred to as the "Developer".

W I T N E S S E T H

WHEREAS, the Developer is the owner of certain real property located in Volusia County, Florida, generally known as "Ormond Lakes" and more particularly described in Exhibit "A" attached hereto and made a part hereof (the "Property"); and

WHEREAS, in accordance with the applicable provisions of state law and local ordinance, Developer intends to subdivide the Property into platted, residential subdivisions known as Ormond Lakes, and each platted subdivision will be designated "Ormond Lakes, Unit ____"; and

WHEREAS, the Developer intends to develop or provide within the Property such public and private streets, Common Areas, Conservation Easement Areas and Drainage Areas as will be indicated on the platted subdivisions; and

WHEREAS, there is a need to specify, make and impose covenants and to grant necessary easements for the use and benefit of the platted subdivisions and to provide for an effective management, protection, maintenance and administration of the Common Areas, Conservation Easement Areas and Drainage Areas in the platted subdivisions; and

WHEREAS, the Developer has caused to be incorporated a Florida not-for-profit corporation, known as Ormond Lakes Homeowners Association, Inc. (hereinafter called the "Owners Association") which has been formed to manage, maintain and administer the Common Areas, Conservation Easement Areas, Drainage Areas, private streets, islands and other areas and to enforce this Declaration and to collect assessments and generally provide for the orderly enjoyment of the subdivisions to be platted by Developer, its successors or assigns; and

WHEREAS, water and sewer utilities servicing the Property shall be provided by the City of Ormond Beach, or its successors and assigns.

NOW, THEREFORE, this Declaration is made, filed and recorded by the Developer so that from the effective date hereof, the real property described in the Legal Description which is attached hereto as Exhibit "A", is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied, and used subject to the restrictions, conditions, easements, charges, burdens, assessments, affirmative obligations, and liens (all hereinafter sometimes referred to as the "Covenants") hereinafter set forth. This Declaration shall become effective on the date and at the time it is filed and recorded in the Public Records of Volusia County. This Declaration does not and is not intended to create a condominium within the Florida Condominium Act.

**ARTICLE I
DEFINITIONS AND DESCRIPTIONS OF PROPERTY**

Section 1.1. Definitions. The following words and terms when used in this Declaration and any supplemental declaration, unless the context clearly indicates otherwise, shall have the following meanings:

- a. "Associations" inclusively refers to the Owners Association and any Neighborhood Associations which Developer establishes.
- b. "Committee" shall mean the Design Review Committee appointed by the Developer, with responsibilities as defined in Article II hereof.
- c. "Common Area" shall mean those areas shown and indicated as Common Areas on the plats to be recorded and subjected to this Declaration.
- d. "Conservation Easement Area" shall mean all those areas which are subject to the special use restrictions specified in Section 7.3 of this Declaration and which are shown and indicated as Conservation Easements on the plats to be recorded and subjected to this Declaration. Except to the extent they are located on a Lot, all Conservation Easement Areas shall be dedicated to and owned by the Owners Association in fee simple. The Conservation Easements, including but not limited to those that restrict the use of a Lot, are fully enforceable by the Owners Association and by the City of Ormond Beach.
- e. "Developer" shall mean and refer to Ormond Lakes, Ltd., a Florida Limited Partnership, its successors and assigns.

f. "Drainage Area" shall mean any Drainage Area or any Drainage Easement shown or indicated on the plats to be recorded and subjected to this Declaration.

g. "Dwelling Unit" shall mean a portion of the Property, whether developed or undeveloped, intended for development, use and occupancy as an attached or detached residence for a single family, and shall unless otherwise specified include within its meaning (by way of illustration, but not limitation) condominium units, townhouse units, cluster homes, patio or zero lot line homes and single family detached houses on separately platted lots, as well as vacant land intended for development as such, all of which may be developed, used and defined as herein provided. The term shall include all portions of the lot owned as well as any structure thereon. In the case of an apartment building or other structure which contains multiple dwellings, each dwelling shall be deemed to be a separate Dwelling Unit.

h. "Lot" shall mean any parcel of land and any condominium unit located within a subdivision of the Property, according to a recorded plat, is identified by a number and is intended for use as a site for a Dwelling Unit.

i. "Neighborhood Association" shall mean and refer to those sub-homeowners associations created by Developer to fund necessary maintenance, repair and replacement of common roofs, walls, yards, amenities and similar expenses which are specific to a particular platted subdivision.

j. "Ormond Lakes" and "Ormond Lakes Community" shall mean and refer to the Property.

k. "Owners Association" shall mean and refer to the Ormond Lakes Homeowners Association, Inc., a Florida Corporation not for profit, and its successors and assigns, the members of which shall consist of owners of "Lots" in subdivisions of the Property hereinafter platted and recorded in the Public Records of Volusia County, Florida.

l. Phrases "purchase from Developer", "sale by Developer" and similar phrases, when used in conjunction with the sale of Lots, refer to transactions pursuant to contract between Developer and a purchaser in which the purchaser receives title to a Lot.

m. "Structure" shall mean any manmade item placed on, in or under the lands or placed on, in or under any improvement or facility, including, but not limited to, buildings, dwelling units, swimming pools, fountains, fences, walls, signs, barbecue pits, television or radio antennae, or satellite dish or microwave antennae, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, driveways, walls, lighting apparatus, window barriers, window awnings, pipes, poles, recreational facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and

lawn decorative objects such as statues, tables, tents, shacks, barns, sheds or other temporary storage or residence facilities.

n. "Subdivision" shall mean any platted unit or phase of the Property, recorded by the Developer in the Public Records of Volusia County, Florida.

o. "Wetlands" shall mean those areas indicated or shown as Wetlands on any recorded plat which is subjected to this Declaration.

Section 1.2. Property Subject to Covenants and Restrictions. The Property subject to the Declaration of Covenants and Restrictions is that Property, and any plats or replats thereof, described in the Legal Description which is attached hereto as Exhibit "A".

ARTICLE II RESTRICTIVE COVENANTS

Section 2.1. Lot Usage. No Lot shall be used for any purpose other than a single family dwelling, garage and grounds. The areas included within the lot line of each individual Lot, but not included within the Dwelling Unit constructed on each Lot, are hereinafter referred to as "grounds", and shall be used for normal and customary yard purposes. Except, however, those portions of Lots shown on the plats as Conservation Easement Areas shall not be disturbed except as specifically allowed by order or permit issued by appropriate local governmental bodies or regulatory agencies.

Section 2.2. Design Review Committee Approvals. Except for Developer, no person or entity (including the Associations) may erect on, place on, alter, or permit any structure or addition to remain within the Subdivisions unless and until the site plan, floor plan, elevation, landscaping plan, abbreviated specifications, etc., are reviewed and approved by the Design Review Committee (hereinafter the "Committee"). The Committee is a committee of the Owners Association and is authorized to bring suit in the name of the Owners Association (with or without express approval of the Owners Association) for the purposes of enforcing the decisions of the Committee, including but not limited to injunctive relief. In order to preserve the character of the Subdivisions, the Developer hereby reserves for itself and its successors the right to appoint the members of the Committee. All property owned or controlled by the Owners Association and any Neighborhood Associations is subject to the Committee's authority. The Committee shall review proposed buildings or structures (including plans and specifications for same or alterations of prior approved buildings or structures) as to the harmony of the external design and location of the building or structure with respect to existing buildings and structures, with respect to topography, vegetation, and the finished grade of elevation of the Lot, and with respect to any other relevant considerations the Committee deems

appropriate which are based upon acceptable standards of planning, zoning and construction, including considerations which are exclusively based on aesthetic factors. Owners will remain responsible for securing City building permits as necessary after securing approvals from the Committee.

Section 2.3. Non-Permitted Structures and Vehicles. No vehicles and no structure of a temporary nature or character, including, but not limited to, trailers, house trailers, mobile homes, campers, recreational vehicles, tents, shacks, sheds, barns or similar structure or vehicles shall be used or permitted to remain on any Lot as a storage facility or residence, or other living quarters whether temporary or permanent. No automobile, truck or other commercial vehicle which contains lettering shall be parked (for any period of time in excess of ten consecutive hours) or stored or otherwise permitted to remain on any Lot except in a garage attached to the residence.

Section 2.4. Parking. No automobile, truck, motorcycle, boat and trailer, trailer, house trailer, mobile home, camper, or other similar vehicle shall be parked on any street (including the right-of-way) overnight or for a continuous period of time in excess of ten consecutive hours, except in designated off-street parking areas.

Section 2.5. R.V. and Boat Storage and Parking. No recreational vehicle, boat, boat and trailer, or trailer alone shall be parked for any period of time in excess of ten consecutive hours, or stored or otherwise permitted to remain on any Lot except in a garage attached to the residence or in an approved detached garage. If there is demand sufficient to generate enough rental income to make it economically feasible, Developer may designate an area for storage of recreational vehicles, boats, boats and trailers and trailers alone, subject to rules and fees established by the Association, but in no way shall an owner be excluded from the above stated time restrictions for parking a recreational vehicle, trailer, boat or boat and trailer in the event that space is not available within a designated area for storage.

Section 2.6. Remodeling or Changes. In order to preserve the character of the Ormond Lakes Community, no exterior walls or roofs of any structure (including materials and colors of said walls and roofs) shall be changed or modified without specific prior written approval of the Committee. No garage shall be converted to uses other than storage of vehicles or other personal property unless the Committee has approved another garage to be constructed as a replacement.

Section 2.7. Owner Maintenance. All owners shall keep landscaped portions of their grounds well maintained, free of disease, bugs and in a presentable condition, and shall not permit thereon any unsightly growth, weeds, or underbrush. If any owner shall fail to maintain the landscaped portion of his Lot as herein required, the Owners Association shall have the power to correct such omission and assess the cost thereof to such owner and place a lien for such cost against such owner's Lot

and improvements thereon. Owners, subject to approval of the Committee, may leave designated portions of their Lot, and if undeveloped the entire Lot, in a "natural" state as long as it is not unsightly and does not constitute a nuisance. Any Conservation Easement located on a Lot must be left in a natural condition and undisturbed as required by any plats or Development Orders. The Owners Association shall have the right to adopt additional rules and regulations to enforce this subsection.

Section 2.8. Owners Association Maintenance Rights. Without limiting the above, the Owners Association shall have the right to maintain, require and enforce maintenance of that portion of Common Areas, street rights of way or Lots lying between a fence line and the abutting Lot line or lying between the curb of a street within the Subdivision and the Lot line. The Owners Association shall have the right to adopt rules and regulations to enforce this provision.

Section 2.9. Maintenance Easements. For the purpose of providing access to each owner of a boundary line wall or structure, to permit painting, maintenance, repairs or reconstruction of such wall or structure that abuts such owner's boundary lines, the adjoining owner or owners of each Lot which abuts such boundary line wall or structure hereby give and grant a perpetual easement to the owner or owners of such wall or structure to enter upon the property of such adjoining owner or owners for the specific purpose of painting, maintaining, repairing or reconstructing such wall or structure. Such entry will be made in a reasonable manner and only at reasonable times, and any damage caused by such entry shall be repaired as soon as practicable and at the expense of the owner of the wall or structure who causes such entry to be made. In the event of controversy, the decision of the Board of Directors of the Owners Association shall control.

Section 2.10. Special Maintenance Easements. In the event any portion of any structure originally constructed by the Developer or a designated successor developer, including any boundary line wall, shall protrude over an adjoining Lot or Common Area, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining Lot or Common Area. In the event there is such a protrusion, the owner or owners of the Lot or Common Area on which such protrusion extends shall be deemed to have granted a perpetual easement to the adjoining owner or owners for continuing maintenance and use of such projection or boundary wall, including any replacement thereof.

Section 2.11. Design Review Committee Membership. The Committee shall be composed of three (3) persons. The members of the Committee shall be appointed by the Developer or its successors. In the event of death, resignation, inability to serve, or other vacancy in office of any member of the Committee, the Developer or its successors shall promptly appoint a successor member. Developer or its successors shall retain the right to appoint members of the Committee even after turnover of the Owners Association to owners of Lots.

Section 2.12. Committee Decision Making. The Committee shall indicate its approval or disapproval, as the case may be, of the matters required in Section 2.2 hereof to be approved or acted upon by them, by a written instrument filed with the Secretary of the Board of Directors of the Owners Association, and served personally or by certified mail upon the applicant, identifying the proposed building or structure and, if the same is disapproved, the reason for such disapproval. The decision of the Committee shall be final. If the Committee fails or refuses to approve or disapprove the aforesaid matters within thirty (30) days after the application of request for action is made and after a floor plan, elevation and abbreviated specifications (including landscaping, exterior materials, colors, and site plan for all structures) have been received by the Committee, then it shall be conclusively presumed, as to all owners and interested persons, that the particular alleged violation of this Declaration is, and it shall be deemed automatically to be, excused, but solely as to that particular applicant and application, and any and all rights of action of the Committee arising from said particular alleged violation shall be deemed to have been waived, but only with respect to that particular applicant and application.

Section 2.13. Domesticated Animal Control. In order to maintain and preserve the peace and tranquility of the Ormond Lakes Community, the Owners Association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats and other domesticated household pets, including prohibiting the keeping and breeding of such animals for commercial purposes, and specifically shall have the right (i) to require such animals to be leashed; (ii) to prohibit such animals from roaming at large beyond the confines of their owner's grounds; (iii) to require that owners keep their pets from making noises likely to disturb others; (iv) limit the number of such animals; and (v) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

Section 2.14. Livestock Prohibition. Except as provided otherwise in Section 2.13 above, no livestock, swine, poultry or animals of any kind other those described in the preceeding section shall be raised, bred, or kept within the Ormond Lakes Community.

Section 2.15. Sign Control. No sign of any kind shall be erected, permitted to remain on or displayed to public view on or from any Lot, except an approved sign giving the name of the occupant of the residence located on said Lot or an approved sign advertising the premises for sale or rent. All signs must be approved by the Committee as a condition to their being erected or being allowed to remain. Political signs shall be erected and removed in accordance with applicable City ordinances.

Section 2.16. Offensive Activities. No noxious or offensive activity that may be or may become an annoyance or a private or public nuisance shall be carried on or suffered to exist on any Lot.

Section 2.17. Garbage Control. No Lot, Common Area, Drainage Area or Conservation Easement Area shall be used for dumping, discharge or storage of rubbish, trash, garbage, or other solid waste material. All Lots that have been built upon shall be kept free of the accumulations of rubbish, trash, garbage, and other waste materials. All incinerators or other equipment used for the collection, storage or disposal of solid waste materials shall be kept in a clean and sanitary condition. The use of any incinerators or similar equipment or facilities shall be in accordance with applicable state, county and city environmental laws and ordinances.

Section 2.18. Fences and Shrubs. Fence or wall placement and hedge or shrub planting near streets shall be subject to Committee approval and in compliance with the applicable provisions of the Ordinances of the City of Ormond Beach.

Section 2.19. Tree Removal. Removal of trees from any Lot within the Subdivision shall be in accordance with applicable provisions of the Committee and Ordinances of the City of Ormond Beach.

Section 2.20. Driveways. Each Lot owner is granted an exclusive easement for ingress and egress purposes over those parts of the Common Areas upon which a driveway to said owner's garage is built, said easement running with the land. It shall be the owner's duty and obligation to maintain and repair said driveway in good condition. The driveway to a garage is to be for the exclusive use of the garage owner. No driveway shall be constructed, maintained, altered or permitted to exist on any Common Area or Lot if the driveway obstructs or would obstruct or significantly impede the flow of surface drainage in the area adjacent to the Lot or in the street right-of-way or swale area adjoining or abutting the Lot. No driveway shall be constructed of a material, such as mulch, that is subject to displacement by stormwater.

Section 2.21. Common Area Management and Ownership. Except where operation, maintenance and management is more appropriately vested in a Neighborhood Association, the Owners Association shall operate, maintain and manage all Common Areas, all islands located in the streets, all private roads and all road rights-of-way which are not maintained by the City of Ormond Beach, whether or not such Common Areas, islands or road rights-of-way are shown on a plat. It is intended that the Owners Association shall maintain all rights-of-way and all islands, as well as all Common Areas, not specifically and more appropriately under Neighborhood Association ownership and maintenance. The Owners Association and all Neighborhood Associations must accept any deed to the above described areas from the Developer when tendered by the Developer. The Developer is authorized to record such deeds prior to delivering same to the Owners Association or to a Neighborhood Association. The Owners Association shall enforce the restrictions and covenants contained herein, and shall undertake and perform all acts and duties

necessary and incident to such duties, all in accordance with the provisions of this Declaration, the Articles of Incorporation and By-Laws of said Owners Association.

Section 2.22. Maintenance of Stormwater System and Discharge Facilities, Management and Ownership of Drainage Areas and Conservation Easement Areas. The Owners Association shall manage all surface water, shall maintain all stormwater management systems and discharge facilities, and shall manage, maintain, monitor and, where applicable, preserve natural assets and materials located within the Drainage Areas and Conservation Easement Areas, including, but not limited to, groundwater, wetlands, lakes, ponds, tributaries and wildlife habitat. The Owners Association has the responsibility and authority to establish and enforce rules, regulations and other controls as needed to accomplish the maintenance, monitoring, management and preservation obligations outlined above. The Owners Association must accept from the Developer when tendered by the Developer any deed transferring to the Owners Association all or any part of the Drainage Areas or the Conservation Easement Areas. The Developer is authorized to record such deeds prior to delivering same to the Owners Association. The Owners Association is hereby granted authority to enforce and shall enforce the restrictions and covenants contained in this Section 2.22 herein or in Development Orders issued by the City of Ormond Beach, and shall undertake and perform all acts and duties necessary and incident to such Development Orders, all in accordance with the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Owners Association.

Section 2.23. Enforcement of Conservation Easements. All Conservation Easements are perpetual undivided interests in the real property upon which the Conservation Easements are located. Nothing in this Declaration shall prohibit the Conservation Easement Areas from being acquired by any governmental body or agency or by a charitable corporation or trust described in section 704.06, Florida Statutes (1995), as long as such acquisition is approved by the St. Johns River Water Management District or its successor governmental regulatory body (hereinafter inclusively referred to as the "District") and by the City of Ormond Beach. The Conservation Easements created by virtue of being shown and indicated on any recorded plat of real property which is developed as a unit or phase of Ormond Lakes Community and is subjected to this Declaration and the restrictions applicable to such Conservation Easement Areas shall be enforceable by the District, the City of Ormond Beach and the Owners Association, and shall not be amended without the prior approval of the District and the City of Ormond Beach.

Section 2.24. Insurance. Each Lot owner shall, at all times after construction of a Dwelling Unit on the Lot, and each owner of a Dwelling Unit shall maintain fire and extended coverage casualty insurance on the improvements on such Lot and on the Dwelling Unit, and shall use the proceeds thereof to repair or replace any damage to or destruction of such improvements or the Dwelling Unit within a reasonable time

after such casualty. Similarly, the owner of any boat, recreational vehicle or other vehicle stored in a designated storage area must carry casualty insurance.

Section 2.25. Changes in Covenants. No change in the Covenants which would materially alter the character of the Ormond Lakes Community or the permitted use of lands and structures within the Ormond Lakes Community shall be made without the prior approval of the City Commission of the City of Ormond Beach.

Section 2.26. Amendments to Subdivision Plats. The Developer or its successors, subject to approval of the District and the City of Ormond Beach regarding amendments to Conservation Easement Areas, shall solely retain the right to amend or replat the plats of the present and any future phases and units of the Subdivisions, without requiring concurrence by the Associations, Lot owners or Dwelling Unit owners, provided amendments are consistent with Article VIII of this Declaration.

ARTICLE III OWNERS ASSOCIATION AND NEIGHBORHOOD ASSOCIATION

Section 3.1. Membership. The owner of each Lot and the owner of each Dwelling Unit (all Subdivision Phases and all Units) shall automatically and mandatorily become a member of the Owners Association and the Neighborhood Association (if applicable) upon his or her acquisition of any ownership interest in the title to any Lot or Dwelling Unit. The memberships of such owner shall terminate automatically at the time that such person divests himself or is divested of such ownership interest or title, regardless of the means by which such ownership may have been divested.

Section 3.2. Membership Limits. No person or corporation or other business entity holding any lien, mortgage or other encumbrance upon any Lot or Dwelling Unit shall be entitled by virtue of such lien, mortgage or other encumbrance, to membership in the Associations or to any of the rights and privileges of membership in such Associations, or be charged with any of the duties of such membership; provided, however, that nothing contained herein shall be construed as prohibiting membership in the Associations of a person, corporation, or other business entity which acquires title to a Lot or Dwelling Unit either by foreclosure or by voluntary conveyance from a mortgagor or the mortgagor's successors or assigns.

Section 3.3. Adoption of Rules and Regulations. The Owners Association shall adopt and enforce reasonable rules and regulations regarding security that may be provided within the Subdivision. The Owners Association and any Neighborhood Associations, each with respect to the areas of the Subdivisions subject to their ownership or control, shall enforce the restrictions and covenants contained herein, as well as their rules and regulations promulgated hereunder and shall undertake and perform all acts and duties necessary and incident to enforcing such restrictions,

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covenants, rules and regulations, all in accordance with the provisions of this Declaration and the Articles of Incorporation and By-Laws of the Owners Association and Neighborhood Association, whichever is applicable. True and complete copies of the Articles of Incorporation and By-Laws of the Owners Association are annexed hereto as Exhibit "B" and such documents are expressly made a part hereof.

Section 3.4. Management and Enforcement Authority. In the administration, operation and management as herein designated to the Associations and in the enforcement of the applicable Covenants and Restrictions, each of the Associations, in addition to any authority granted elsewhere herein, shall have and is hereby granted with respect to areas of the Ormond Lakes Community within that Association's ownership and control, full power and authority: (a) to enforce all applicable provisions of this Declaration; (b) to levy and collect assessments in accordance herewith; and (c) in order to carry out the purposes of each of the Associations, to adopt, promulgate, and enforce reasonable rules and regulations governing the use and enjoyment of the areas of the Ormond Lakes Community within that Association's ownership or control.

Section 3.5. Liability Insurance. The Owners Association is hereby required to maintain in force public liability insurance in an amount not less than \$500,000 C.S.L. with respect to all vehicle storage areas, Common Areas, Drainage Areas, Conservation Easement Areas, and all traffic islands located within any public or private road right-of-way in the Ormond Lakes Community. The Owners Association and the Neighborhood Associations shall be named insureds with respect to the areas they own or control, and the Neighborhood Associations shall reimburse the Owners Association for a reasonable pro-rata share of the insurance policy's premium in light of each such Association's liability risk. The City of Ormond Beach shall be named as an additional insured for those islands in public road rights-of-way in the Ormond Lakes Community which the Associations maintain. Such coverage shall be as required by City Ordinances.

Section 3.6. Disputes Among Associations. The Developer, for a period of thirty (30) years after recording of this Declaration or until Developer relinquishes such power and authority, and thereafter the Owners Association shall be the final arbiter among or between Neighborhood Associations with respect to disputes involving interpretation of this Declaration or disputes as to the power, jurisdiction and authority of any or all of the Associations.

ARTICLE IV COVENANTS AND MAINTENANCE ASSESSMENTS

Section 4.1. Creations of Lien and Personal Obligation. The Developer agrees to, and each owner and each tenant of each Lot or Dwelling Unit shall, by acceptance of a deed or other instrument of conveyance or lease, whether or not it shall be so

expressed in any such deed or instrument, be deemed to have agreed to all terms, covenants, conditions, restrictions, and other provisions of this Declaration and to have agreed to promptly pay to or on behalf of the Owners Association and, if applicable, one of the Neighborhood Associations or their successors or assigns, the following:

(a) All monthly assessments or charges (whether collected monthly or quarterly) and

(b) All special assessments or charges for the purposes set forth in Section 4.2 of this Declaration that shall be fixed, established, levied, and collected from time to time as hereafter provided.

Monthly and special assessment by any or all Associations (together with such interest thereon and the cost of collection including reasonable attorneys' fees as hereinafter provided) shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made, whether or not a claim of lien is filed. Each such assessment (together with such interest thereon and the costs of collection including reasonable attorneys' fees as above established) shall also be the personal obligation of the person who was the owner of such Lot or Dwelling Unit at the time when the assessment first became due and payable, and also the joint and several personal obligation of any subsequent grantees who take title to the Lot or Dwelling Unit without first obtaining a letter from the Associations as herein provided to the effect that there are no outstanding assessments against the Lot or Dwelling Unit being purchased. In the case of co-ownership or co-tenancy of a Lot or Dwelling Unit, each owner or tenant shall be jointly and severally liable for the entire amount of the assessments and the aforesaid interest, collection costs, and reasonable attorneys' fees. Prospective purchasers are hereby notified of the possible charge against the Lots and Dwelling Units in the Ormond Lakes Community.

Section 4.2. Purpose of Assessments. Assessments levied by any of the Associations shall be exclusively: (a) to improve, maintain, enhance, enlarge, protect, monitor and operate the areas within their respective ownership or control as specified in this Declaration; (b) to cover operating and administrative expenses; (c) to fund services and benefits which that particular Association is authorized to provide, including, but not limited to: insurance; construction; maintenance, repair and replacement of improvements; the escrowing of sufficient monies for specific purposes to satisfy the City of Ormond Beach; the acquisition of labor or services (including security services and professional services of attorneys, accountants, engineers, consultants, etc.); equipment, materials, management, and the supervision necessary to provide the authorized services or benefits; (d) for the payment of principal, interest and other charges connected with loans made to or assumed by that particular Association for the purpose of enabling said Association to perform its authorized functions (including the payment of mortgages upon areas of the Ormond

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Lakes Community owned by said Association, even though such mortgages were of record at the time the Association received title from Developer; (e) to pay the costs of social functions open to all members; and (f) to keep in force and pay for liability insurance on all areas of the Subdivision within its ownership or control in amounts not less than required by this Declaration.

No initiation fee may be charged to members of any of the Associations as a pre-condition to use of such areas or facilities. User fees, however, may be charged. The Associations shall not be bound in setting assessments in subsequent years by the amount of the assessments set in earlier years. Notwithstanding any of the provisions of this Article, in no event shall assessments and other revenues collected by the Associations exceed their expenses and reasonable reserves to an extent which would violate any Association's not-for-profit status.

Section 4.3. Assessment Amounts. The initial regular monthly assessment is hereby set at the rate of \$28.00 per Lot or Dwelling Unit for the Owners Association. The initial regular monthly assessment for any Neighborhood Association shall be established at the time each Neighborhood Association is incorporated. All areas of the Subdivision that have private streets will have an additional assessment charged by the Owners Association against Lots and Dwelling Units therein in an amount sufficient to fund the replacement, repairs and maintenance of the private streets. If areas with private streets require security service or security equipment, then an additional assessment will be charged by the Owners Association against Lots and Dwelling Units in those areas to cover same. All assessments for private road replacement, repair or maintenance shall be held in an escrow account separate from the Owners Association's other funds.

Any change in the monthly assessment shall be determined at a meeting of the Board of Directors of the applicable Association, provided, however, that the portion escrowed for private street improvement and repairs shall be automatically adjusted by the Board of Directors of the Owners Association from the base monthly escrow amount in accordance with the rate of inflation based upon changes in the Consumer Price Index, unless a greater increase is prescribed by the City of Ormond Beach in accordance with provisions of Development Orders issued by the City of Ormond Beach.

With respect to any Neighborhood Association monthly assessment, and with respect to the non-escrow component of the Owners Association monthly assessment, the following two adjustment provisions shall apply. First, the assessment shall automatically adjust from one Association year to the next (subject to the approval of a majority of the Board of Directors of the applicable Association) up or down in an amount in accordance with the percentage increase or decrease in the Consumer Price Index during the last complete calendar year; provided, however, that the Directors shall have the authority in their approving resolution to round any

such automatic adjustment upward or downward to a convenience amount. Second, the assessment may be increased beyond that set at the annual meeting upon approval of two-thirds of the members in attendance at any regular or special meeting of the applicable Association at which a quorum is present, but only after written notice of such meeting and such issue is given to all members of that Association at least ten (10) days prior to the date of said meeting. Nothing herein, however, shall be construed to preclude the Board of Directors of any of the Associations from once annually fixing and levying an emergency assessment not to exceed one monthly regular assessment, which emergency assessment may be levied without notice to the membership and without the holding of any special or regular meeting of said membership of the Association.

Any Association, upon proper resolution adopted by its Board of Directors, may bill and collect monthly assessments on a quarterly basis.

Except as elsewhere provided herein to the contrary, each owner of a Lot or Dwelling Unit shall be obligated to pay assessments which accrued prior to his taking title and shall be obligated to pay the regular monthly assessment continually from, at the latest, the date such Owner takes title to said Lot or Dwelling Unit.

In the event that, and at such time as, two Lots under single ownership shall have one Dwelling Unit constructed upon them in such a way that no other Dwelling Unit can be constructed thereon, then at the time of issuance of a Certificate of Occupancy for that one Dwelling Unit, the owner shall become liable for one regular monthly assessment, and no longer for two such assessments as were owed prior to the completion of the Dwelling Unit.

The Developer shall not be obligated to pay any assessments on any vacant Lots or lands which it may own, notwithstanding the fact such Lots may have been platted or such Lots may be on paved roads. However, in the event the Developer constructs a Dwelling Unit on any Lot, it shall be liable for the monthly and other assessments upon that Lot or Dwelling Unit which are charged, levied or assessed for the first time after the issuance of a Certificate of Occupancy for the Dwelling Unit.

Section 4.4. Late Charges. Assessments which are not paid on or before the date the same become due shall be delinquent, and each delinquent assessment shall bear simple interest at eighteen percent (18%) per annum until it is paid in full. In addition to the accrual of interest, when an assessment becomes delinquent in payment, the applicable Association has the right to accelerate assessment payments for the balance of the calendar year and, in such event, the Association's lien shall be for the full amount as accelerated. There shall be no exemption from the payment of any assessment by waiver of the use of the Common Areas, Drainage Areas or other areas or by abandonment of the Lot or Dwelling Unit, or by extended absence from

the Subdivision, or for any reason, except as provided for the Developer in Paragraph 4.3.

Section 4.5. Statement for Assessments. Any of the Associations, upon written request of any Lot owner or Dwelling Unit owner, shall furnish to a prospective purchaser or prospective mortgagee or any other authorized person a statement of the current status of that Association's assessments on such owner's Lot or Dwelling Unit. When executed by the Secretary/Treasurer of the applicable Association, a mortgagee, potential purchaser or title examiner may rely upon such statement as an accurate statement of the status of assessments by that Association upon the Lot or Dwelling Unit in question.

Section 4.6. Billing: Revenue Collected. Nothing herein shall prevent the Associations from cooperating in the billing of their assessments so as to save postage and administrative expenses. In such event, any revenue received by one of the Associations for assessments of another Association shall be segregated and promptly delivered to the applicable assessing Association. Revenue received by any Association on its assessment on any Lot or Dwelling Unit may be co-mingled with revenues received by that Association on its assessments on other Lots or Dwelling Units, except to the extent segregation is required by the City of Ormond Beach or the Articles of Incorporation of a Neighborhood Association.

Section 4.7. Assignment of Membership. Although all funds and other assets of the Associations, and any income derived therefrom, shall be held for the benefit of their respective members, no member of any Association shall have the right to assign, encumber, hypothecate, pledge, or in any manner transfer his, her or its membership or interest in or to said funds and assets, except as an appurtenance to his Lot or Dwelling Unit. When an owner of a Lot or Dwelling Unit shall cease to be a member of the Associations by reason of divestment of ownership of said Lot or Dwelling Unit, by whatever means that occurs, none of the Associations shall be required to account to said owner for any share of the funds or assets it holds.

Section 4.8. Foreclosure. In the event that any institutional first mortgagee (defined as a chartered Bank, a chartered Savings and Loan Association, or the Developer) shall acquire title to any Lot or Dwelling Unit by foreclosure, judicial sale, documents of transfer from a governmental entity or documents of transfer from the mortgagor or his receiver, trustee in bankruptcy, personal representative, successors or assigns, then such institutional first mortgagee shall take title subject to the lien or liens of the Associations, not to exceed the aggregate of assessments charged by the Associations to such Lot or Dwelling Unit during the twelve month period immediately preceding the date such institutional first mortgagee acquires title to the Lot or Dwelling Unit; and neither such mortgagee nor its successors in interest to the Lot or Dwelling Unit shall be liable or obligated for the payment of any assessments which were charged to the Lot or Dwelling Unit more than twelve months prior to the date

the institutional first mortgagee acquired title to the Lot or Dwelling Unit, except a pro-rata share as follows: In the event of the acquisition of title as aforesaid, any assessment or assessments as to which the institutional first mortgagee so acquiring title shall not be fully liable, shall be absorbed and paid by all the owners of all the Lots and Dwelling Units; provided, however, that nothing contained herein nor any action taken by said institutional first mortgagee shall be construed as releasing the prior owner from liability for such delinquent assessments or construed as a waiver of the applicable Association's right to legally enforce collection from the prior owner. In the event that any institutional first mortgagee shall acquire title to any Lot or Dwelling Unit as described above in this Section 4.8, the mortgagee so acquiring title shall also be liable and obligated for such assessments as may accrue to said Lot subsequent to the date of acquisition of such title.

Section 4.9. Liens for Assessments. Recognizing that proper management and operation of all the areas of the Ormond Lakes Community benefits all owners of Lots or Dwelling Units, the Associations are hereby granted a lien upon all the Lots and Dwelling Units within the Ormond Lakes Community and the present and future interests of each Lot and Dwelling Unit owner in the Common Areas, Drainage Areas, Conservation Easement Areas and improvements thereof, to secure the prompt payment of each and all assessments made and levied in accordance with this Declaration. Each Lot and Dwelling Unit owner shall be liable for, and this lien shall secure, the full amount of said assessment including reasonable attorneys' fees, deposition costs (whether or not depositions are used at trial), reasonable expert witness fees and costs (whether or not expert testifies at trial), postage, long distance telephone, travel, lodging and meal costs which are incurred (either prior to trial, at trial, on appeal or on retrial) by any of the Associations with respect to enforcement or interpretation of the provisions of this Declaration or of the Articles of Incorporation or the By-Laws of any of the Associations.

Section 4.10. Foreclosure of Lien. The lien herein established may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. The lien granted herein shall also secure such payment of or advances for taxes and payments on superior mortgages, liens or encumbrances which are advanced by any of the Associations in order to protect its interests, and each of the Associations shall be entitled to interest computed on the basis of advances made from time to time at the highest legal rate of interest on all such advances made by that Association.

Section 4.11. Ownership Subject to Existing Liens. All persons, firms, corporations, and other business entities, which shall acquire, by whatever means, any interest in the ownership of any Lot or Dwelling Unit, or who may be given or who may acquire a mortgage, lien or other encumbrance on a Lot or Dwelling Unit are hereby placed on notice of the lien rights granted to the Associations under this Declaration (including the partial exception for institutional first mortgagees) and all

of such persons, firms, corporations, and other business entities shall acquire their rights, title and interest in and to said Lot or Dwelling Unit expressly subject to the lien rights (and exceptions) provided herein.

Section 4.12. Lien Preparation and Recording. The lien created pursuant to this Declaration exists as of the date the Association sets the amount of its monthly assessments for that year. The lien shall continue in effect until all sums secured by the lien have been fully paid. Such lien shall be perfected for the purpose of determining priority among competing creditors by the recording in the public records of the County in which the Lot is located of a "claim of lien" stating the description of the Lot or Dwelling Unit encumbered by the lien, the name of the record owner of the Lot or Dwelling Unit, the amounts due at that time and the date when any part of the unpaid amount first became due. If the Association accelerated the assessment for the balance of the calendar year, the claim of lien shall perfect a lien for the total "accelerated" amount. The claim of lien shall perfect the lien not only for assessments which are due and payable when the claim of lien is recorded, but also for interest, collection costs, reasonable attorneys' fees, and advances to pay taxes and prior encumbrances and interest thereon, all as provided herein. The claim of lien shall be signed and verified by the President or Vice President of the particular Association filing the lien. When full payment of all sums secured by such lien is made, the claim of lien shall be satisfied of record by the President or Vice President of the Association involved.

Section 4.13. Enforcement. These Covenants and Restrictions may be enforced by an action at law for damages, or proceeding in equity for an injunction.

ARTICLE V CHANGES; AMENDMENT AND TERMINATION

Section 5.1. Developer Changes and Amendments. Subject to approval of the governmental agencies with jurisdiction over the subject area, the Developer hereby reserves for itself, its successors and assigns the right to amend, modify or rescind such parts of this Declaration or any recorded plat as it, in its sole discretion, deems necessary or desirable so long as: (a) it is the sole owner of the property to which the plat or this Declaration (whichever is appropriate) applies; or (b) such amendment or modification does not substantially change the character, nature, or general scheme of development of the Subdivision. Subject to approval of the governmental agencies with jurisdiction over the subject area, Developer also reserves the following rights to amend, change or vary with respect to Subdivision units and phases: (a) the right to add more phases or units to the Ormond Lakes Community; (b) the right in future phases and units to vary the mix and location of housing types as dictated by market conditions; and (c) the right to provide in future units and phases only those amenities as are shown on the recorded plats for such future units or phases. Neither the

foregoing amendments nor Developer's exercise of the foregoing rights require the concurrence of any of the Associations or individual owners of Lots or Dwelling Units.

Section 5.2. Owner's Right to Amend. In addition to the rights of the Developer reserved in the preceding section, subject to the approval of the governmental agencies with jurisdiction over the subject area and upon affirmative vote by seventy-five percent (75%) of all members of record in the Owners Association, on a proper Resolution at a proper Owners Association meeting, the members of Owners Association may amend or modify such provisions of this Declaration as they deem necessary or desirable, except that (a) provisions relating to the rights, powers and duties of the Owners Association or the Committee may not be amended for a period of thirty (30) years without consent of Developer; and (b) the owners cannot amend the Declaration in a manner which conflicts with or is inconsistent with the Development Orders issued by the City of Ormond Beach.

ARTICLE VI USE OF COMMON PROPERTY

Section 6.1. Lot Owners Common Area Usage. The Common Areas, as specifically described herein, or hereafter designated by Developer (excluding areas within utility easements where above ground utilities structures are located) shall be, and the same are hereby declared to be, subject to a perpetual non-exclusive easement in favor of all owners of Lots developed within the Subdivision, for the use of such owners and their immediate families, guests, tenants, invitees, and others similarly situated, for all proper and normal residential purposes, for the furnishing of services and facilities for which the Common Area can be reasonably utilized and for the quiet enjoyment of said owners.

Section 6.2. Developer's Common Area Usage. Until all areas subject to Development Orders issued by the City of Ormond Beach have been developed and transferred or conveyed to third parties, Developer shall have the right (at no charge or fee) to reasonably utilize Common Areas for promoting the Subdivision and marketing Lots and Dwelling Units, including, but not limited to, the right to maintain sales offices in a Subdivision Community Building of Developer's choice.

ARTICLE VII ALLOWED USES AND USE RESTRICTIONS APPLICABLE TO DRAINAGE AREAS AND CONSERVATION EASEMENT AREAS

Section 7.1. Areas Located on Plats. In order to maintain the values inherent in large areas of natural undisturbed and substantially undisturbed lands for the benefit of the residents of the Ormond Lakes Community, Developer shall in plats of the Ormond Lakes Community locate and identify Drainage Areas and Conservation Easement Areas which shall, as is more particularly described below, be preserved and

protected in their current condition or will be subjected only to certain allowed improvements and activities.

Section 7.2. Drainage Areas. All parts of Drainage Areas constituting wetlands within the dredge and fill jurisdiction of the Florida Department of Environmental Protection will be preserved and protected in their natural state. Those parts of the Drainage Areas not falling within the dredge and fill jurisdiction of the Florida Department of Environmental Protection shall only be improved and utilized as follows:

(a) Drainage facilities, retention ponds, lakes and related improvements may be made by the Developer as long as they are in compliance with all applicable Development Orders issued by the City of Ormond Beach;

(b) Vegetation shall not be altered or removed except as permitted by applicable Development Orders. No motorized boats or personal watercraft (e.g., "jet skis") shall be allowed upon the lakes or retention ponds except for boats utilized in necessary maintenance of such lakes and ponds;

(c) No water shall be removed or added to the lakes by any person or entity without the prior permission of the Owners Association;

(d) No waste or foreign materials shall be dumped or scattered in the Drainage Areas, but this shall not prohibit the use of fertilizers or pesticides in the minimum amounts necessary to stabilize and maintain vegetation in the Drainage Areas in functionally and aesthetically pleasing conditions.

Section 7.3. Land Use Limitations Applicable to Conservation Easements. The below listed activities and uses are prohibited in or upon all Conservation Easement Areas, except to the extent such activities are specifically authorized by permits issued by the District or the City of Ormond Beach:

(a) Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground.

(b) Dumping or placing of soil or other substance or materials as landfill or dumping or placing of trash, waste, or unsightly or offensive materials.

(c) Removal or destruction of trees, shrubs, or other vegetation.

(d) Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface.

(e) Surface use, except for purposes that permit the land or water area to remain predominantly in its natural condition.

(f) Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation.

(g) Acts or uses detrimental to such retention of land or water areas.

(h) Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological, or cultural significance.

All construction, including dredging or filling, shall be prohibited waterward of the wetlands limit lines established jointly by the Developer and the District and shall be prohibited within Conservation Easements designated on plats, even if such Conservation Easements overlap Lots or Common Areas; except, however, construction may occur in these areas to the extent specifically authorized by applicable permits issued by the District or the City of Ormond Beach. The District and the City of Ormond Beach may enforce the restrictions contained in this Section and this Section may not be amended without prior approval of the District and the City of Ormond Beach.

Section 7.4. Cross Easements. The Owners Association is hereby granted a perpetual easement upon all Common Areas and all Lots for the purpose of going upon said properties to fix, repair, alleviate or change any condition adversely affecting the stormwater management systems, discharge facilities, Drainage Areas, or Conservation Easement Areas. In exercising this right, the Owners Association shall act reasonably so as to cause the least inconvenience or difficulty to the owner or owners of said properties.

**ARTICLE VIII
COVENANTS AGAINST PARTITION
AND
SEPARATE TRANSFER OF COMMON AREAS**

It is recognized that the full use and enjoyment of any Lot or Dwelling Unit within the Ormond Lakes Community is dependent upon the use, enjoyment, maintenance, protection and preservation of certain Common Areas, Drainage Areas, Conservation Easement Areas and the improvements made thereto, and that it is in the interests of all Lot and Dwelling Unit Owners that the ownership of the Common Areas, Drainage Areas and Conservation Easement Areas be retained by the Associations as provided in this Declaration. Accordingly, no Lot or Dwelling Unit owner shall have the right to transfer the Lot or Dwelling Unit owner's interest in the Associations other than as an appurtenance to and in the same transaction with a transfer of title to the Lot or Dwelling Unit, and the Associations shall have no right to transfer title to any part of the Common Areas, Drainage Areas or Conservation Easement Areas without Developer's prior written consent. Nothing in this Article

VIII, however, shall: (a) preclude a conveyance by the Developer, its successors or assigns of any undivided interest in the Common Areas, Drainage Areas or Conservation Easement Areas to the Associations for the purpose of effectuating the purposes of this Declaration; or (b) preclude a conveyance by the Developer, its successors or assigns of any utility easements across, under, above or upon the Common Areas, Drainage Areas or Conservation Easement Areas.

ARTICLE IX CONTROL AND TURNOVER OF ASSOCIATIONS

Section 9.1. Appointment of Directors by Developer. The Developer shall have the right to at any time appoint members to the Board of Directors of the Owners Association and to the Board of Directors of any Neighborhood Association to assure that Developer's appointed Directors constitute up to seventy-five percent (75%) of each of said Association's Directors until such time as seventy-five percent (75%) of the number of Dwelling Units allowed by applicable Development Orders issued by the City of Ormond Beach have been built. For purposes of determining when Developer's right of representation in the Owners Association and Neighborhood Association expires, Developer shall have the right to include additional permitted Dwelling Units within this calculation as may be described in future Development Orders entered by the City of Ormond Beach.

Section 9.2. Veto by Developer. During the time Developer still has a right of representation in a particular Association, the Developer shall have the right to veto any action taken by the Board of Directors of that particular Association at a time when more than twenty-five percent (25%) of the Directors of that Association were not appointed by the Developer. Control of the Owners Association, all Neighborhood Associations and their records shall be turned over to the members at the earlier of such time as Developer's right of representation expires or the Developer has turned the Owners Association and Neighborhood Association over to the members.

ARTICLE X COVENANTS TO RUN WITH LAND

The restrictions and burdens imposed by the provisions and covenants of this Declaration shall constitute covenants running with the Property, and each provision and covenant shall constitute an equitable servitude upon the heirs, personal representatives, successors and assigns of each owner of a Lot or Dwelling Unit, and the same shall likewise be binding upon the Developer and its successors and assigns. This Declaration shall be binding and in full force and effect for a period of thirty (30) years from the date this Declaration is first recorded in the Public Records of Volusia County, Florida, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless (a) an instrument, signed by seventy-five percent (75%) of the then owners of record of Lots and Dwelling Units in the Subdivision, is recorded in the Public Records of Volusia County, Florida, pursuant to

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which the said owners repeal the provisions of this Declaration, and (b) proper governmental authority for repeal of this Declaration is obtained.

IN WITNESS WHEREOF, the Developer, Ormond Lakes, Ltd., has hereunto set its hand and seal on the date indicated below.

Signed, sealed and
delivered in the
presence of:

ORMOND LAKES, LTD., a Florida limited
partnership

By: Ormond Lakes, Inc., a Florida
corporation, General Partner

By: Thomas L. Durrance
Thomas L. Durrance, President

J. Doyle Tumbleson
J. Doyle Tumbleson
Judith Hansen
Judith Hansen

STATE OF FLORIDA
COUNTY OF VOLUSIA

I HEREBY CERTIFY that I am an Officer duly authorized in the State and County aforesaid to take acknowledgements and that on this day personally appeared Thomas L. Durrance, well known by me to be the President of Ormond Lakes, Inc., a Florida corporation, General Partner of Ormond Lakes, Ltd., and that he executed the same freely and voluntarily under authority duly vested in him by said corporation.

WITNESS MY HAND AND OFFICIAL SEAL in the County of Volusia, State of Florida, this 28th day of May, 1996.

J. Doyle Tumbleson
Notary Public
J. Doyle Tumbleson
(type or print name)
My commission expires: _____
Commission No. _____

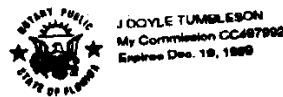


EXHIBIT "A"

Part of Sections 31, 37 and 40, Township 13 South, Range 32 East, Section 6 and 38, Township 14 South, Range 32 East and part of the American Land Company's Subdivision as recorded in Map Book 21, Pages 131 through 134, Public Records of Volusia County, Florida, being more particularly described as follows:

BEGINNING at a point in the centerline of Addison Street as occupied, said point being S 23°34'18" E a distance of 30.29 feet as measured along the southerly projection of the easterly line of the Village of Pine Run 1st Addition, as recorded in Map Book 35, Pages 72 and 73 of the Public Records of Volusia County, Florida; thence N 54°45'47" E along the said centerline a distance of 600.00 feet; thence S 20°59'09" E a distance of 1,642.67 feet; thence S 20°47'56" E a distance of 672.00 feet; thence S 48°05'44" E a distance of 882.00 feet; thence S 41°21'57" E a distance of 836.25 feet; thence S 21°34'54" E a distance of 680.00 feet; thence S 70°25'06" W a distance of 370.00 feet; thence S 10°34'57" E a distance of 2,978.25 feet to the southerly line of Section 37 aforesaid, also being the northerly line of Tomoka Estates as recorded in Map Book 11, Pages 194 through 196, and Tomoka Estates Unit No. 3 as recorded in Map Book 11, Page 261, and Tomoka Estates Unit No. 4 as recorded in Map Book 11, Page 297, all in the Public Records of Volusia County, Florida; thence N 76°02'04" W along the said southerly line of Section 37 a distance of 2,550 feet; thence N 13°57'56" E leaving said southerly line a distance of 500.00 feet; thence N 76°02'04" W a distance of 750.00 feet; thence S 13°57'56" W a distance of 225.00 feet; thence N 76°02'04" W a distance of 100.00 feet; thence S 58°57'56" W a distance of 136.18 feet; thence N 89°00'02" W a distance of 292.81 feet; thence S 45°59'58" W a distance of 280.00 feet to a point on the easterly right-of-way of U.S. Highway #1, a 160 foot right-of-way as presently established; and also being a point on a curve concave southwesterly; thence along said curve to the left and along said right-of-way having a central angle of 03°42'52", a radius of 11,569.20 feet, a chord bearing of N 45°51'29" W for an arc length of 750.00 feet; thence N 40°08'58" E departing said right-of-way a distance of 2,008.86 feet; thence N 49°51'02" W a distance of 135.18 feet to the southerly corner of Pine Creek Estates as recorded in Map Book 38, Page 143 of the Public Records of Volusia County, Florida; thence N 22°23'52" W along the easterly line of Pine Creek Estates, also being the westerly line of a 100 foot Florida Power & Light Company Easement, a distance of 2,523.00 feet to a point on a curve concave northwesterly, said point being on the westerly right-of-way of Addison Drive, a 60 foot county road; thence along said right-of-way and curve to the left having a central angle of 69°31'05", a radius of 199.06 feet, a chord bearing of N 23°14'40" E, for an arc length of 241.52 feet to the point of tangency thereof; thence N 11°30'53" W continuing along said right-of-way a distance of 234.94 feet to the point of curvature of a curve concave southeasterly; thence continuing along said right-of-way and along said curve to the right, having a central angle of 09°57'20", a radius of 147.58 feet, a chord bearing of N 06°32'13" W, for an arc length of 25.64 feet to a point on the southeasterly boundary of the Village of Pine Run as recorded in Map Book 35, Pages 40 through 45 of the Public Records of Volusia County, Florida; thence continue along said right-of-way and along the said southeasterly boundary and along said curve to the right having a central angle of 64°54'34", a radius of 147.58 feet, a chord bearing of N 30°53'44" E, for an

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arc length of 167.19 feet to the point of tangency thereof, said point being on the centerline of Pine Tree Drive, a 140 foot right-of-way as shown on the plat of said Village of Pine Run; thence continue along said westerly right-of-way of Addison Drive and along said southeasterly boundary and along said centerline N 63°21'01" E a distance of 858.65 feet to the point of curvature of a curve concave northwesterly; thence along said curve to the left and along said westerly right-of-way, southeasterly boundary and said centerline, having a central angle of 06°44'40", a radius of 212.87 feet, a chord bearing of N 59°58'41" E for an arc length of 25.06 feet to the westerly boundary of the Village of Pine Run 1st Addition aforesaid; thence continue along said curve to the left, and along said westerly right-of-way and said centerline, having a central angle of 33°46'03", a radius of 212.87 feet, a chord bearing of N 39°43'20" E for an arc length of 125.46 feet to a point; thence departing said centerline, continuing along said westerly right-of-way and along said curve to the left of Pine Tree Drive, having a central angle of 13°57'23", a radius of 212.87 feet, a chord bearing of N 15°51'36" E, for an arc length of 51.85 feet to the point of tangency thereof; thence N 08°52'55" E continuing along said westerly right-of-way a distance of 104.38 feet to the point of curvature of a curve concave southeasterly; thence along said curve to the right and along said westerly right-of-way, having a central angle of 45°52'52", a radius of 242.64 feet, for an arc length of 194.30 feet to the point of tangency thereof; thence N 54°45'47" E continuing along said westerly right-of-way a distance of 55.87 feet to the southeasterly corner of the Village of Pine Run 1st Addition, aforesaid; thence S 23°34'18" E along the southerly projection of the easterly line of said Pine Run 1st Addition a distance of 30.29 feet to the POINT OF BEGINNING.

Excepting therefrom: Lot 13, Block Q, and Lot 1, Block R-R; that portion of Palmetto Avenue between Lot 13, Block Q, and Lot 1, Block R-R; and the south one-half of that portion of Palmetto Avenue lying between Lot 14, Block Q, and Lot 1, Block R-R, all in the aforesaid American Land Company's Subdivision, said parcel being subject to a 100 foot Florida Power & Light Company Easement over the southerly portion thereof.

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**ARTICLES OF INCORPORATION
OF
ORMOND LAKES HOMEOWNERS' ASSOCIATION, INC.
(A Florida Corporation Not for Profit)**

ARTICLE I. NAMES

The name of this Corporation is Ormond Lakes Homeowners' Association, Inc. For convenience, the Corporation shall be referred to in this instrument as the "Association", these Articles of Incorporation as the "Articles" and the By-Laws of the Association as the "By-Laws".

ARTICLE II. PURPOSES

The purposes for which the Association is organized are as follows:

A. To take title, operate, administer, manage, lease and maintain the assets and property of the Association as such are dedicated to or made the responsibility of the Association by the recorded Plats of the Ormond Lakes Subdivisions, the Declaration, these Articles or the By-Laws.

B. To manage the Association of owners established by the Declaration of Covenants and Restrictions for Ormond Lakes Subdivisions (the "Declaration"). The Declaration was executed by Ormond Lakes, Ltd., (the "Declarant") developer of the subdivision.

C. To enforce the Declaration and perform all duties and responsibilities imposed upon the Association by the Declaration.

D. To carry out all duties placed upon it by these Articles, the By-Laws, the Declaration and by Florida law.

ARTICLE III. POWERS

The Association shall have the following powers:

A. The Association shall have all common law and statutory powers of a corporation not for profit, not in conflict with the terms of these Articles, the By-Laws and the Declaration.

B. The Association shall have the power to administer and to enforce the provisions of these Articles, the By-Laws and the Declaration and all powers reasonably necessary to carry out the responsibilities and duties conferred upon it by these Articles, the By-Laws and the Declaration, as amended and supplemented from time to time, including but not limited to, the power to levy and collect adequate assessments against members of the Association for the costs of maintenance and operation of the surface water and stormwater management system and Conservation Easement Areas. Such assessments shall be used for maintenance and repair of the surface water and stormwater management systems and Conservation Easement Areas, including, but not limited to, work within retention areas, drainage structures and drainage easements.

- EXHIBIT "B" -

ARTICLE IV. DUTIES

The Association shall have the following duties:

A. The Association shall have all common law and statutory duties of a corporation not for profit.

B. In addition the Association shall have all responsibilities and duties delegated to it pursuant to the provisions of these Articles, the By-Laws and the Declaration, including but not limited to operating, maintaining and managing the surface water and stormwater management system and Conservation Easement Areas in a manner consistent with the St. Johns River Water Management District Permit requirements and applicable District Rules and City of Ormond Beach requirements and applicable City rules, regulations and ordinances; and further shall assist in the enforcement of the restrictions and covenants contained in the Declaration relating to said system.

ARTICLE V. MEMBERSHIP

Every person or entity who is or becomes a record owner of any "Lot" or "Dwelling Unit" in the "Property" or is otherwise considered an "Owner", as those terms are defined in the Declaration, shall be a "Member" of the Association. Declarant shall also be a Member of the Association as long as it owns a Lot or Dwelling Unit in the Property. Membership is solely for those having a fee simple ownership interest and is not intended to and shall not include any persons or entities who hold an interest in real property merely as security for the performance of an obligation. All memberships in the Association shall be automatic and mandatory and shall terminate automatically when a Member becomes divested of a fee simple ownership in a Lot or Dwelling Unit in the Property.

When a corporation or partnership is the owner of a Lot or Dwelling Unit, the membership privilege shall be exercised by only one (1) individual being the one designated by the entity to cast its vote as hereinafter provided. When more than one person holds an interest in a Lot or Dwelling Unit, each person shall be a Member, even though each person does not acquire a separate right to vote.

ARTICLE VI. MANAGEMENT

A. The affairs and property of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than (9) persons. The Board members shall be elected by the voting membership at the times and in the manner provided in the By-Laws. The Board members may be removed and vacancies in the Board filled in the manner provided in the By-Laws.

B. The initial Board shall consist of three (3) persons, who need not be members entitled to vote in the Association, and who shall be appointed by Declarant. The initial Board named in these Articles shall serve until the Owners, other than Declarant, are entitled to elect the Board members in the manner set forth in the By-Laws. Vacancies in the initial Board appointed by Declarant may be filled by Declarant. After the election of the Board by the Owners other than the Declarant, vacancies occurring between annual meetings of the membership shall be filled in the manner provided in the By-Laws.

C. The number of members on the Board shall be increased to (9) persons at the time and in the manner provided in the By-Laws.

D. Board members shall be elected by the membership in accordance with the By-Laws at the regular annual meeting of the membership of the Corporation to be held on the first Monday of June of each year or on such other date as may be set by the vote of a majority of the membership.

E. All officers shall be elected by the Board in accordance with the By-Laws at the annual meeting of the Board to be held immediately following the annual meeting of the membership. The Board shall elect or appoint at the time and in the manner set forth in the By-Laws a President, Vice President, Secretary, Treasurer, and such other officers as it may deem desirable.

ARTICLE VII. BOARD OF DIRECTORS

The number of persons constituting the first Board of Directors shall be three (3). The names and street addresses of the persons who are to serve as the first Board are as follows:

<u>Name</u>	<u>Address</u>
Thomas L. Durrance	860 Hull Road, Ormond Beach, FL 32174
Ronnie Bledsoe	860 Hull Road, Ormond Beach, FL 32174
Heidi Cash	860 Hull Road, Ormond Beach, FL 32174

The number of Board members may be increased or diminished from time to time as provided by the By-Laws, but shall never be less than three (3). All Board members shall be natural persons.

ARTICLE VIII. OFFICERS

The names of the officers who are to serve until the first election of officers by the Board are as follows:

President	-	Thomas L. Durrance
Vice President & Treasurer	-	Ronnie Bledsoe
Secretary	-	Heidi Cash

ARTICLE IX. PRINCIPAL OFFICE

The initial principal office of the Association is 860 Hull Road, Ormond Beach, Florida 32174.

ARTICLE X. INCORPORATORS

The Incorporator is Thomas L. Durrance, 860 Hull Road, Ormond Beach, FL 32174. The rights and interests of the Incorporators shall automatically terminate when these Articles are filed with the Florida Secretary of State.

ARTICLE XI. BYLAWS

By-Laws of the Association shall be adopted by the first Board and thereafter may be altered, amended or rescinded in the manner provided in the By-Laws. In the event of a conflict between the provisions of these Articles and the provisions of the By-Laws, the provisions of these Articles shall control.

ARTICLE XII. EXISTENCE AND DURATION

Existence of the Association shall commence with the filing of these Articles of Incorporation with the Florida Secretary of State. The Association shall exist in perpetuity, unless dissolved pursuant to the provisions of Article XIII below.

ARTICLE XIII. DISSOLUTION AND SUCCESSOR ENTITIES

The Association may be dissolved only with the consent in writing by the Owners and holders of all mortgages and liens on any lots, by the City Commission of the City of Ormond Beach, and by two-thirds (2/3) of the voting Members. In the event of the dissolution of the Association, or any successor entity thereto, other than incident to a merger or consolidation, any property dedicated or conveyed to the Association shall be transferred to either a successor entity or an appropriate governmental agency or public body to be used for purposes similar to those for which this Association was created. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to a non-profit corporation, association, trust or other organization to be devoted to such similar purposes. In the event of termination, dissolution or liquidation of the Association, the responsibility for the operation and maintenance of the surface water and stormwater management system must be transferred to and accepted by an entity which complies with Section 40C-42.027, F.A.C., and be approved by the St. Johns River Water Management District prior to such termination, dissolution or liquidation.

ARTICLE XIV. SEVERABILITY

Invalidation of any of these Articles or portions thereof by judgment, court order, or operation of law shall in no way affect other provisions, which shall remain in full force and effect.

ARTICLE XV. REGISTERED OFFICE AND REGISTERED AGENT

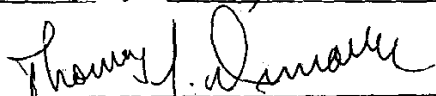
The street address of the initial registered office of the Association is 150 South Palmetto Avenue, Suite A, Daytona Beach, Florida 32114, and the initial Registered Agent of the Association at that address shall be J. Doyle Tumbleson.

ARTICLE XVI. INDEMNIFICATION

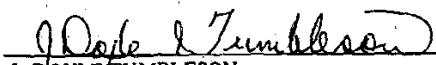
The Association shall indemnify any officer, Board member or committee member or any former officer, Board member or committee member to the full extent permitted by law.

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IN WITNESS WHEREOF, I, the Incorporator of the Ormond Lakes Homeowners' Association, Inc. have hereunto affixed my signature this 23rd day of May, 1996.


THOMAS L. DURRANCE

The undersigned hereby accepts the designation of Registered Agent of Ormond Lakes Homeowners' Association, Inc. as set forth in Article XV of these Articles.


J. DOYLE/TUMBLESON

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STATE OF FLORIDA)
 : SS:
COUNTY OF VOLUSIA)

I HEREBY CERTIFY that on this day, before me a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared, THOMAS L. DURRANCE, to me known to be the person described as the Incorporator of the Ormond Lakes Homeowners' Association, Inc. and who executed the foregoing Articles of Incorporation and has acknowledged before that he executed the same for the purposes therein expressed.

WITNESS my hand and official seal this 23rd day of May, 1996.

pam clifton
Notary Public
My Commission Expires:

STATE OF FLORIDA)
 : SS:
COUNTY OF VOLUSIA)



pam clifton
My Commission CC370948
Expires Apr. 23, 1998
Bonded by ANB
800-852-5878

I HEREBY CERTIFY that on this day, before me a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared J. DOYLE TUMBLESON, to me known to be the person described as initial Registered Agent, and who executed the foregoing Articles of Incorporation and he acknowledged before that they executed the same for the purposes therein expressed.

WITNESS my hand and official seal this 23rd day of May, 1996.

pam clifton
Notary Public
My Commission Expires:



pam clifton
My Commission CC370948
Expires Apr. 23, 1998
Bonded by ANB
800-852-5878

**BY-LAWS
OF
ORMOND LAKES HOMEOWNERS' ASSOCIATION, INC.
(A Florida Corporation Not For Profit)**

**ARTICLE I
NAME AND LOCATION**

1.01 The name of this corporation is Ormond Lakes Homeowners' Association, Inc., hereinafter referred to as the "Association".

1.02 The initial principal office of the corporation shall be located at 860 Hull Road, Ormond Beach, Florida, 32174, which may be changed from time to time by resolution of the Board of Directors.

**ARTICLE II
DEFINITIONS**

2.01 All terms and provisions in these By-Laws shall have the same meaning as in the Declaration of Covenants and Restrictions, Ormond Lakes Subdivisions ("Declaration") executed by Ormond Lakes, Ltd. (referred to herein as "Declarant"), and recorded in the Public Records of Volusia County, Florida.

**ARTICLE III
PURPOSES**

3.01 The specific purposes for which this Association is formed are to provide for management, maintenance, preservation and architectural control of the lots and common areas within the Ormond Lakes "Property", as defined in the Declaration, and to promote the health, safety and welfare of the owners and residents within the above Property, and any additions thereto as may hereafter be brought within the jurisdiction of this Association, and to:

(a) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real property in connection with the affairs of the Association.

(b) Exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in the Articles of Incorporation (the "Articles"), Declaration, and all supplementary or amendatory declarations, applicable to the Property and recorded in the Public Records of Volusia County, Florida and as the same may be amended from time to time.

(c) Fix, levy, collect, and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of the Declaration.

(d) Pay all expenses incident to the conduct of the business of the Association.

- EXHIBIT "B", continued -

(e) Pledge, sell, lease, operate, maintain, transfer or otherwise dispose of any or all of its personal property.

(f) Dedicate, sell or transfer all or any part of the real property and improvements thereon owned by it, subject to the approval of two-thirds (2/3) of the Members, except as otherwise provided in the Declaration.

(g) Mortgage any or all of the real property and improvements thereon owned by it, subject to the approval of two-thirds (2/3) of the Members.

(h) Participate in any mergers or consolidations with other corporations authorized by the laws of the State of Florida.

(i) Have all powers authorized by law and to have and exercise all powers necessary or convenient to effect any or all purposes for which the corporation is organized.

3.02 This Association is not organized for pecuniary gain or profit to the members thereof.

ARTICLE IV CORPORATE SEAL

4.01 The corporate seal of the Association shall bear the name of the Association, the name "Florida", and the words "Corporation Not For Profit" and is affixed hereto.

ARTICLE V MEMBERSHIP

5.01 The qualification of "Members" of the Association, the manner of their admission into membership and their termination from such membership shall be as set forth in Article V of the Articles and Article III of the Declaration.

5.02 Declarant shall be a Member of the Association so long as it holds title to any Lot or Dwelling Unit in the Property.

ARTICLE VI NEIGHBORHOODS

6.01 The Declarant may create separate "Neighborhoods" within the Property. Each Neighborhood created shall represent separately developed residential areas in which "Owners" have common interests such as a common theme, entry feature, development name, and/or common areas and facilities not available for use by all Association members. Lots or Dwelling Units within a particular Neighborhood may be subject to additional covenants and the Owners in a Neighborhood may be members of another owners association, referred to as a "Neighborhood Association", in addition to the Association. No Neighborhood shall be required to establish a formal association unless required by law;

however, if no Neighborhood Association is established, then a "Neighborhood Committee" shall represent the interests of Lot or Dwelling Unit Owners in such Neighborhood.

6.02 Each Neighborhood Association shall adopt a separate declaration of covenants and restrictions, articles of incorporation, by-laws and such other documents as necessary to manage and enforce the responsibilities of the Neighborhood Association. Each Neighborhood Committee shall adopt rules and regulations necessary to manage and enforce the Committee's responsibilities. In addition to their rights in this Association, Lot or Dwelling Unit Owners shall have the membership, voting and other rights as determined under their Neighborhood Documents.

ARTICLE VII MEETINGS OF MEMBERS

7.01 The Association shall have an annual meeting of its Members. The first annual meeting of the Members shall be held in the year in which a majority of the Board of Directors of the Association are elected by the Owners, other than the Declarant. The annual meeting shall be held on the first Monday in December and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a place in Volusia County designated by the Directors, at the hour of 8:00 P.M. or at such other time determined by the Directors. The date of the annual meeting of the Members may be changed by the vote of a majority of the Voting Members at any annual or special meeting of the Members.

7.02 Special meetings of the Members shall be held at any place within Volusia County, Florida, whenever called by the President or a majority of the Board of Directors. A special meeting must be called by the President upon receipt of a written request from one-fourth (1/4) of the Members.

7.03 Meetings of the Members shall be open to all Members. Unless a Member serves as a Voting Member or unless he has been specifically invited to participate in the meeting, such Member shall not participate in the meeting, but shall only be entitled to attend as an observer. If a Member not serving as a Voting Member or not otherwise invited to participate in a meeting attempts to become more than a mere observer at such meeting or conducts himself in a manner detrimental to the carrying on of such meeting, then the Member may be expelled from the meeting by any reasonable means which may be necessary to accomplish such expulsion. Also, any person who is not able to provide sufficient proof that he is a Member may be excluded from the meeting unless said person was specifically invited to attend such meeting.

7.04 A written notice of the meeting (whether the Annual Meeting or a special meeting of the Members) shall be mailed to each Member at his last known address as it appears on the books of the Association. Such written notice of an Annual Meeting shall be mailed to each Member not less than fourteen (14) days nor more than forty (40) days prior to the date of the Annual Meeting. Written notice of a special meeting of the Members shall be mailed not less than ten (10) days nor more than forty (40) days prior to the date of a special meeting. The written notice of a special meeting shall state the specific matter or matters to be voted on, and every written notice of a meeting, whether an annual meeting or a special meeting, shall state the time and place of such meeting and shall be signed by an officer of the Association. Should a matter or matters to be voted on at a Members meeting require consideration by a Neighborhood Association or Neighborhood Committee prior to said Members meeting, then the timing requirements for the written notice of the meeting shall be adjusted accordingly. Notice of any meeting

may be waived by any Member before, during or after a meeting, which waiver shall be in writing and shall set forth a waiver of written notice of such meeting.

7.05 The Voting Members may, at the discretion of the Board of Directors, act by written agreement in lieu of meeting, provided written notice of the matter or matters to be agreed upon is given to the Members at the addresses and within the time periods set forth in Section 7.04 herein or duly waived in accordance with such Section. The decision of the majority of the Voting Members as to the matter or matters to be agreed upon (as evidenced by written response to be solicited in the notice) shall be binding on the Members provided a quorum of the Voting Members submits a response. The notice shall set forth a time period during which time a response must be made by a Voting Member.

7.06 At the Annual Members' Meetings and as far as applicable and practical at other members' meetings, the order of business shall be as follows:

- a. Calling of the roll and certifying proxies
- b. Proof of notice of meeting
- c. Reading and approval of minutes
- d. Reports of officers and committees
- e. Election of inspectors of election
- f. Election by members or appointment by Declarant of Directors, where applicable
- g. Unfinished business
- h. New business

7.07 Minutes of all meetings of the Members shall be kept and made available for inspection by the Members, Voting Members, Directors and Institutional Mortgagees at all reasonable times. The Association shall retain minutes for at least seven (7) years subsequent to the date of the meeting the minutes reflect.

ARTICLE VIII VOTING BY MEMBERS

8.01 Initially there shall be 39 Units in the Association. Additional Units will be added as additional parcels of the Property are platted and the number of votes in the Association will increase correspondingly. There will be a maximum of 596 Units.

8.02 The Association shall have two classes of voting membership:

- (a) Class "A". Class "A" Members shall be all Owners with the exception of the Class "B" Member, if any. Class "A" Members shall be entitled to one (1) vote for each Unit owned.

When a Member is entitled personally to exercise the vote for his Unit, and more than one (1) person or entity is the Owner of the Unit, the vote for such Unit shall be exercised by that party designated on the records of the Secretary of the Association. In the absence of such designation, the Unit's vote shall be suspended if more than one person or entity seeks to exercise it.

Unless otherwise specified in the Declaration or the By-Laws, the vote for each Unit in a "Neighborhood" shall be exercised by a "Voting Member" representing the Neighborhood of which the Unit is a part, as provided in these By-Laws.

(b) Class "B". The Class "B" Member shall be the Declarant.

The Class "B" Member shall be entitled to three (3) votes for each Unit owned, and shall be entitled to appoint a majority of the members of the Board of Directors during the "Class "B" Control Period", as defined in the By-Laws. The Class "B" Member shall also have the right to approve certain actions of the Association after the termination of the Class "B" Control Period, as provided in the By-Laws.

The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of:

(i) two (2) years after expiration of the Class "B" Control Period pursuant to the By-Laws; or

(ii) when, in its discretion, the Declarant so determines.

8.03 The number of votes in the Association shall be determined as set forth in the preceding Section 8.02. The Class "A" Members shall be entitled to one (1) vote for each Lot or Dwelling Unit owned and the Class "B" Member shall be entitled to three (3) votes for each Lot or Dwelling Unit owned.

8.04 The Class "B" Control Period terminates on the happening of one of the following events, whichever shall first occur:

(a) When the total votes outstanding in the Class "A" membership exceeds the total votes outstanding in the Class "B" membership, based on a maximum of 596 Units, or

(b) Such earlier date as, in its discretion, the Declarant determines.

8.05 Association voting shall be conducted as follows:

(a) The presence at a meeting of Members and Voting Members entitled to cast a majority of the votes shall constitute a quorum, except as otherwise provided in these By-Laws. If, however, such quorum shall not be present or represented at a duly called meeting, the Board may call a second meeting at which the quorum required for the first meeting shall be reduced by fifty percent (50%). The notice for the first meeting may include notice for the second meeting with the time and date for the second called meeting and shall be sufficient for any adjournment thereof.

(b) Each Neighborhood shall be represented by one (1) Voting Member.

(c) Voting Members shall be entitled to cast the votes attributable to Lots or Dwelling Units in their Neighborhood on all matters requiring action by the Members of the Association.

(d) Voting Members shall be entitled to cast the votes of their Neighborhood in the manner they deem appropriate, unless they are otherwise restricted by their Neighborhood Documents.

(e) At meetings of the membership, votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the

secretary before the appointed time of the meeting. A member may withdraw his proxy at any time before it is voted.

(f) The Voting Member of each Neighborhood shall be the President of the Neighborhood Association, or in his absence, the Vice President, unless the Neighborhood Documents provide otherwise.

**ARTICLE IX
BOARD OF DIRECTORS ELECTIONS AND MEETINGS**

9.01 The affairs and property of the Corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than (9) persons.

9.02 The initial Board of Directors shall consist of three (3) persons, who need not be Members who are entitled to vote in the Association, and who shall be appointed by Declarant. The initial Board of Directors named in the Articles shall serve until the termination of the Class "B" Control Period and the Owners, other than Declarant, are entitled to elect the Directors in the manner set forth herein. Vacancies in the initial Board of Directors appointed by Declarant may be filled by Declarant.

9.03 On the termination of the Class "B" Control Period, as provided herein, the number of persons on the Board of Directors shall automatically be increased to (9) persons, and the Owners, other than the Declarant, shall be entitled to elect a majority of the Board of Directors at a special meeting called for that purpose. At such meeting after the election of the Board of Directors, Declarant shall deliver to the Association the contributions to working capital as required in the Declaration, less pre-paid items which shall be pro-rated. After the election of a majority of the Board by the Owners, other than the Declarant, vacancies occurring between annual meetings of the membership shall be filled by the remaining Board members.

9.04 In order to guarantee representation on the Board of Directors for various groups having dissimilar interests and to avoid a situation in which the Voting Members representing similar Neighborhoods are able, due to the number of Lots or Dwelling Units in such Neighborhoods, to elect the entire Board of Directors, excluding representation of others, the Declarant shall establish Voting Groups for election of Directors to the Board. The Declarant shall establish "Voting Groups" not later than the date of expiration of the Class "B" Control Period by filing with the Association and in the Public Records of Volusia County, Florida, a Supplemental Declaration identifying each Voting Group and designating the Lots or Dwelling Units within each group. Such designation may be amended from time to time by Declarant, acting alone, at any time prior to the expiration of the Class "B" Control Period. Until such time as Voting Groups are established by Declarant, or in the event that Declarant fails to establish Voting Groups, all Lots or Dwelling Units shall be assigned to the same Voting Group. Each Voting Group shall be entitled to elect the number of directors specified in the Supplemental Declaration. Any other members of the Board of Directors shall be elected at large by all Voting Members without regard to Voting Groups.

9.05 After the termination of the Class "B" Control Period, the Class "B" Member shall reserve the right to disapprove certain actions of the Association. Nothing in the Declaration shall be amended, interpreted or construed to prevent Declarant, its transferees or its or their contractors or subcontractors from doing or performing on all or any part of the Property actually owned or controlled by Declarant, its transferees, or its or their contractors or subcontractors as the case may be, whatever

they determine to be reasonably necessary or advisable in connection with the completion of the development of the Property, including, without limitation:

(a) Erecting, constructing, and maintaining thereon such structures and vehicles as may be reasonably necessary for the conduct of Declarant's business of completing and establishing the Property as a residential community and disposing of the same in parcels by sale, lease, or otherwise; or

(b) Maintaining such sign or signs thereon as may be reasonably necessary in connection with the sale, lease or other transfer of the Property in parcels;

(c) Provided, however, that operations being conducted under subparagraphs (a) and (b) immediately above shall be permitted upon only those parts of the Property owned or controlled by the party causing or conducting said operations. As used in this section, the terms "its transferees" specifically does not include purchasers of lots improved as completed residences, or to purchasers of unimproved lots who are not contractors or builders.

9.06 A Director designated by Declarant, as provided in the Articles, may be removed only by Declarant in its sole and absolute discretion and without any need for a meeting or vote. Declarant shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy on the Board of Directors as to a Director designated by it and Declarant shall notify the Board of Directors of the name of the respective successor Director and the commencement date for the term of such successor Director. No Director or officer designated or appointed by Declarant shall be required to be a Member of the Association.

9.07 The first meeting of a newly elected Board of Directors shall be held at such place and time as shall be fixed by the Directors at the meeting at which they were elected. No further notice of the organizational meeting shall be necessary.

9.08 Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by majority of Directors. Special meetings of the Board of Directors may be called at the discretion of the President of the Association. Special meetings must be called by the Secretary at the written request of one-third ($\frac{1}{3}$) of the Directors.

9.09 Notice of the time and place of regular and special meetings of the Board of Directors, or adjournments thereof, shall be given to each Director personally or by mail, telephone or telegraph at least three (3) days prior to the day named for such meeting. Any Director may waive notice of a meeting before, during or after a meeting, and such waiver shall be deemed equivalent to the receipt of notice by such Director.

9.10 A quorum of the Board of Directors shall consist of the Directors entitled to cast a majority of the votes of the entire Board of Directors. Matters approved by a majority of the Directors present at a meeting at which a quorum is present shall constitute the official acts of the Board of Directors, except as otherwise provided in the Declaration, Articles or elsewhere herein. If at any meeting of the Board of Directors there shall 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 meeting being held because of such an adjournment, any business which might have been transacted at the meeting as originally called may be transacted. In the case of a meeting, notice to the Directors of such adjournment shall, subject to the Declaration, be as determined by the Board of Directors.

9.11 The presiding officer at Board of Directors meetings shall be the President.

9.12 Minutes of all meetings of the Board of Directors shall be kept and made available for inspection by Members, Voting Members, Directors and Institutional Mortgagees at all reasonable times. The minutes shall be retained by the Association for at least seven (7) years subsequent to the date of the meeting the minutes reflect.

9.13 Meetings of the Board of Directors shall be open to all Members. Unless a Member serves as a Director or unless he has been specifically invited by the Directors to participate in a meeting of the Board of Directors, such Member shall not participate in the meeting, but shall only be entitled to act as an observer. If a member not serving as a Director or not otherwise invited by the Directors to participate in a meeting attempts to become more than a mere observer at such meeting or conducts himself in a manner detrimental to the carrying on of such meeting, then any Director may expel said Member from the meeting by any reasonable means which may be necessary to accomplish such expulsion. Also, any Director shall have the right to exclude from any meeting of the Board of Directors any person who is not able to provide sufficient proof that he is a Member, unless said person was specifically invited by the Directors to attend such meeting.

ARTICLE X
BOARD OF DIRECTORS POWERS AND DUTIES

10.01 The Board of Directors shall have the powers necessary for the proper administration of the affairs of the Association and it may do all acts and things which are not specifically reserved to be exercised and done by the Members in the Declaration, Articles of Incorporation or these By-Laws.

10.02 In addition to the duties imposed by these By-Laws, the Declaration, or by resolution of the Association, the Board of Directors shall be responsible for the following:

(a) To call the annual meeting of the Members and to call special meetings of the Members whenever it deems necessary; and it shall call a meeting at any time upon written request from one-fourth ($\frac{1}{4}$) of the Members, and to see that minutes of the meetings are kept.

(b) To appoint and remove at its pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, officer or Director of the Association in any capacity.

(c) To establish, levy, assess, and collect the assessments or charges created or authorized by the Declaration and/or supplementary declarations.

(d) To adopt and then distribute to the lot owners the Rules and Regulations governing the use of the property and the conduct of the Members, their families, guests and tenants as needed to protect the health, comfort, safety and welfare of the Members.

(e) To exercise for the Association, all powers, duties and authority vested in or delegated to this Association, except those reserved to the Members.

(f) To make and collect assessments authorized by the Declaration and to lease, maintain, repair and replace the common elements.

(g) To grant or contract for easements, licenses, and other privileges and duties on behalf of the Members.

(h) To cause to be kept a complete record of all its acts and corporate affairs and to present a summary thereof to the Members at the annual meeting of the Members or at any special meeting when such is requested in writing by one-fourth (1/4) of the Members.

(i) To maintain a Book of Rules and Regulations containing all Rules and Regulations adopted by the Board of Directors and committees of the Association from time to time.

(j) To maintain accounting records according to generally accepted accounting practices, which shall be available and open to inspection by Members or their mortgagees at reasonable hours.

(k) To supervise all officers, agents and employees of the Association and see that their duties are properly performed.

(l) To issue, upon the request of a Member, a certificate stating whether or not the assessments against the Member's unit have been paid, for which a reasonable charge may be made.

(m) To designate depositories for Association funds, designate those officers, agents and/or employees who have authority to withdraw funds from such accounts on behalf of the Association, and cause such persons to be bonded, as it may deem appropriate.

(n) To hold a general meeting for Members for discussion of its proposed annual budget. Adoption of the annual budget shall be by an affirmative vote of a majority of Directors.

(o) By an affirmative vote of a majority of the Directors, to set an annual assessment at an amount sufficient to pay the expenses of the Association and to meet the obligations imposed by the Declaration and any supplementary declarations.

(p) To send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of the annual assessment or first installment thereof. Monthly notices will not be sent. Monthly installments are due on the first day of each month in the amount specified in the one notice.

(q) To accelerate the payment of any assessment for the balance of the Association's fiscal year and declare the entire balance immediately due and payable in full if any installment remains unpaid thirty (30) days after the installment due date.

(r) To take action it deems appropriate for the best interests of the Association with regard to assessments, which may include the filing of a lien against the property, the bringing of an action at law or equity against the Owner personally obligated to pay the same or to perfect, record and foreclose a lien against the property.

(s) To procure and maintain adequate insurance policies to protect the improvements to the common areas and personal property of the Association and its Directors, officers and committee members and employees and to protect its liability exposure.

(t) To enter into mortgage agreements and obtain capital debt financing subject to the provisions of the Declaration and Articles of Incorporation.

(u) To appoint such committees as prescribed in the Declaration or herein or as it otherwise deems appropriate.

(v) To exercise their powers and duties in good faith with a view to advancing the interest of the Association, and to this end, adopt appropriate guidelines for action on matters where a potential problem may exist.

ARTICLE XI OFFICERS

11.01 The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

11.02 The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

11.03 The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, or until their successors are duly elected and qualified, unless the officer shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

11.04 The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

11.05 Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

11.06 A vacancy in any office may be filled by appointment by the Board. The officers appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

11.07 Any person may hold two or more of the same offices except that the President shall not also be the Secretary or Treasurer.

11.08 The President shall be the chief executive officer of the Association, who shall have all of the powers and duties which are usually vested in the office of the President of a property owners association, including, but not limited to, the power to appoint such committees at such times from among

the Members as the President may, in the President's discretion, determine appropriate to assist in conducting the affairs of the Association. The President shall preside at all meetings of the Board of Directors.

11.09 In the absence or disability of the President, the Vice President shall exercise the powers and perform the duties of the President. The Vice President shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Board of Directors.

11.10 The Secretary shall cause to be kept the minutes of all meetings of the Board of Directors and the Members; shall have custody of the seal of the Association and shall affix the same to instruments requiring such seal when duly authorized and directed by the Board of Directors to do so; shall keep the records of the Association, except those of the Treasurer; and shall perform all of the duties incident to the office of Secretary of the Association as may be required by the Board of Directors or the President.

11.11 The Treasurer shall have custody of all of the property of the Association, including funds, securities and evidences of indebtedness; shall keep the assessment rolls and accounts of the Members; shall keep the books of the Association in accordance with good accounting practices; and shall perform all of the duties incident to the office of a Treasurer.

ARTICLE XII ACCOUNTING RECORDS AND FISCAL MANAGEMENT

12.01 The Board of Directors shall appoint a Budget Committee to be responsible for establishing and maintaining the accounting policies and procedures of the Association.

ARTICLE XIII OBLIGATIONS OF OWNERS

13.01 All Owners are obligated to pay the periodic assessments imposed by the Association.

13.02 Every Owner and occupant of any Lot or Dwelling Unit shall comply with all lawful provisions of this Declaration, the By-Laws, and the rules and regulations of the Association. Failure to comply shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in a proper case, by any aggrieved Lot or Dwelling Unit Owner or Owners. In addition, the Association may avail itself of any and all remedies provided in this Declaration or the By-Laws.

13.03 Conduct of Members shall be governed by rules and regulations, which from time to time may be adopted by the Board and adopted by committees appointed by the Board.

ARTICLE XIV RULES AND REGULATIONS

14.01 The Board of Directors may adopt Rules and Regulations for the operation and use of the Ormond Lakes "Property" at any meeting of the Board of Directors. Copies of any Rules and

Regulations promulgated, amended or rescinded shall be mailed to all Owners at their last known address as shown on the books and records of the Association and shall not take effect until forty eight (48) hours after such mailing.

**ARTICLE XV
COMMITTEES**

15.01 The Board shall appoint the committees hereinafter named and such other committees as it deems appropriate to carry out its purposes. Committees shall consist of not less than three (3), nor more than nine (9) members and shall serve at the pleasure of the Board unless otherwise specified in the Declaration or these By-Laws.

15.02 Design Review Committee.

The duties of this committee shall be as defined in the Declaration and include regulating the external design, appearance, location and maintenance of the property and of the improvements thereon and regulating uses of property as permitted in the Declaration.

Declarant shall appoint three (3) persons to serve as the initial Design Review Committee of the Association. Persons appointed to the Design Review Committee by Declarant need not be Members of the Association; however, when the directors are elected by the Lot Owners other than Declarant, members of the committee shall be Lot Owners. Subsequent to the election of the directors by the Lot Owners other than Declarant, the Design Review Committee shall be appointed for the terms provided in the Declaration, from the Lot Owners and shall be composed of a chairman, who need not be a Director, and four (4) other members. A quorum for action shall be a majority of the members of the committee.

15.03 Budget Committee.

The duties of this committee shall be as defined in these By-Laws and include establishing and maintaining the accounting policies and procedures of the Association, reviewing the financial condition of the Association at least semi-annually, reporting the financial condition to the Board, and recommending the annual budget to the Board.

15.04 Traffic Control Committee.

The duties of this committee shall include developing and recommending to the Board for adoption rules and regulations covering the use of the streets and driveway areas and the parking of vehicles within the subdivision designed for the safety of the residents and for the preservation of the beauty and orderly appearance of the development.

15.05 Elections Committee.

The duties of this committee shall include designing and duplicating ballots for each election, controlling the distribution of ballots, verifying, counting and tabulating all ballots and certifying the results to the meeting. The chairman may receive ballots starting 48 hours prior to election.

15.06 Enforcement Committee.

The duties of this committee are set forth in Article XVI of these By-Laws.

ARTICLE XVI
ENFORCEMENT PROCEDURE

16.01 Pursuant to Section 9.03 of the Declaration, the Association shall have the right to levy fines against an Owner or its guests, relatives, or lessees, in the manner provided herein, and such fines shall be collectible as any other assessment. The Association shall have a lien against the Owners and Lot or Dwelling Units against which a fine has been assessed or levied.

16.02 Each Board of Directors (the "Appointing Board") shall have the power to create an "Enforcement Committee" to be comprised of three (3) members, one of which shall be a member of the Board of Directors, and one of which shall be designated as the Chairperson thereof. The Appointing Board shall also designate an Alternate Enforcement Committee Member to serve in the place of an absent member of the Enforcement Committee. The Enforcement Committee shall serve a term consistent with the term of its Appointing Board. Members of the Enforcement Committee may be replaced with or without cause by majority vote of the Appointing Board.

16.03 Prior to a hearing of the Enforcement Committee being called, alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of the alleged non-complying condition and be given a reasonable opportunity thereafter to rectify the alleged Non-complying condition.

16.04 Conduct of Enforcement Hearing:

(a) Alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of a hearing at least five (5) days in advance of said hearing. No Alleged Non-complying Member shall be given notice of hearing before the Enforcement Committee unless said Alleged Non-Complying Member has first been given reasonable opportunity to rectify the alleged non-complying condition.

(b) The Chairperson of the Enforcement Committee may call hearings of the Enforcement Committee; hearings may also be called by written notice signed by any member of the Enforcement Committee.

(c) The Chairperson shall present each case before the entire Enforcement Committee, and the "Alleged Non-complying Member" shall be given reasonable opportunity to be heard after the Chairperson's presentation. Formal rules of evidence shall not apply, but fundamental due process shall be observed and shall govern said proceedings.

(d) At the conclusion of the hearing, the Enforcement Committee shall issue an order affording the proper relief, if any, consistent with the powers granted herein. The order shall be by motion approved by at least two (2) members of the Enforcement Committee in order for the action to be official.

16.05 The Enforcement Committee shall have the power to:

- (a) Adopt rules for the conduct of its hearings;
- (b) Effectuate the provisions set forth in this provision;
- (c) Issue orders consistent with this provision; and

(d) Order Non-complying Members, adjudged so pursuant to the provisions of this paragraph, to pay a fine not to exceed Twenty-Five Dollars (\$25.00) for each day the violation continues past the date set by the Enforcement Committee for compliance, and not to exceed Five Hundred Dollars (\$500.00) under any circumstances. A notarized copy of an Order imposing a fine may be recorded in the public records and thereafter shall constitute a lien against the Lot or Dwelling Unit owned by the Non-complying Member, collectible by the Association as a Neighborhood Special Assessment against such Lot or Dwelling Unit in the manner set forth in the Neighborhood Declaration.

ARTICLE XVII PARLIAMENTARY RULES

17.01 The then latest edition of Robert's Rules of Order shall govern the conduct of meetings of this Association; provided, however, if such Rules of Order are in conflict with the Articles, these By-Laws or the Declaration, then the Articles, By-Laws or Declaration, as the case may be, shall govern.

ARTICLE XVIII AMENDMENT OF THE BY-LAWS

18.01 Until such time as Owners, other than the Declarant, are entitled to elect the Board of Directors, Declarant reserves the right to amend, modify, alter or annul any of the provisions of these By-Laws.

18.02 At such time as Owners, other than Declarant, are entitled to elect the Board of Directors, these By-Laws may be amended by the affirmative vote of Voting Members representing not less than seventy-five percent (75%) of the votes presented at an Annual Meeting or a special meeting of the Members and the affirmative approval of a majority of the Board of Directors at a regular or special meeting of the Board of Directors. A copy of the proposed amendment shall be sent to each Member along with the notice of the special meeting of the Members or Annual Meeting. An amendment may be approved at the same meeting of the Board of Directors and/or Members at which such amendment is proposed.

18.03 An amendment may be proposed by either the Board of Directors or by the Members, and after being proposed and approved by one of such bodies, it must be approved by the other as above set forth in order to become enacted as an amendment.

18.04 Amendments to these By-Laws shall be made in accordance with the requirements of the law and amendments thereto in effect at the time of amendment.

Book: 4109

Page: 2931

Diane M. Matousek

Volusia County, Clerk of Court

18.05 No modification or amendment to these By-Laws shall be effective which would affect or impair the priority or validity of a mortgage held by any Institutional Mortgagee or Declarant, without the Institutional Mortgagee's or Declarant's prior written consent.

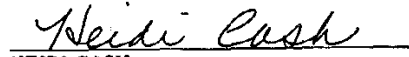
ARTICLE XIX
CONFLICT

19.01 In the event of any conflict between the provisions of the Declaration, the Articles and the provisions of these By-Laws, the provisions of the Declaration and/or Articles shall prevail.

The foregoing By-Laws of Ormond Lakes Homeowners' Association, Inc. are hereby adopted by all of the Directors of Ormond Lakes Homeowners' Association, Inc. as and constituting the Board of Directors of said Association this 28th day of May, 1996.


THOMAS L. DURRANCE


RONNIE BLEDSOE


HEIDI CASH

CERTIFICATE OF AMENDMENT

TO

DECLARATION OF COVENANTS AND RESTRICTIONS

FOR

**ORMOND LAKES SUBDIVISIONS
ORMOND BEACH, VOLUSIA COUNTY, FLORIDA**

AND

**NOTICE OF PROVISIONS OF ORMOND LAKES
HOMEOWNERS ASSOCIATION, INC.**

THE UNDERSIGNED Officers of the ORMOND LAKES LTD., a Florida Limited Partnership, the Developer of Ormond Lakes, according to the Declaration of Covenants and Restrictions thereof, as recorded in O.R. Book 4109, Page 2887, et. seq., Public Records of Volusia County, Florida, hereby certify and confirm that the following amendment to the Declaration was approved by the Developer in accordance with 5.1 of the Declaration, which authorizes the Developer to unilaterally amend this Declaration. The undersigned hereby certify and confirm that this amendment was proposed and adopted in accordance with the Association documents and applicable law.

Additions indicated by underlining
Deletions indicated by ~~strike-through~~
Unaffected, omitted, language indicated by ...

ARTICLE IV

COVENANTS AND MAINTENANCE ASSESSMENTS

...

Article 4.3. Assessment Amounts. The initial regular monthly assessment is hereby set at the rate of \$28.00 per Lot or Dwelling Unit for the Owners Association. The initial regular monthly assessment for any Neighborhood Association shall be established at the time each Neighborhood Association is incorporated. All areas of the Subdivision that have private streets will have an additional assessment charged by the Owners Association against Lots and Dwelling Units therein in an amount sufficient to fund the replacement, repairs and maintenance of the private streets. If areas with private streets require security service or security equipment, then an additional assessment will be charged by the Owners Association against Lots and Dwelling Units in those areas to cover same. All assessments for private road replacement, repair or maintenance shall be held in an escrow account separate from the Owners Association's other funds.

Any change in the monthly assessment shall be determined at a meeting of the Board of Directors of the applicable Association, provided, however, that the portion escrowed for private street improvement and repairs shall be automatically adjusted by the Board of Directors of the Owners Association from the base monthly escrow amount in accordance with the rate of inflation based upon changes in the Consumer Price Index, unless a greater increase is prescribed by the City of Ormond Beach in accordance with provisions of Development Orders issued by the City of Ormond Beach.

With respect to any Neighborhood Association monthly assessment, and with respect to the non-escrow component of the Owners Association monthly assessment, the following two adjustment provisions shall apply. First, the assessment may be increased annually, upon proposal of the budget committee and final approval of a majority of the Board of Directors of the Owners Association, in an amount sufficient to pay the expenses of the Association and to meet the obligations imposed by this Declaration. Such assessment increase shall not exceed ten percent (10%) of the previous year's assessment. ~~shall automatically adjust from one Association year to the next (subject to the approval of a majority of the Board of Directors of the applicable Association) up or down in an amount in accordance with the percentage increase or decrease in the Consumer Price Index during the last complete calendar year; provided, however, that the Directors shall have the authority in their approving resolution to round any such automatic adjustment upward or downward to a convenience amount.~~ Second, the assessment may be increased beyond that set at the annual meeting ten percent (10%) of the previous year's assessment upon approval of two-thirds of the members in attendance at any regular or special meeting of the applicable Association at which a quorum, pursuant to Section 720.306, Florida Statutes (2005), as amended, is present, but only after written notice of such meeting and such issue is given to all members of the Association at least ~~ten (10)~~ fourteen (14) days prior to the date of said meeting. Nothing herein, however, shall be construed to preclude the Board of Directors of any of the Associations from ~~once annually~~ fixing and levying an emergency special assessment ~~not to exceed one monthly regular assessment, which emergency special assessment may be levied without notice to the membership at least fourteen (14) days prior to the date of a Board of Directors meeting at which such special assessment will be considered and without the holding of any special or regular meeting of said membership of the Association.~~

...

ARTICLE V

CHANGES; AMENDMENT AND TERMINATION

...

Article 5.2. Owner's Right to Amend. In addition to the rights of the Developer reserved in the preceding section, subject to the approval of the governmental agencies with jurisdiction over the subject area and upon affirmative vote by a majority seventy-five percent (75%) of all those members of record in the Owners Association attending in person or by proxy, on a proper Resolution at a proper Owners Association meeting, the members of Owners Association may amend or modify such provisions of this Declaration as they deem necessary or desirable, except that (a) ~~provisions relating to the rights, powers and duties of the Owners Association or the Committee may not be amended for a period of thirty (30) years without consent of Developer; and~~ (b) the owners cannot amend the Declaration in a manner which conflicts with or is inconsistent with the Development Orders issued by the City of Ormond Beach.

...

(The remainder of the Declaration is unchanged.)

Executed this 21st day of November, 2006.

Signed, sealed and delivered
in the presence of witnesses:

ORMOND LAKES LTD., a Florida Limited
Partnership

By: Ormond Lakes, Inc., a Florida
corporation, its General Partner

J. Doyle Tumbleson
(Signature)

By: R B Bledsoe Pres.

Print J. Doyle Tumbleson

Print Ronnie Bledsoe

Pam Clifton
(Signature)

Its President

Print Pam Clifton

(CORPORATE SEAL)

STATE OF FLORIDA
COUNTY OF VOLUSIA

I HEREBY CERTIFY that I am an Officer duly authorized in the State and County aforesaid to take acknowledgments and that on this day personally appeared Ronnie Bledsoe, well known by me to be the President of Ormond Lakes, Inc., a Florida corporation, General Partner of Ormond Lakes, Ltd., and that he executed the same freely and voluntarily under authority duly vested in him by said corporation.

WITNESS MY HAND AND OFFICIAL SEAL in the County of Volusia, State of Florida,
this 21st day of November, 2006.

J. Doyle Tumbleson
Notary Public

(type or print name)

My commission expires
Commission No.

J. Doyle Tumbleson

Commission # DD262132

Expires: DEC. 19, 2007

Bonded Thru
Atlantic Bonding Co., Inc.

CERTIFICATE OF AMENDMENT
TO
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR
ORMOND LAKES SUBDIVISIONS
ORMOND BEACH, VOLUSIA COUNTY, FLORIDA
AND
NOTICE OF PROVISIONS OF ORMOND LAKES
HOMEOWNERS' ASSOCIATION, INC.
AND TO
ARTICLES OF INCORPORATION
AND
BYLAWS
OF
ORMOND LAKES HOMEOWNERS' ASSOCIATION, INC.

THE UNDERSIGNED Officers of the ORMOND LAKES HOMEOWNERS' ASSOCIATION, INC., according to the Declaration of Covenants and Restrictions thereof, as recorded in O.R. Book 4109, Page 2887, et. seq., Public Records of Volusia County, Florida, hereby certify and confirm that the following amendments to the Declaration, and to Articles of Incorporation and Bylaws, recorded at O.R. Book 4109, Pages 2911-2916, and O.R. Book 4109, Pages 2917-2931, respectively, were approved by the membership at the annual membership meeting held December 7, 2009. The undersigned hereby certify and confirm that this amendment was proposed and adopted in accordance with the Association documents and applicable law.

Additions indicated by underlining
Deletions indicated by ~~strike-through~~
Unaffected, omitted, language indicated by ...

DECLARATION

WHEREAS, the Developer has caused to be incorporated a Florida not-for-profit corporation, known as Ormond Lakes Homeowners' Association, Inc. (hereinafter called the "Owners' Association") which has been formed to manage, maintain and administer the Common Areas, Conservation Easement Areas, Drainage Areas, private streets, islands and other areas and to enforce this Declaration and to collect assessments and generally provide for the orderly enjoyment of the subdivisions to be platted by Developer, its successors or assigns; and

...

This instrument was prepared by:
C. John Christensen, Esq.
Becker & Poliakoff, P.A.
2500 Maitland Center Parkway, Suite 209
Maitland, Florida 32751

ARTICLE I DEFINITIONS AND DESCRIPTIONS OF PROPERTY

Section 1.1. Definitions. The following words and terms when used in this Declaration and any supplemental declaration, unless the context clearly indicates otherwise, shall have the following meanings:

- a. "~~Associations~~" "Association" inclusively refers to the Owners' Association.

...

d. "Conservation Easement Area" shall mean all those areas which are subject to the special use restrictions specified in Section 7.3 of this Declaration and which are shown and indicated as Conservation Easements on the plats to be recorded and subjected to this Declaration. Except to the extent they are located on a Lot, all Conservation Easement Areas shall be dedicated to and owned by the Owners' Association in fee simple. The Conservation Easements, including but not limited to those that restrict the use of a Lot, are fully enforceable by the Owners' Association and by the City of Ormond Beach.

...

i. "~~Neighborhood Association~~" shall mean and refer to those sub-homeowners Associations created by Developer to fund necessary maintenance, repair and replacement of common roofs, walls, yards, amenities and similar expenses which are specific to a particular platted subdivision.

j. "Ormond Lakes" and "Ormond Lakes Community" shall mean and refer to the Property.

k. "~~Owners~~ Owners' Association" shall mean and refer to the Ormond Lakes Homeowners' Association, Inc., a Florida Corporation not for profit, and its successors and assigns, the members of which shall consist of owners of "Lots" in subdivisions of the Property hereinafter platted and recorded in the Public Records of Volusia County, Florida.

(Reletter subsequent subsections.)

ARTICLE II RESTRICTIVE COVENANTS

...

Section 2.2. Design Review Committee Approvals. ~~Except for Developer,~~ No person or entity (including the Association ~~Associations~~) may erect on, place on, alter, or permit any structure or addition to remain within the Subdivisions unless and until the site plan, floor plan, elevation, landscaping plan, abbreviated specifications, etc., are reviewed and approved by the Design Review Committee (hereinafter the "Committee"). The Committee is a committee of the Owners' Association; the Owners' Association, through its Board of Directors, and is authorized to bring suit in the name of the Owners' Association (with or without express approval of the Owners' Association) for the purposes of enforcing the decisions of the Committee, including but not limited to injunctive relief. Additionally, the Association, either through a designated member(s) of the Board of Directors or the Committee or both, shall have the irrevocable right to enter onto a lot during reasonable hours, and upon not less than twenty-four (24) hour advance notice to an owner of such lot except in an emergency, in order to inspect any new building structure or addition whether unapproved, proposed or approved. In order to preserve the character of the Subdivisions, the Association ~~Developer~~ hereby reserves for itself, through its Board of Directors, and its successors the right to appoint the members of the Committee. All property owned or controlled by the Owners' Association ~~and any Neighborhood Associations~~ is subject to the Committee's authority. The Committee shall review proposed buildings or structures (including plans and specifications for same or alterations of prior approved buildings or structures) as to the harmony of the external design and location of the building or structure with respect to existing buildings and structures, with respect to topography, vegetation, and the

finished grade of elevation of the Lot, and with respect to any other relevant considerations the Committee deems appropriate which are based upon acceptable standards of planning, zoning and construction, including considerations which are exclusively based on aesthetic factors. Owners will remain responsible for securing City building permits as necessary after securing approvals from the Committee.

Section 2.3 Non Permitted Structures and Vehicles Parking.

(a) Non-Permitted Structures. No ~~vehicles and no~~ structure of a temporary nature or character, including, but not limited to, trailers, house trailers, mobile homes, campers, recreational vehicles, motor homes, tents, shacks, sheds, barns or similar structures ~~or vehicles~~ shall be used or permitted to remain on any Lot as a storage facility or residence, ~~or other living quarters whether temporary or permanent.~~ No ~~automobile, truck or other commercial vehicle which contains lettering shall be parked (for any period of time in excess of ten consecutive hours) or stored or otherwise permitted to remain on any Lot except in a garage attached to the residence.~~

(b) Vehicle Parking.

(i) Permitted Vehicles. The following vehicles may be parked overnight on driveways of any Lot:

- Passenger autos;
- Passenger vans seating no more than 8 passengers;
- Sport Utility Vehicles;
- Pickup trucks;

provided there is no commercial signage or specialized equipment (ladders, racks, tanks, lights, machinery, etc.) visible in or on the vehicle, hereinafter "Permitted Vehicles". If all visible commercial signage on a vehicle that would otherwise qualify as a Permitted Vehicle is covered, using a blank magnetic vinyl cover or similar device that matches the color of the vehicle, then such vehicle may be parked overnight on the driveway of any Lot as a Permitted Vehicle. Police and Fire vehicles are deemed Permitted Vehicles.

(ii) Non-Permitted Vehicles. Except as provided in Section 2.3 (b) (iii), pertaining to "Recreational Vehicles", the following shall not be parked overnight on any driveway or otherwise stored on any Lot except in a closed garage attached to the residence:

- Vehicles that are not Permitted Vehicles;
- Inoperative or partially disassembled vehicles;
- Vehicles on blocks;
- Vehicles without current registration tags;
- Watercraft;
- Trailers of any kind, other than "Travel Trailers" as permitted below.

(iii) Recreational Vehicles. No recreational vehicle, motor home, or travel trailer shall be parked or stored or otherwise permitted to remain on any Lot for any period of time other than in a garage attached to the residence or in an approved detached garage, except as follows:

(1) Provided a permit is obtained from the clubhouse and properly displayed, a motor home, recreational vehicle, boat or travel trailer owned by an Association member may be temporarily parked on the member's driveway for the purpose of loading, unloading, or being prepared for use. Such temporary parking upon any Lot shall not exceed seventy-two (72) hours during any thirty (30) consecutive days; and

(2) Provided a permit is obtained from the clubhouse and properly displayed, a motor home, recreational vehicle, boat or travel trailer owned by a visiting guest of an Association member may be temporarily parked on the member's driveway. Such temporary parking for any Lot shall not exceed seven (7) days in any consecutive three (3) month period.

Section 2.4 Parking on Streets. No ~~automobile, truck, motorcycle, boat and trailer, trailer, house trailer, mobile home, camper, or other similar vehicle of any kind~~ shall be parked

~~on any street (including the right of way) overnight on any public street within Ormond Lakes. Association members or guests may obtain a permit at the clubhouse for temporary parking or for a continuous period of time in excess of ten consecutive hours, except in a designated off-street parking areas.~~

~~Section 2.5. R.V. and Boat Storage and Parking. No recreational vehicle, boat, boat and trailer, or trailer alone shall be parked for any period of time in excess of ten consecutive hours, or stored or otherwise permitted to remain on any Lot except in a garage attached to the residence or in an approved detached garage. If there is demand sufficient to generate enough rental income to make it economically feasible, Developer may designate an area for storage of recreational vehicles, boats, boats and trailers and trailers alone, subject to rules and fees established by the Association, but in no way shall an owner be excluded from the above stated time restrictions for parking a recreational vehicle, trailer, boat or boat and trailer in the event that space is not available within a designated area for storage.~~

~~Section 2.6. Remodeling or Changes. In order to preserve the character of the Ormond Lakes Community, no exterior walls or roofs of any structure (including materials and colors of said walls and roofs) shall be changed or modified without specific prior written approval of the Committee. No garage shall be converted to uses other than storage of vehicles or other personal property unless the Committee has approved another garage to be constructed as a replacement.~~

~~Section 2.76. Owner Maintenance. All owners shall keep the exterior of their Dwelling Units and landscaped portions of their grounds well maintained, free of disease, bugs and in a presentable condition, and shall not permit thereon any unsightly growth, weeds, or underbrush. If any owner shall fail to maintain the exterior of their Dwelling Units and the landscaped portion of his Lot as herein required, the Owners' Association shall have the power to correct such omission and assess the cost thereof to such owner and place a lien for such cost against such owner's Lot and improvements thereon. Owners, subject to approval of the Committee, may leave designated portions of their Lot, and if undeveloped the entire Lot, in a "natural" state as long as it is not unsightly and does not constitute a nuisance. Any Conservation Easement located on a Lot must be left in a natural condition and undisturbed as required by any plats or Development Orders. The Owners' Association shall have the right to adopt additional rules and regulations to enforce this subsection.~~

~~Section 2.78. Owners' Association Maintenance Rights. Without limiting the above, the Owners' Association shall have the right to maintain, require and enforce maintenance of that portion of Common Areas, street rights of way or Lots lying between a fence line and the abutting Lot line or lying between the curb of a street within the Subdivision and the Lot line. The Owners' Association shall have the right to adopt rules and regulations to enforce this provision.~~

~~Section 2.89. Maintenance Easements. For the purpose of providing access to each owner of a boundary line wall or structure, to permit painting, maintenance, repairs or reconstruction of such wall or structure that abuts such owner's boundary lines, the adjoining owner or owners of each Lot which abuts such boundary line wall or structure hereby give and grant a perpetual easement to the owner or owners of such wall or structure to enter upon the property of such adjoining owner or owners for the specific purpose of painting, maintaining, repairing or reconstructing such wall or structure. Such entry will be made in a reasonable manner and only at reasonable times, and any damage caused by such entry shall be repaired as soon as practicable and at the expense of the owner of the wall or structure who causes such entry to be made. In the event of controversy, the decision of the Board of Directors of the Owners' Association shall control.~~

(Renumber Subsequent Subsections)

...

~~Section 2.140. Design Review Committee Membership. The Committee shall be composed of three (3) not less than five (5) persons. The members of the Committee shall be appointed by the Developer or its successors. In any event of death, resignation, inability to serve, or other vacancy in office of any member of the Committee, the Developer or its successors shall promptly appoint a successor member. Developer or its successors shall retain~~

~~the right to appoint members of the Committee even after turnover of the Owners Association to owners of Lots.~~

Section 2.121. Committee Decision Making. The Committee shall indicate its approval or disapproval, as the case may be, of the matters required in Section 2.2 hereof to be approved or acted upon by them, by a written instrument filed with the Secretary of the Board of Directors of the Owners' Association, and served personally or by certified mail upon the applicant, identifying the proposed building or structure and, if the same is disapproved, the reason for such disapproval. The decision of the Committee may be appealed to the Board of Directors by any owner of a Lot whose application of request for action has been disapproved by the Committee. Any such appeal to the Board of Directors must be made within ten (10) days of the date of the owner's receipt of the instrument of disapproval from the Committee. The decision of the Board of Directors upon hearing such appeal shall be final. If the Committee fails or refuses to approve or disapprove the aforesaid matters within thirty (30) days after the application of request for action is made and after a floor plan, elevation and abbreviated specifications (including landscaping, exterior materials, colors, and site plan for all structures) have been received by the Committee, then it shall be conclusively presumed, as to all owners and interested persons, that the particular alleged violation of this Declaration is, and it shall be deemed automatically to be, excused, but solely as to that particular applicant and application, and any and all rights of action of the Committee arising from said particular alleged violation shall be deemed to have been waived, but only with respect to that particular applicant and application.

Section 2.123. Domesticated Animal Control. In order to maintain and preserve the peace and tranquility of the Ormond Lakes Community, the Owners' Association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats and other domesticated household pets, including prohibiting the keeping and breeding of such animals for commercial purposes, and specifically shall have the right (i) to require such animals to be leashed; (ii) to prohibit such animals from roaming at large beyond the confines of their owner's grounds; (iii) to require that owners keep their pets from making noises likely to disturb others; (iv) to limit the number of such animals; and (v) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

...

Section 2.204. Common Area Management and Ownership. ~~Except where operation, maintenance and management is more appropriately vested in a Neighborhood Association, the~~ The Owners' Owners' Association shall operate, maintain and manage all Common Areas, all islands located in the streets, all private roads and all road rights-of-way which are not maintained by the City of Ormond Beach, whether or not such Common Areas, islands or road rights-of-way are shown on a plat. It is intended that the Owners' Owners' Association shall maintain all rights-of-way and all islands, as well as all Common Areas, ~~not specifically and more appropriately under Neighborhood Association ownership and maintenance.~~ The Owners' Owners' Association and all Neighborhood Associations must accept any deed to the above described areas from the Developer when tendered by the Developer. The Developer is authorized to record such deeds prior to delivering same to the Owners' Owners' Association ~~or to a Neighborhood Association.~~ The Owners' Owners' Association shall enforce the restrictions and covenants contained herein, and shall undertake and perform all acts and duties necessary and incident to such duties, all in accordance with the provisions of this Declaration, the Articles of Incorporation and Bylaws of said Owners' Association.

Section 2.212. Maintenance of Stormwater System and Discharge Facilities, Management and Ownership of Drainage Areas and Conservation Easement Areas. The Owners' Association shall manage all surface water, shall maintain all stormwater management systems and discharge facilities, and shall manage, maintain, monitor and, where applicable, preserve natural assets and materials located within the Drainage Areas and Conservation Easement Areas, including, but not limited to, groundwater, wetlands, lakes, ponds, tributaries and wildlife habitat. The Owners' Owners' Association has the responsibility and authority to establish and enforce rules, regulations and other controls as needed to accomplish the maintenance, monitoring, management and preservation obligations outlined above. The Owners' Owners' Association must accept from the Developer when tendered by the Developer any deed transferring to the Owners' Association all or any part of the Drainage Areas or the Conservation Easement Areas. The Developer is authorized to record such deeds prior to delivering same to the Owners' Owners' Association.

Association. The ~~Owners~~Owners' Association is hereby granted authority to enforce and shall enforce the restrictions and covenants contained in this Section 2.21~~2~~ herein or in Development Orders issued by the City of Ormond Beach, and shall undertake and perform all acts and duties necessary and incident to such Development Orders, all in accordance with the provisions of this Declaration, the Articles of Incorporation and By-Laws of the ~~Owners~~Owners' Association.

Section 2.23. Enforcement of Conservation Easements. All Conservation Easements are perpetual undivided interests in the real property upon which the Conservation Easements are located. Nothing in this Declaration shall prohibit the Conservation Easement Areas from being acquired by any governmental body or agency or by a charitable corporation or trust described in Section 704.06, Florida Statutes (1995), as long as such acquisition is approved by the St. Johns River Water Management District or its successor governmental regulatory body (hereinafter inclusively referred to as the "District") and by the City of Ormond Beach. The Conservation Easements created by virtue of being shown and indicated on any recorded plat of real property which is developed as a unit or phase of Ormond Lakes Community and is subjected to this Declaration and the restrictions applicable to such Conservation Easement Areas shall be enforceable by the District, the City of Ormond Beach and the ~~Owners~~Owners' Association, and shall not be amended without the prior approval of the District and the City of Ormond Beach.

...

Section 2.26. Leasing and Guest Occupancy. Without prior notification of the Association, no owner shall lease the owner's lot or residence; nor shall an owner allow such lot or residence to be occupied in the owner's absence except by individuals related to the owner by blood, marriage or legal adoption under the laws of Florida, or by two persons in a domestic partnership. At least twenty (20) days prior to the commencement of a proposed lease term, an owner or owner's agent shall notify the Association of such lease on the forms provided by the Association, and such notification shall also include a copy of the proposed lease. The owner shall be obligated to furnish the tenant with a copy of the Association documents pertaining to restrictive covenants and rules and regulations, and each lease, or addendums thereto, shall contain an agreement by the tenant to comply with such restrictive covenants and rules/regulations. The owner shall remain responsible for adherence to restrictive covenants and rules/regulations by owner's tenants, and shall remain subject to any and all remedies the Association shall impose for violation of such restrictive covenants and rules/regulations by owner's tenants.

Each tenant shall be jointly and severally liable with the owner for any damages to the common areas or Association property, or injuries or damage caused by the acts, omissions or negligence of such tenants or those claiming by, through or under them. Only entire lots or residences may be leased; rental of rooms or less than an entire residence is prohibited. There shall be no subdivision or subletting of residences. Lots and residences may only be occupied by tenants as a Single Family residence, with occupancy not to exceed two (2) persons per bedroom. "Single Family" shall be defined as one person, or two or more persons related under the laws of Florida by blood, marriage, or legal adoption, or two persons having a domestic relationship and their dependents. Guests of tenants must be registered with the Association; the maximum stay for guests of tenants is 14 days. Guests of tenants may not use the residence except when the tenant is also in residence. An owner of a leased lot or residence may not use any portion of the common areas except as a guest. Any lease made in violation of this Section 2.26 may be voided by the Association and the Association may institute suit to evict the tenant, in which event the owner of the lot or residence shall be liable for all court costs and reasonable attorneys fees incurred by the Association, both at trial and appellate levels.

ARTICLE III OWNERS' ASSOCIATION AND NEIGHBORHOOD ASSOCIATION

Section 3.1. Membership. The owner of each Lot and the owner of each Dwelling Unit (all Subdivision Phases and all Units) shall automatically and mandatorily become a member of the Owners' Association and the Neighborhood Association (if applicable) upon his or her acquisition of any ownership interest in the title to any Lot or Dwelling Unit. The memberships of such owner shall terminate automatically at the time that such person divests himself or is divested of such

ownership interest or title, regardless of the means by which such ownership may have been divested.

Section 3.2 Membership Limits. No person or corporation or other business entity holding any lien, mortgage or other encumbrance upon any Lot or Dwelling Unit shall be entitled by virtue of such lien, mortgage or other encumbrance, to membership in the Associations or to any of the rights and privileges of membership in such Associations, or be charged with any of the duties of such membership; provided, however, that nothing contained herein shall be construed as prohibiting membership in the Associations of a person, corporation, or other business entity which acquires title to a Lot or Dwelling Unit either by foreclosure or by voluntary conveyance from a mortgagor or the mortgagor's successors or assigns.

Section 3.3 Adoption of Rules and Regulations. The Owners' Association shall adopt and enforce reasonable rules and regulations regarding security that may be provided within the Subdivision. The Owners' Association ~~and any Neighborhood Associations, each with respect to the areas of the Subdivisions subject to their ownership or control,~~ shall enforce the restrictions and covenants contained herein, as well as their rules and regulations promulgated hereunder and shall undertake and perform all acts and duties necessary and incident to enforcing such restrictions, covenants, rules and regulations, all in accordance with the provisions of this Declaration and the Articles of Incorporation and By-Laws of the Owners' Association ~~and Neighborhood Association, whichever is applicable.~~ True and complete copies of the Articles of Incorporation and By-Laws of the Owners' Association are annexed hereto as Exhibit "B" and such documents are expressly made a part hereof.

Section 3.4 Management and Enforcement Authority. In the administration, operation and management as herein designated to the ~~Associations Association~~ and in the enforcement of the ~~applicable~~ Covenants and Restrictions, ~~each of the Association Associations,~~ in addition to any authority granted elsewhere herein, shall have and is hereby granted with respect to areas of the Ormond Lakes Community within ~~that the~~ Association's ownership and control, full power and authority: (a) to enforce all applicable provisions of this Declaration; (b) to levy and collect assessments in accordance herewith; and (c) in order to carry out the purposes of ~~each of the Associations Association,~~ to adopt, promulgate, and enforce reasonable rules and regulations governing the use and enjoyment of the areas of the Ormond Lakes Community within ~~that the~~ Association's ownership or control.

Section 3.5. Liability Insurance. The Owners' Association is hereby required to maintain in force public liability insurance in an amount not less ~~that than~~ \$500,000 C.S.L. with respect to all vehicle storage areas, Common Areas, Drainage Areas, Conservation Easement Areas, and all traffic islands located within any public or private road right-of-way in the Ormond Lakes Community. The Owners' Association ~~and the Neighborhood Associations~~ shall be named insureds ~~insured~~ with respect to the areas ~~they it~~ owns or controls, ~~and the Neighborhood Associations shall reimburse the Owners Association for a reasonable pro-rata share of the insurance policy's premium in light of each such Association's liability risk.~~ The City of Ormond Beach shall be named as an additional insured for those islands in public road rights-of-way in the Ormond Lakes Community which the ~~Associations Association~~ maintains. Such coverage shall be as required by City Ordinances.

~~Section 3.6. Disputes Among Associations. The Developer, for a period of thirty (30) years after recording of this Declaration or until Developer relinquishes such power and authority, and thereafter the Owners Association shall be the final arbiter among or between Neighborhood Associations with respect to disputes involving interpretation of this Declaration or disputes as to the power, jurisdiction and authority of any or all of the Associations.~~

ARTICLE IV COVENANTS AND MAINTENANCE ASSESSMENTS

Section 4.1. Creations of Lien and Personal Obligation. The Developer agrees to, and each owner and each tenant of each Lot or Dwelling Unit shall, by acceptance of a deed or other instrument of conveyance or lease, whether or not it shall be so expressed in any such deed or instrument, be deemed to have agreed to all terms, covenants, conditions, restrictions, and other provisions of this Declaration and to have agreed to promptly pay to or on behalf of the ~~Owners Owners'~~

Association and, if applicable, one of the Neighborhood Associations or their its successors or assigns, the following:

All monthly assessments or charges (whether collected monthly or quarterly) and

All special assessments or charges for the purposes set forth in Section 4.2 of this Declaration that shall be fixed, established, levied, and collected from time to time as hereafter provided.

Monthly and special assessment by ~~any or all the Association~~ Associations (together with such interest thereon and the cost of collection including reasonable attorneys' fees as hereinafter provided) shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made, whether or not a claim of lien is filed. Each such assessment (together with such interest thereon and the costs of collection including reasonable attorneys' fees as above established) shall also be the personal obligation of the person who was the owner of such Lot or Dwelling Unit at the time when the assessment first became due and payable, and also the joint and several personal obligation of any subsequent grantees who take title to the Lot or Dwelling Unit without first obtaining a letter from the ~~Associations~~ Association as herein provided to the effect that there are no outstanding assessments against the Lot or Dwelling Unit being purchased. In the case of co-ownership or co-tenancy of a lot or Dwelling Unit, each owner or tenant shall be jointly and severally liable for the entire amount of the assessments and the aforesaid interest, collection costs, and reasonable attorney's fees. Prospective purchasers are hereby notified of the possible charge against the Lots and Dwelling Units in the Ormond Lakes Community.

Section 4.2. Purpose of Assessments. Assessments levied by ~~any of the Associations~~ Association shall be exclusively: (a) to improve, maintain, enhance, enlarge, protect, monitor and operate the areas within their respective ownership or control as specified in this Declaration; (b) to cover operating and administrative expenses; (c) to fund services and benefits which ~~that particular the~~ the Association is authorized to provide, including, but not limited to: insurance; construction; maintenance, repair and replacement of improvements; the escrowing of sufficient monies for specific purposes to satisfy the City of Ormond Beach; the acquisition of labor or services (including security services and professional services of attorneys, accountants, engineers, consultants, etc.); equipment, materials, management, and the supervision necessary to provide the authorized services or benefits; (d) for the payment of principal, interest and other charges connected with loans made to or assumed By ~~that particular the~~ the Association for the purpose of enabling ~~said the~~ the Association to perform its authorized functions (including the payment of mortgages upon areas of the Ormond Lakes Community owned by ~~said the~~ the Association, even though such mortgages were of record at the time the Association received title from Developer; (e) to pay the costs of social functions open to all members; and (f) to keep in force and pay for liability insurance on all areas of the Subdivision within its ownership or control in amounts not less than required by this Declaration.

No initiation fee may be charged to members of the ~~any of the Associations~~ Association as a pre-condition to use of such areas or facilities. User fees, however, may be charged. The ~~Associations~~ Association shall not be bound in setting assessments in subsequent years by the amount of the assessments set in earlier years. Notwithstanding any of the provisions of this Article, in no event shall assessments and other revenues collected by the ~~Associations~~ Association exceed their expenses and reasonable reserves to an extent which would violate any ~~the~~ the Association's not-for-profit status.

~~Article~~ Section 4.3. Assessment Amounts. For the year of 1996, the initial regular monthly assessment ~~is hereby~~ was set at the rate of \$28.00 per Lot or Dwelling Unit for the Owners' Association. ~~The initial regular monthly assessment for any Neighborhood Association shall be established at the time each Neighborhood Association is incorporated.~~ All areas of the Subdivision that have private streets will have an additional assessment charged by the Owners' Association against Lots and Dwelling Units therein in an amount sufficient to fund the replacement, repairs and maintenance of the private streets. If areas with private streets require security service or security equipment, then an additional assessment will be charged by the Owners' Association against Lots and Dwelling Units in those areas to cover same. All assessments for private road replacement, repair or maintenance shall be held in an escrow account separate from the Owners' Association's other funds.

Any change in the monthly assessment shall be determined at a meeting of the Board of Directors of the applicable Association, provided, however, that the portion escrowed for private street and security gate improvement and repairs shall be automatically adjusted by the Board of Directors of the Owners' Association ~~from the base monthly escrow amount in accordance with the rate of inflation based upon an updated reserve analysis, supported by vendor quotes, for the replacement of the private streets and the security gates changes in the Consumer Price Index,~~ unless a greater increase is prescribed by the City of Ormond Beach in accordance with provisions of Development Orders issued by the City of Ormond Beach.

With respect to ~~any Neighborhood Association monthly assessment, and with respect to~~ the non-escrow component of the Owners' Association monthly assessment, the following two adjustment provisions shall apply. First, the assessment may be increased annually, upon proposal of the budget committee and final approval of a majority of the Board of Directors of the Owners' Association, in an amount sufficient to pay the expenses of the Association and to meet the obligations imposed by this Declaration. Such assessment increase shall not exceed ten percent (10%) of the previous year's assessment. Second, the assessment may be increased beyond ten percent (10%) of the previous year's assessment upon approval of two-thirds of the members in attendance at any regular or special meeting of the applicable Association at which a quorum, pursuant to Section 720.306, Florida Statutes (2005), as amended, is present, but only after written notice of such meeting and such issue is given to all members of the Association at least fourteen (14) days prior to the date of said meeting. Nothing herein, however, shall be construed to preclude the Board of Directors ~~of any of the Associations~~ from fixing and levying a special assessment, which special assessment may be levied with notice to the membership at least fourteen (14) days prior to the date of a Board of Directors meeting at which such special assessment will be considered.

~~Any~~ The Association, upon proper resolution adopted by its Board of Directors, may bill and collect monthly assessments on a quarterly basis.

Except as elsewhere provided herein to the contrary, each owner of a Lot or Dwelling Unit shall be obligated to pay assessments which accrued prior to his taking title and shall be obligated to pay the regular monthly assessment continually from, at the latest, the date such Owner takes title to said Lot or Dwelling Unit.

In the event that, and at such time as, two Lots under single ownership shall have one Dwelling Unit constructed upon them in such a way that no other Dwelling Unit can be constructed thereon, then at the time of issuance of a Certificate of Occupancy for that one Dwelling Unit, the owner shall become liable for one regular monthly assessment, and no longer for two such assessments as were owed prior to the completion of the Dwelling Unit.

~~The Developer shall not be obligated to pay any assessments on any vacant Lots or lands which it may own, notwithstanding the fact such Lots may have been platted or such Lots may be on paved roads. However, in the event the Developer constructs a Dwelling Unit on any Lot, it shall be liable for the monthly and other assessments upon that Lot or Dwelling Unit which are charged, levied or assessed for the first time after the issuance of a Certificate of Occupancy for the Dwelling Unit.~~

Section 4.4. Late Charges. Assessments which are not paid on or before the date the same become due shall be delinquent, and each delinquent assessment shall bear simple interest at eighteen percent (18%) per annum until it is paid in full. In addition to the above stated interest, the Association may charge an administrative late fee, per occurrence, in an amount not to exceed the highest amount provided for in the Homeowners' Associations Act (as the Act may be amended from time to time), on Assessments and installments thereof not paid when due. All payments upon account shall be first applied to interest, then to any administrative late fee, then to any costs and reasonable attorney's fees incurred in collection and then to the Assessment. The foregoing method of applying payments shall be applicable notwithstanding any restrictive endorsement, designation, or instruction placed on or accompanying a payment. In addition to the accrual of interest and late fees, when an assessment becomes delinquent in payment, the applicable Association has the right to accelerate assessment payments for the balance of the calendar year and, in such event, the Association's lien shall be for the full amount as accelerated. There shall be no exemption from the payment of any assessment by waiver of the

use of the Common Areas, Drainage Areas or other areas or by abandonment of the Lot or Dwelling Unit, or by extended absence from the Subdivision, or for any reason, ~~except as provided for the Developer in Paragraph 4.3.~~

Section 4.5. Statement for Assessments. Any of the The Associations Association, upon written request of any Lot owner or Dwelling Unit owner, shall furnish to a prospective purchaser or prospective mortgagee or any other authorized person a statement of the current status of that the Association's assessments on such owner's Lot or Dwelling Unit. When executed by the Secretary/Treasurer of the applicable Association, a mortgagee, potential purchaser or title examiner may rely upon such statement as an accurate statement of the status of assessments by that the Association upon the Lot or Dwelling Unit in question.

~~Section 4.6. Billing: Revenue Collected. Nothing herein shall prevent the Associations from cooperating in the billing of their assessments so as to save postage and administrative expenses. In such event, any revenue received by one of the Associations for assessments of another Association shall be segregated and promptly delivered to the applicable assessing Association. Revenue received by any Association on its assessment on any Lot or Dwelling Unit may be co-mingled with revenues received by that Association on its assessments on other Lots or Dwelling Units, except to the extent segregation is required by the City of Ormond Beach or the Articles of Incorporation of a Neighborhood Association.~~

Section 4.7. Assignment of Membership. Although all funds and other assets of the ~~Associations~~ Association, and any income derived therefrom, shall be held for the benefit of ~~their~~ the respective members, no member of any the Association shall have the right to assign, encumber, hypothecate, pledge, or in any manner transfer his, her or its membership or interest in or to said funds and assets, except as an appurtenance to his Lot or Dwelling Unit. When an owner of a Lot or Dwelling Unit shall cease to be a member of the ~~Associations~~ Association by reason of divestment of ownership of said Lot or Dwelling Unit, by whatever means that occurs, ~~none of the Associations~~ Association shall not be required to account to said owner for any share of the funds or assets it holds.

Section 4.8. Foreclosure. ~~In the event that any institutional first mortgagee (defined as a chartered Bank, a chartered Savings and Loan Association, or the Developer) shall acquire title to any Lot or Dwelling Unit by foreclosure, judicial sale, documents or transfer from a governmental entity or documents of transfer from the mortgagor or his receiver, trustee in bankruptcy, personal representative, successors or assigns, then such institutional first mortgagee shall take title subject to the lien or liens of the Associations, not to exceed the aggregate of assessments charged by the Associations to such Lot or Dwelling Unit during the twelve month period immediately preceding the date such institutional first mortgagee acquires title to the Lot or Dwelling Unit; and neither such mortgagee nor its successors in interest to the Lot or Dwelling Unit shall be liable or obligated for the payment of any assessments which were charged to the Lot or Dwelling Unit more than twelve months prior to the date the institutional first mortgagee acquired title to the Lot or Dwelling Unit, except a pro-rata share as follows: In the event of the acquisition of title as aforesaid, any assessment or assessments as to which the institutional first mortgagee so acquiring title shall not be fully liable, shall be absorbed and paid by all the owners of all the Lots and Dwelling Units; provided, however, that nothing contained herein nor any action taken by said institutional first mortgagee shall be construed as releasing the prior owner from liability for such delinquent assessments or construed as a waiver of the applicable Association's right to legally enforce collection from the prior owner. In the event that any institutional first mortgagee shall acquire title to any Lot or Dwelling Unit as described above in this Section 4.8, the mortgagee so acquiring title shall also be liable and obligated for such assessments as may accrue to said Lot subsequent to the date of acquisition of such title.~~

Section 4.79. Liens for Assessments. Recognizing that proper management and operation of all the areas of the Ormond Lakes Community benefits all owners of Lots or Dwelling Units, the ~~Associations~~ Association is hereby granted a lien upon all the Lots and Dwelling Units within the Ormond Lakes Community and the present and future interests of each Lot and Dwelling Unit owner in the Common Areas, Drainage Areas, Conservation Easement Areas and improvements thereof, to secure the prompt payment of each and all assessments made and levied in accordance with this Declaration. Each Lot and Dwelling Unit owner shall be liable for, and this lien shall secure, the full amount of said assessment including reasonable attorneys' fees, deposition costs (whether or not depositions are used at trial), reasonable expert witness fees and costs (whether or

not expert testifies at trial), postage, long distance telephone, travel, lodging and meal costs which are incurred (either prior to trial, at trial, on appeal or on retrial) by ~~any of the Associations~~Association with respect to enforcement or interpretation of the provisions of this Declaration or of the Articles of Incorporation or the By-Laws ~~of any of the Associations~~Association.

Section 4.810. Foreclosure of Lien. The lien herein established may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. The lien granted herein shall also secure such payment of or advances for taxes and payments on superior mortgages, liens or encumbrances which are advanced by ~~any of the Associations~~Association in order to protect its interests, ~~and each of the Associations~~ shall be entitled to interest computed on the basis of advances made from time to time at the highest legal rate of interest on all such advances made by ~~that~~ the Association.

Section 4.911. Ownership Subject to Existing Liens. All persons, firms, corporations, and other business entities, which shall acquire, by whatever means, any interest in the ownership of any Lot or Dwelling Unit, or who may be given or who may acquire a mortgage, lien or other encumbrance on a Lot or Dwelling Unit are hereby placed on notice of the lien rights granted to the ~~Associations~~Association under this Declaration (including the partial exception for institutional first mortgagees) and all of such persons, firms, corporations, and other business entities shall acquire their rights, title and interest in and to said Lot or Dwelling Unit expressly subject to the lien rights (and exceptions) provided herein.

Section 4.102. Lien Preparation and Recording. The lien created pursuant to this Declaration exists as of the date the Association sets the amount of its monthly assessments for that year. The lien shall continue in effect until all sums secured by the lien have been fully paid. Such lien shall be perfected for the purpose of determining priority among competing creditors by the recording in the public records of the County in which the Lot is located of a "claim of lien" stating the description of the Lot or Dwelling Unit encumbered by the lien, the name of the record owner of the Lot or Dwelling Unit, the amounts due at that time and the date when any part of the unpaid amount first became due. If the Association accelerated the assessment for the balance of the calendar year, the claim of lien shall perfect a lien for the total "accelerated" amount. The claim of lien shall perfect the lien not only for assessments which are due and payable when the claim of lien is recorded, but also for interest, collection costs, reasonable attorneys' fees, and advances to pay taxes and prior encumbrances and interest thereon, all as provided herein. The claim of lien shall be signed and verified by the President or Vice President of the ~~particular Association filing the lien~~. When full payment of all sums secured by such lien is made, the claim of lien shall be satisfied of record by the President or Vice President of the Association ~~involved~~.

Section 4.113. Enforcement. These Covenants and Restrictions may be enforced by an action at law for damages, or proceeding in equity for an injunction.

Section 4.12. Specific Damage. Owners of lots (on their behalf and on behalf of their tenants, contractors, subcontractors, licensees, invitees, employees, officers, children and guests) causing damage to any portion of the Common Areas as a result of misuse, negligence, failure to maintain or otherwise shall be directly liable to the Association and a special assessment may be levied for maintenance, repair or replacement therefor against such Owner or Owners. Such special assessments shall be subject to all of the provisions hereof relating to other assessments, including, but not limited to, the lien and foreclosure procedures.

ARTICLE V CHANGES; AMENDMENT AND TERMINATION

Section 5.1. ~~Developer Changes and Amendments. Subject to approval of the governmental agencies with jurisdiction over the subject area, the Developer hereby reserves for itself, its successors and assigns the right to amend, modify or rescind such parts of this Declaration or any recorded plat as it, in its sole discretion, deems necessary or desirable so long as: (a) it is the sole owner of the property to which the plat or this Declaration (whichever is appropriate) applies; or (b) such amendment or modification does not substantially change the character, nature, or general scheme of development of the Subdivision. Subject to approval of the governmental agencies with jurisdiction over the subject area, Developer also reserves the following rights to amend, change or vary with respect to Subdivision units and phases: (a) the~~

~~right to add more phases or units to the Ormond Lakes Community; (b) the right in future phases and units to vary the mix and location of housing types as dictated by market conditions; and (c) the right to provide in future units and phases only those amenities as are shown on the recorded plats for such future units or phases. Neither the foregoing amendments nor Developer's exercise of the foregoing rights require the concurrence of any of the Associations or individual owners of Lots or Dwelling Units.~~

~~Section 5.2. Owner's Right to Amend. In addition to the rights of the Developer reserved in the preceding section, Subject to the approval of the governmental agencies with jurisdiction over the subject area and upon affirmative vote by a majority of those members of record in the Owners' Association attending in person or by proxy, on a proper Resolution at a proper Owners' Association meeting, the members of Owners' Association may amend or modify such provisions of this Declaration as they deem necessary or desirable, except that the owners cannot amend the Declaration in a manner which conflicts with or is inconsistent with the Development Orders issued by the City of Ormond Beach.~~

ARTICLE VI USE OF COMMON PROPERTY

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~~Section 6.2. Developer's Common Area Usage. Until all areas subject to Development Orders issued by the City of Ormond Beach have been developed and transferred or conveyed to third parties, Developer shall have the right (at no charge or fee) to reasonably utilize Common Areas for promoting the Subdivision and marketing Lots and Dwelling Units, including, but not limited to, the right to maintain sales offices in a Subdivision Community Building of Developer's choice.~~

ARTICLE VII ALLOWED USES AND USE RESTRICTIONS APPLICABLE TO DRAINAGE AREAS AND CONSERVATION EASEMENT AREAS

...

Section 7.2. Drainage Areas. All parts of Drainage Areas constituting wetlands within the dredge and fill jurisdiction of the Florida Department of Environmental Protection will be preserved and protected in their natural state. Those parts of the Drainage Areas not falling within the dredge and fill jurisdiction of the Florida Department of Environmental Protection shall only be improved and utilized as follows:

...

(b) Vegetation shall not be altered or removed except as permitted by applicable Development Orders. Fishing is allowed so long as all caught fish are released ("catch and release"); fish may not be caught for food. Only small watercraft, such as paddle craft, kayaks, canoes, prams, sailboats and boats, not exceeding fourteen (14) feet in length and displaying a decal issued by the Ormond Lakes Homeowners Association, may be used on lakes and ponds. Only electric motors which do not make an objectionable noise may be used in conjunction with such watercraft. Owners' watercraft may be stored at the water's edge, along the owners' lakeshore boundary. No motorized boats with gasoline engines or personal watercraft (e.g., "jet skis") shall be allowed upon the lakes or retention ponds except for boats utilized by agents of the Association in necessary maintenance of such lakes and ponds;

(c) No water shall be removed or added to the lakes by any person or entity without the prior permission of the Owners' Association.

...

Section 7.4. Cross Easements. ~~The Owner~~Owners' Association is hereby granted a perpetual easement upon all Common Areas and all Lots for the purpose of going upon said properties to fix, repair, alleviate or change any condition adversely affecting the stormwater management systems, discharge facilities, Drainage Areas, or Conservation Easement Areas. In exercising this right, the ~~Owner~~Owners' Association shall act reasonably so as to cause the least inconvenience or difficulty to the owner or owners of said properties.

ARTICLE VIII
COVENANTS AGAINST PARTITION
AND
SEPARATE TRANSFER OF COMMON AREAS

It is recognized that the full use and enjoyment of any Lot or Dwelling Unit within the Ormond Lakes Community is dependent upon the use, enjoyment, maintenance, protection and preservation of certain Common Areas, Drainage Areas, Conservation Easement Areas and the improvements made thereto, and that it is in the interests of all Lot and Dwelling Unit Owners that the ownership of the Common Areas, Drainage Areas and Conservation Easement Areas be retained by the ~~Associations~~ Association as provided in this Declaration. Accordingly, no Lot or Dwelling Unit owner shall have the right to transfer the Lot or Dwelling Unit owner's interest in the ~~Associations~~ Association other than as an appurtenance to and in the same transaction with a transfer of title to the Lot or Dwelling Unit, and the ~~Associations~~ Association shall have no right to transfer title to any part of the Common Areas, Drainage Areas or Conservation Easement Areas without Developer's prior written consent. Nothing in this Article VIII, however, shall: (a) preclude a conveyance by the Developer, its successors or assigns of any undivided interest in the Common Areas, Drainage Areas or Conservation Easement Areas to the ~~Associations~~ Association for the purpose of effectuating the purposes of this Declaration; or (b) preclude a conveyance by the Developer, its successors or assigns of any utility easements across, under, above or upon the Common Areas, Drainage Areas or Conservation Easement Areas.

ARTICLE IX
CONTROL AND TURNOVER OF ASSOCIATIONS

~~Section 9.1. Appointment of Directors by Developer. The Developer shall have the right to at any time appoint members to the Board of Directors of the Owners Association and to the Board of Directors of any Neighborhood Association to assure that Developer's appointed Directors constitute up to seventy-five percent (75%) of each of said Association's Directors until such time as seventy-five (75%) of the number of Dwelling Units allowed by applicable Development Orders issued by the City of Ormond Beach have been built. For purposes of determining when Developer's right of representation in the Owners Association and Neighborhood Association expires, Developer shall have the right to include additional permitted Dwelling Units within this calculation as may be described in future Development Orders entered by the City of Ormond Beach.~~

~~Section 9.2. Veto by Developer. During the time Developer still has a right of representation in a particular Association, the Developer shall have the right to veto any action taken by the Board of Directors of that particular Association at a time when more than twenty-five percent (25%) of the Directors of that Association were not appointed by the Developer. Control of the Owners Association, all Neighborhood Associations and their records shall be turned over to the members at the earlier of such time as Developer's right of representation expires or the Developer has turned the Owners Association and Neighborhood Association over to the members.~~

ARTICLE X
COVENANTS TO RUN WITH LAND

The restrictions and burdens imposed by the provisions and covenants of this Declaration shall constitute covenants running with the Property, and each provision and covenant shall constitute an equitable servitude upon the heirs, personal representatives, successors and assigns of each owner of a Lot or Dwelling Unit, and the same shall likewise be binding upon the Developer and its successors and assigns. This Declaration shall be binding and in full force and effect for a period of thirty (30) years from the date this Declaration is first recorded in the Public Records of Volusia County, Florida, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless (a) an instrument, signed by seventy-five percent (75%) of the then owners of record of Lots and Dwelling Units in the Subdivision, is recorded in the Public Records of Volusia County, Florida, pursuant to which the said owners repeal the provisions of this Declaration, and (b) proper governmental authority for repeal of this Declaration is obtained.

(The remainder of the Declaration of Covenants is unchanged.)

ARTICLES OF INCORPORATION

...

ARTICLE VI. MANAGEMENT

A. The affairs and property of the Corporation shall be managed and governed by a Board of Directors composed of not less than ~~three (3)~~ five (5) nor more than (9) persons. The Board members shall be elected by the voting membership at the times and in the manner provided in the By-Laws. The Board members may be removed and vacancies in the Board filled in the manner provided in the By-Laws.

B. ~~The initial Board shall consist of three (3) persons, who need not be members entitled to vote in the Association, and who shall be appointed by Declarant. The initial Board named in these Articles shall serve until the Owners, other than Declarant, are entitled to elect the Board members in the manner set forth in the By Laws. Vacancies in the initial Board appointed by Declarant may be filled by Declarant. After the election of the Board by the owners other than the Declarant, Vacancies occurring between annual meetings of the membership shall be filled in the manner provided in the By-Laws.~~

C. ~~The number of members on the Board shall be increased to (9) persons at the time and in the manner provided in the By-Laws.~~

D. Board members shall be elected by the membership in accordance with the By-Laws at the regular annual meeting of the membership of the Corporation to be held on the first Monday of ~~June~~ December of each year or on such other date as may be set by the Board or by the vote of a majority of the membership.

~~E. C.~~ All officers shall be elected by the Board in accordance with the By-Laws at the annual meeting of the Board to be held immediately following the annual meeting of membership. The Board shall elect or appoint at the time and in the manner set forth in the By-Laws a President, Vice President, Secretary, Treasurer, and such other officer as it may deem desirable.

ARTICLE VII. BOARD OF DIRECTORS

~~The number of persons constituting the first Board of Directors shall be three (3). The names and street address of the persons who are to serve as the first Board are as follows:~~

Name	Address
Thomas L. Durrance	860 Hull Road, Ormond Beach, FL 32174
Ronnie Bledsee	860 Hull Road, Ormond Beach, FL 32174
Heidi Cash	860 Hull Road, Ormond Beach, FL 32174

The number of Board members may be increased or diminished from time to time as provided by the By-Laws, but shall never be less than five (5) ~~three (3)~~. All Board members shall be natural persons.

ARTICLE VIII. OFFICERS

~~The names of the officers who are to serve until the first election of officers by the Board are as follows:~~

President	-	Thomas L. Durrance
-----------	---	--------------------

Vice President & Treasurer	-	Rennie Bledsoe
Secretary	-	Heidi Cash

ARTICLE IX. PRINCIPAL OFFICE

The initial principal office of the Association is 860 Hull Road, Ormond Beach, Florida 32174.

(Renumber Subsequent Articles; the remainder
of the Articles of Incorporation is unchanged.)

BYLAWS

...

ARTICLE VI NEIGHBORHOODS FINANCIAL REPORTING

6.01 Notwithstanding any otherwise available statutory or membership exemption to the contrary, beginning with fiscal year 2009 and upon every third fiscal year thereafter, such as 2012, 2015, etc., the Association shall cause an audited financial statement to be prepared, in accordance with generally accepted accounting principles, in regard to the Association's annual revenues. In all other fiscal years the Association shall, at a minimum, cause reviewed financial statements to be prepared, notwithstanding any otherwise available statutory or membership exemption to the contrary; provided that, the Association shall cause an audited financial statement to be prepared in regard to any fiscal year if required by law. The Declarant may create separate "Neighborhoods" within the Property. Each Neighborhood created shall represent separately developed residential areas in which "Owners" have common interests such as a common theme, entry feature, development name, and/or common areas and facilities not available for use by all Association members. Lots or Dwelling Units within a particular Neighborhood may be subject to additional covenants and the Owners in a Neighborhood may be members of another owners association, referred to as a "Neighborhood Association", in addition to the Association. No Neighborhood shall be required to establish a formal association unless required by law; however, if no Neighborhood Association is established, then a "Neighborhood Committee" shall represent the interests of Lot or Dwelling Unit Owners in such Neighborhood.

6.02 Each Neighborhood Association shall adopt a separate declaration of covenants and restrictions, articles of incorporation, by laws and such other documents as necessary to manage and enforce the responsibilities of the Neighborhood Association. Each Neighborhood Committee shall adopt rules and regulations necessary to manage and enforce the Committee's responsibilities. In addition to their rights in this Association, Lot or Dwelling Unit Owners shall have the membership, voting and other rights as determined under their Neighborhood Documents.

ARTICLE VII MEETINGS OF MEMBERS

...

7.04 A written notice of the meeting (whether the Annual Meeting or a special meeting of the Members) shall be mailed to each Member at his last known address as it appears on the books of the Association. Such written notice of an Annual Meeting shall be mailed to each Member not less than fourteen (14) days nor more than forty (40) days prior to the date of the Annual Meeting. Written notice of a special meetin^g of the Members shall be mailed not less than ten (10) days nor more than forty (40) days prior to the date of a special meeting. The written notice of a special meeting shall state the specific matter or matters to be voted on, and every written notice of a meeting, whether an annual meeting or a special meeting, shall state the time and place of such meeting and shall be signed by an officer of the Association. ~~Should a matter or matters to be voted on at a Members meeting require consideration by a Neighborhood Association or Neighborhood Committee prior to said Members meeting, then the timing requirements for the written notice of the meeting shall be adjusted accordingly.~~ Notice of any meeting may be waived by any Member before, during or after a meeting, which waiver shall be in writing and shall set forth a waiver of written notice of such meeting.

...

ARTICLE VIII VOTING BY MEMBERS

8.01 ~~Initially there shall be 39 Units in the Association. Additional Units will be added as additional parcels of the Property are platted and the number of votes in the Association will increase correspondingly. There will be a maximum of 596 Units.~~

8.02 The Association shall have two classes of voting membership:

(a) ~~Class "A".~~ Class "A" Members shall be all Owners ~~with the exception of the Class "B" Member, if any.~~ Class "A" Members shall be entitled to one (1) vote for each Lot or Dwelling Unit owned.

When a Member is entitled personally to exercise the vote for his Lot or Dwelling Unit, and more than one (1) person or entity is the Owner of the Lot or Dwelling Unit, the vote for such Lot or Dwelling Unit shall be exercised by that party designated on the records of the Secretary of the Association. In the absence of such designation, the Lot or Dwelling Unit's vote shall be suspended if more than one person or entity seeks to exercise it.

~~Unless otherwise specified in the Declaration or the Bylaws, the vote for each Unit in a "Neighborhood" shall be exercised by a "Voting Member" representing the Neighborhood of which the Unit is a part, as provided in these Bylaws.~~

(b) ~~Class "B".~~ The Class "B" Member shall be the Declarant.

~~The Class "B" Member shall be entitled to three (3) votes for each Unit owned, and shall be entitled to appoint a majority of the members of the Board of Directors during the "Class 'B' Control Period", as defined in the Bylaws. The Class "B" Member shall also have the right to approve certain actions of the Association after the termination of the Class "B" Control Period, as provided in the Bylaws.~~

~~The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of:~~

~~(i) two (2) years after expiration of the Class "B" Control Period pursuant to the Bylaws; or~~

~~(ii) when, in its discretion, the Declarant so determines.~~

8.03 ~~The number of votes in the Association shall be determined as set forth in the preceding Section 8.02. The Class "A" Members shall be entitled to one (1) vote for each Lot or Dwelling Unit owned and the Class "B" Member shall be entitled to three (3) votes for each Lot or Dwelling Unit owned.~~

8.04 ~~The Class "B" Control Period terminates on the happening of one of the following events, whichever shall first occur:~~

(a) ~~When the total votes outstanding in the Class "A" membership exceeds the total votes outstanding in the Class "B" membership, based on a maximum of 596 Units, or~~

(b) ~~Such earlier date as, in its discretion, the Declarant determines.~~

8.025 Association voting shall be conducted as follows:

(a) The presence at a meeting of Members and Voting Members entitled to cast a majority of the votes shall constitute a quorum, except as otherwise provided in these By-Laws. If, however, such quorum shall not be present or represented at a duly called meeting, the Board may call a second meeting at which the quorum required for the first meeting shall be reduced by fifty percent (50%). The notice for the first meeting may include notice for the second meeting with the time and date for the second called meeting and shall be sufficient for any adjournment thereof.

(b) ~~Each Neighborhood shall be represented by one (1) Voting Member.~~

(c) ~~Voting Members shall be entitled to cast the votes attributable to Lots or Dwelling Units in their Neighborhood on all matters requiring action by the Members of the Association.~~

(d) ~~Voting Members shall be entitled to cast the votes of their Neighborhood in the manner they deem appropriate, unless they are otherwise restricted by their neighborhood Documents.~~

(e) At meetings of the membership, votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the secretary before the appointed time of the meeting. A member may withdraw his proxy at any time before it is voted.

(f) ~~The Voting Member of each Neighborhood shall be the President of the Neighborhood Association, or in his absence, the Vice President, unless the Neighborhood Documents provide otherwise.~~

ARTICLE IX BOARD OF DIRECTORS ELECTIONS AND MEETINGS

9.01 The affairs and property of the Corporation shall be managed and governed by a Board of Directors composed of not less than ~~three (3)~~ five (5) nor more than nine (9) persons, elected in a staggered fashion.

9.02 At the 2009 Annual Meeting, approximately one-half (1/2) of the Board of Directors shall be elected for two (2) year terms, to accomplish the staggered election of directors; the four (4) elected directors receiving the fewest number of votes shall serve one-year terms. Thereafter, all elected directors shall serve for two-year terms; provided that, notwithstanding anything to the contrary contained herein, the Board, at a duly convened meeting occurring at least sixty (60) days prior to the annual election of directors, may establish a term of one (1) or two (2) years in regard to directorship(s) to be filled at any annual election in order to preserve the proper staggering of the election of directors. The term of a director ends at the conclusion of the annual meeting at which his successor is duly elected, or at such other times as may be provided by law. The initial Board of Directors shall consist of three (3) persons, who need not be Members who are entitled to vote in the Association, and who shall be appointed by Declarant. The initial Board of Directors named in the Articles shall serve until the termination of the Class "B" Control Period and the Owners, other than Declarant, are entitled to

elect the Directors in the manner set forth herein. Vacancies in the initial Board of Directors appointed by Declarant may be filled by Declarant.

9.03 ~~On the termination of the Class "B" Control Period, as provided herein, The number of persons on the Board of Directors shall automatically be not less than five (5) nor more than increased to nine (9) persons, and the Owners, other than the Declarant, shall be entitled to elect a majority of the Board of Directors at a special membership meetings called for that purpose. Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, such as the flipping of a coin by a neutral party. At such meeting after the election of the Board of Directors, Declarant shall deliver to the Association the contributions to working capital as required in the Declaration, less pre-paid items which shall be pro-rated. After the election of a majority of the Board by the Owners, other than the Declarant, Vacancies occurring between annual meetings of the membership shall be filled by the remaining Board members for the remainder of the unexpired term of the vacant directorship.~~

9.04 ~~In order to guarantee representation on the Board of Directors for various groups having dissimilar interests and to avoid a situation in which the Voting Members representing similar Neighborhoods are able, due to the number of Lots or Dwelling Units in such Neighborhoods, to elect the entire Board of Directors, excluding representation of others, the Declarant shall establish Voting Groups for election of Directors to the Board. The Declarant shall establish "Voting Groups" not later than the date of expiration of the Class "B" Control Period by filing with the Association and in the Public Records of Volusia County, Florida, a Supplemental Declaration identifying each Voting Group and designating the Lots or Dwelling Units within each group. Such designation may be amended from time to time by Declarant, acting alone, at any time prior to the expiration of the Class "B" Control Period. Until such time as Voting Groups are established by Declarant, or in the event that Declarant fails to establish Voting Groups, all Lots or Dwelling Units shall be assigned to the same Voting Group. Each Voting Group shall be entitled to elect the number of directors specified in the Supplemental Declaration. Any other members of the Board of Directors shall be elected at large by all Voting Members without regard to Voting Groups.~~

9.05 ~~After the termination of the Class "B" Control Period, the Class "B" Member shall reserve the right to disapprove certain actions of the Association. Nothing in the Declaration shall be amended, interpreted or construed to prevent Declarant, its transferees or its or their contractors or subcontractors from doing or performing on all or any part of the Property actually owned or controlled by Declarant, its transferees, or its or their contractors or subcontractors as the case may be, whatever they determine to be reasonably necessary or advisable in connection with the completion of the development of the property including, without limitation:~~

(a) ~~Erecting, constructing, and maintaining thereon such structures and vehicles as may be reasonably necessary for the conduct of Declarant's business of completing and establishing the Property as a residential community and disposing of the same in parcels by sale, lease, or otherwise; or~~

(b) ~~Maintaining such sign or signs thereon as may be reasonably necessary in connection with the sale, lease or other transfer of the Property in parcels;~~

(c) ~~Provided, however, that operations being conducted under subparagraphs (a) and (b) immediately above shall be permitted upon only those parts of the Property owned or controlled by the party causing or conducting said operations. As used in this section, the terms "its transferees" specifically does not include purchasers of lots improved as completed residences, or to purchasers of unimproved lots who are not contractors or builders.~~

9.06~~5~~ ~~A Director designated by Declarant, as provided in the Articles, may be removed only by Declarant in its sole and absolute discretion and without any need for a meeting or vote. Declarant shall have the unqualified right to name a successor for any Director designated and thereafter removed by it or for any vacancy on the Board of Directors as to a Director designated by it and Declarant shall notify the Board of Directors of the name of the respective successor Director and the commencement date for the term of such successor Director. No Director or officer designated or appointed by Declarant shall be required to be a Member, or a spouse of a~~

Member, of the Association. A Director who ceases to be a Member shall be deemed to have automatically resigned from the Board unless such Director's spouse remains a Member.

9.076 The first meeting of a newly elected Board of Directors shall be held at such place and time as shall be fixed by the Directors at the meeting at which they were elected. ~~No further notice of the organizational meeting shall be necessary.~~

ARTICLE XVI ENFORCEMENT PROCEDURE

16.01 ~~Pursuant to Section 9.03 of the Declaration,~~ The Association shall have the right to levy fines against an Owner or its guests, relatives, or lessees, in the manner provided herein, and such fines shall be collectible as any other assessment. ~~To the extent authorized by law, the Association shall have a lien against the Owners and Lot or Dwelling Units against which a fine has been assessed or levied.~~

16.02 Each Board of Directors (the "Appointing Board") shall have the power to create an "Enforcement Committee" to be comprised of ~~three (3)~~ five (5) members, one of which shall be a member of the Board of Directors, and one of which shall be designated as the Chairperson thereof. The Appointing Board shall also designate an Alternate Enforcement Committee Member to serve in the place of an absent member of the Enforcement Committee. The Enforcement Committee shall serve a term consistent with the term of its Appointing Board. Members of the Enforcement Committee may be replaced with or without cause by majority vote of the Appointing Board.

16.03 Prior to a hearing of the Enforcement Committee being called, alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of the alleged non-complying condition and be given a reasonable opportunity thereafter to rectify the alleged Non-complying condition.

16.04 Conduct of Enforcement Hearing:

(a) Alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of a hearing at least ~~five (5)~~ fourteen (14) days in advance of said hearing. No Alleged Non-complying Member shall be given notice of hearing before the Enforcement Committee unless said Alleged Non-Complying Member has first been given reasonable opportunity to rectify the alleged non-complying condition.

(b) The Chairperson of the Enforcement Committee may call hearings of the Enforcement Committee; hearings may also be called by written notice signed by any member of the Enforcement Committee.

(c) At an Enforcement Hearing, the Chairperson shall present each case before ~~the entire Enforcement~~ a Hearing Committee, and the "Alleged Non-complying Member" shall be given reasonable opportunity to be heard after the Chairperson's presentation. The Board shall appoint five (5) impartial Members to the Hearing Committee who neither serve on the Enforcement Committee nor are officers, directors or employees of the Association, or the spouse, parent, child, or sibling of an officer, director or employee of the Association. The Owner shall have a right to be represented by counsel and to cross-examine witnesses. If the Hearing Committee, by majority vote, does not approve a proposed fine, it may not be imposed by the Board of Directors. Formal rules of evidence shall not apply, but fundamental due process shall be observed and shall govern said proceedings.

(d) At the conclusion of the hearing, the Enforcement Committee shall issue an order affording the proper relief, if any, consistent with the powers granted herein. The order shall be by motion approved by at least ~~two (2)~~ three (3) members of the Enforcement Committee in order for the action to be official.

16.05 The Enforcement and Hearing Committees shall have the power to:

- (a) Adopt rules for the conduct of its hearings;
- (b) Effectuate the provisions set forth in this provision;
- (c) Issue orders consistent with this provision; and

(d) Order Non-complying Members, adjudged so pursuant to the provisions of this paragraph, to pay a fine not to exceed ~~Twenty-Five~~ One Hundred Dollars (\$~~25~~100.00) for each day the violation continues past the date set by the Enforcement Committee for compliance, and not to ~~Exceed Five-Hundred~~ One Thousand Dollars (\$~~500~~1,000.00) under any circumstances. If authorized by law, a notarized copy of an Order imposing a fine may be recorded in the public records and thereafter shall constitute a lien against the Lot or Dwelling Unit owned by the Non-complying Member, collectible by the Association as a Neighborhood Special Assessment against such Lot or Dwelling Unit in the manner set forth in the Neighborhood Declaration.

(e) Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors.

(f) Non-Exclusive Remedy. These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Owner.

...

ARTICLE XVIII AMENDMENT OF THE BYLAWS

18.01 ~~Until such time as Owners, other than the Declarant, are entitled to elect the Board of Directors, Declarant reserves the right to amend, modify, alter or annul any of the provisions of these Bylaws. The Board of Directors, without a vote of the owners, may adopt, by majority vote, amendments to these Bylaws as the Board deems necessary to comply with such operational changes as may be established by future amendments to Chapter 617 (the Florida Not-for-Profit Corporation Act) or Chapter 720 (the Homeowners' Association Act) of the Florida Statutes, or such other statutes or administrative regulations regulating the operation of the Association.~~

18.02 ~~At such time as Owners, other than Declarant, are entitled to elect the Board of Directors,~~ These Bylaws may be amended by the affirmative vote of Voting Members representing not less than a majority seventy-five percent (75%) of the votes presented by those Members attending, in person or by proxy, at an Annual Meeting or a special meeting of the Members and the affirmative approval of a majority of the Board of Directors at a regular or special meeting of the Board of Directors. A copy of the proposed amendment shall be sent to each Member along with the notice of the special meeting of the Members or Annual Meeting. An amendment may be approved at the same meeting of the Board of Directors and/or Members at which such amendment is proposed.

18.03 An amendment may be proposed by either a majority of the Board of Directors or by not less than twenty-five percent (25%) of the Members, and after being proposed and approved by one of such bodies, it must be approved by the other as above set forth in order to become enacted as an amendment.

18.04 Amendments to these Bylaws shall be made in accordance with the requirements of the law and amendments thereto in effect at the time of amendment.

18.05 No modification or amendment to these Bylaws shall be effective which would affect or impair the priority or validity of a mortgage held by any Institutional Mortgagee ~~or Declarant,~~ without the Institutional Mortgagee's ~~or Declarant's~~ prior written consent.

ARTICLE XIX
CONFLICT

19.01 The "Governing Documents" shall include the Declaration of Covenants and Restrictions for the Properties, the Articles of Incorporation, these Bylaws, the Rules and Regulations of the Association, the Plats, Surveys, Plot Plans, and graphic descriptions of improvements of record, and all other exhibits to the original Declaration of Covenants and Restrictions. In the event of any conflict between the provisions of the Declaration, the Articles and the provisions of these Bylaws, the provisions of the Declaration and/or Articles shall prevail of Covenants and Restrictions and the graphic descriptions of record, the graphic descriptions of record shall control. In the event of a conflict between language in any of the other Governing Documents, the following priorities shall apply:

1. Declaration of Covenants and Restrictions;
2. Articles of Incorporation;
3. Bylaws; and
4. Rules and Regulations.

ARTICLE XX
EMERGENCY BOARD POWERS

20.01 In the event of any "emergency" as defined in Section (g) below, the Board of Directors may exercise the emergency powers described in this Section, and any other emergency powers authorized by Sections 617.0207, 617.0303, and Chapter 720, Florida Statutes, as amended from time to time.

(a) The Board may name as assistant officers persons who are not Directors, which assistant officers shall have the same authority as the executive officers to whom they are assistant during the period of the emergency, to accommodate the incapacity of any officer of the Association.

(b) The Board may relocate the principal office or designate alternative principal offices or authorize the officers to do so.

(c) During any emergency the Board may hold meetings with notice given only to those Directors with whom it is practicable to communicate, and the notice may be given in any practicable manner, including publication or radio. The Director or Directors in attendance at such a meeting shall constitute a quorum.

(d) Corporate action taken in good faith during an emergency under this Section to further the ordinary affairs of the Association shall bind the Association; and shall have the rebuttable presumption of being reasonable and necessary.

(e) Any officer, director, or employee of the Association acting with a reasonable belief that his actions are lawful in accordance with these emergency Bylaws shall incur no liability for doing so, except in the case of willful misconduct.

(f) These emergency Bylaws shall supersede any inconsistent or contrary provisions of the Bylaws during the period of the emergency.

(g) For purposes of this Section only, an "emergency" exists only during a period of time that the Properties, or the immediate geographic area in which the Properties are located, is subjected to:

- (i) a state of emergency declared by local civil or law enforcement authorities;
- (ii) a hurricane warning;

(iii) a partial or complete evacuation order;

(iv) federal or state "disaster area" status; or

(v) a catastrophic occurrence, whether natural or manmade, which seriously damages or threatens to seriously damage the physical existence of the Properties, such as an earthquake, tidal wave, fire, hurricane, tornado, war, civil unrest, or act of terrorism.

An "emergency" also exists for purposes of this Section during the time when a quorum of the Board cannot readily be assembled because of the occurrence of a catastrophic event, such as a hurricane, earthquake, act of terrorism, or other similar event. A determination by any three (3) Directors, or by the President, that an emergency exists shall have presumptive quality.

(The remainder of the Bylaws is unchanged.)

Executed this 25 day of JANUARY 2010.

Signed, sealed and delivered
Florida Limited in the presence of witnesses:

ORMOND LAKES HOMEOWNERS'
ASSOCIATION, INC.

John R. Collins
(Signature)
Print JOHN R. COLLINS

By: Thomas R. Boyer
Print THOMAS R. BOYER
Its President

Charles Russell
(Signature)
Print CHARLES RUSSELL

ATTEST:

John R. Collins
Print JOHN R. COLLINS

By: JOHN CANALIZO
Print JOHN CANALIZO, Secretary
Address 70 ORMOND LAKES BLVD
ORMOND BEACH, FL 32174

Charles Russell
Print CHARLES RUSSELL

(CORPORATE SEAL)

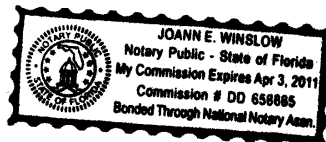
STATE OF FLORIDA)
COUNTY OF VOLUSIA)

BEFORE ME, the undersigned authority, personally appeared THOMAS BOYER and JOHN CANALIZO, to me personally known to be the President and Secretary, respectively, of ORMOND LAKES HOMEOWNERS' ASSOCIATION, INC., or having produced _____ as identification and did/did not take an oath, and they severally acknowledged before me that they freely and voluntarily executed the same as such officers, under authority vested in them by said Corporation.

WITNESS my hand and official Seal in the State and County last aforesaid, this 25 day of JANUARY 2010.

Joann E. Winslow
Notary Public, State of Florida at Large.
Printed Name: JOANN E. WINSLOW
My commission expires:

ACTIVE: 2243888_2



This instrument prepared by and should)
be returned to:)

Robyn Marie Severs, Esquire)
Becker & Poliakoff, P.A.)
100 Whetstone Place, Suite 302)
St. Augustine, FL 32086)
(904) 423-5372)

Cross-reference to the By-Laws of)
Ormond Lakes Homeowners')
Association, Inc., recorded in O.R.)
Book 4109, Page 2917, as amended at)
O.R. Book 6452, Page 2108, and 7493,)
Page 516, of the Public Records of)
Volusia County, Florida.)

**CERTIFICATE OF
THIRD AMENDMENT TO BY-LAWS OF
ORMOND LAKES HOMEOWNERS' ASSOCIATION, INC.**

THIS IS TO CERTIFY that the following language amending Article VII, Sections 7.01, 9.01, and 9.03, as well as Article XVI, Sections 16.01 through 16.06, of the By-Laws of Ormond Lakes Homeowners Association, Inc. ("By-Laws"), constitutes the Third Amendment to the By-Laws, which By-Laws were originally recorded in Official Records Book 4109, Page 2917, and amended at Official Records Book 6452, Page 2108, and Official Records Book 7493, Page 516 all of the Public Records of Volusia County, Florida. These amendments were duly and properly adopted, pursuant to Article XVIII, Section 18.02 of the By-Laws, by not less than a majority of the votes presented by those Members attending, in person or by proxy, at the Annual Meeting, which was held on December 12, 2018, and by the affirmative approval of a majority vote of the Board of Directors, to wit.

1. Article VII, Section 7.01 of the By-Laws of Ormond Lakes Homeowners' Association, Inc. shall be amended as follows:

7.01 The Association shall have an annual meeting of its Members. The first annual meeting of the Members shall be held in the year in which a majority of the Board of Directors of the Association are elected by the Owners, other than the Declarant. The annual meeting shall be held on the first Monday in December, or on such other date as may be set by the Directors and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of each year thereafter, at a place in Volusia County designated by the Directors, at the hour of 8:00 P.M. or at such other time determined by the Directors. The date

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.

of the annual meeting of the Members may also be changed by the vote of a majority of the Voting Members ~~at any annual or special meeting of the Members.~~

2. Article IX, Section 9.01 of the By-Laws of Ormond Lakes Homeowners' Association, Inc. shall be amended as follows:

9.01 The affairs and property of the Corporation shall be managed and governed by a Board of Directors composed of not less than five (5) nor more than nine (9) persons elected in a staggered fashion, the exact number to be determined by the Board from time to time in advance of the first notice of the annual election. There shall always be an odd number of Directors.

3. Article IX, Section 9.03 of the By-Laws of Ormond Lakes Homeowners' Association, Inc. shall be amended as follows:

9.03 ~~The number of persons on the Board of Directors shall be not less than five (5) nor more than nine (9) persons, and t~~The Owners shall be entitled to elect Directors at membership meetings called for that purpose. Tie votes shall be broken by agreement among the candidates who are tied, or if there is no agreement, by lot, such as the flipping of a coin by a neutral party. Vacancies occurring between annual meetings of the membership shall be filled by the remaining Board members for the remainder of the unexpired term of the vacant directorship.

4. Article XVI of the By-Laws of Ormond Lakes Homeowners' Association, Inc. shall be amended as follows:

16.01 The Association shall have the right to levy fines against an Owner or its guests, relatives, or lessees, in the manner provided in this Article and in Section 720.305(2), Florida Statutes, as amended from time to time. herein, and such fines shall be collectible as any other assessment. ~~To the extent authorized by law, the Association shall have a lien against the Owners and Lot or Dwelling Units against which a fine has been assessed or levied.~~ Unless otherwise provide by law, Non-complying Members, adjudged so pursuant to the provisions of this Article, shall pay a fine not to exceed One Hundred Dollars (\$100.00) for each day the violation continues past the date set by the Board for compliance, and not to Exceed One Thousand Dollars (\$1,000.00) under any circumstances. If authorized by law, a fine shall constitute a lien against the Lot or Dwelling Unit owned by the Non-complying Member, collectible by the Association as a Special Assessment against such Lot or dwelling Unit in the manner set forth in the Declaration.

16.02 Each Board of Directors (the "Appointing Board") shall have the power to create an "Enforcement Committee" to be comprised of five (5) members, one of which shall be a member of the Board of Directors, and one of which shall

*Additions to text indicated by bold underline; deletions by ~~strikeout~~.

be designated as the Chairperson thereof. The Appointing Board shall also designate an Alternate Enforcement Committee Member to serve in the place of an absent member of the Enforcement Committee. The Enforcement Committee shall serve a term consistent with the term of its Appointing Board. Members of the Enforcement Committee may be replaced with or without cause by majority vote of the Appointing Board.

16.03 Each Board of Directors (the "Appointing Board") shall have the power to create a "Hearing Committee" to be comprised of eight (8) members, who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. Members of the Hearing Committee may be replaced with or without cause by majority vote of the Appointing Board.

16.034 Prior to a hearing of the Enforcement Hearing Committee being called, alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of the alleged non-complying condition and be giving a reasonable opportunity thereafter to rectify the alleged Non-complying condition. If the Non-complying condition is not rectified, the Enforcement Committee will notify the Board of the Non-complying condition. The Board can then decide to levy a fine or suspend the right of a member, or a member's tenant, guest, or invitee, to use the common areas and facilities. After the Board levies the fine or suspends use of the common areas or facilities, the alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of a Fining/Suspension hearing at least fourteen (14) days in advance of said hearing. The Board will also determine which three (3) members of the Hearing Committee shall serve as the Fining/Suspension Members for next hearing.

16.045 Conduct of Enforcement Fining/Suspension hearing:

(a) — ~~Alleged Non-complying Members shall be notified by certified mail, return receipt requested, or by hand delivery, of a hearing at least fourteen (14) days in advance of said hearing. No Alleged Non-complying Member shall be given notice of hearing before the Enforcement Committee unless said Alleged Non-Complying member has first been given reasonable opportunity to rectify the alleged non-complying condition.~~

(b) — ~~The Chairperson of the enforcement Committee may call hearings of the Enforcement Committee; hearings may also be called by written notice signed by any member of the Enforcement Committee.~~

(e)-(a) At an Enforcement the Hhearing, the chairperson shall present each case ~~before a Hearing Committee~~, and the "Alleged Non-complying member" shall be given reasonable opportunity to be heard after the Chairperson's presentation. ~~The Board shall appoint five (5) impartial Members to the Hearing~~

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.

~~Committee who neither serve on the enforcement Committee nor are officers, directors or employees of the Association, or the spouse, parent, child, or sibling of an officer, director or employee of the Association. The Owner shall have a right to represented by counsel and to cross-examine witnesses. If the Fining/ Suspension Members Hearing Committee, by majority vote, does not approve a proposed fine, it may not be imposed by the board of directors. The role of the Members is limited to determining whether to confirm or reject the fine or suspension levied by the Board. Formal rules of evidence shall not apply, but fundamental due process shall be observed and shall govern said proceedings.~~

~~(d) (b) If the proposed fine or suspension levied by the Board is approved by the Fining Members, the fine payment is due 5 days after the date of the hearing at which the fine is approved. At the conclusion of the hearing, the Enforcement Committee shall provide written notice of such fine or suspension by mail or hand delivery to the lot owner and, if applicable, to any tenant, licensee, or invitee of the lot owner. shall issue an order affording the proper relief, if any, consistent with the powers granted herein. The order shall be by motion approved by at least two (2) members of the Enforcement Committee in order for the action to be official.~~

16.056 The Enforcement ~~and Hearing~~ Committees shall have the power to:

(a) Adopt rules for the conduct of its hearings, consistent with Section 720.305;

(b) Effectuate the provisions set forth in this provision;

(c) Issue orders consistent with this provision; and

(d) ~~— Order Non-complying Members, adjudged so pursuant to the provisions of this paragraph, to pay a fine not to exceed One Hundred Dollars (\$100.00) for each day the violation continues past the date set by the Enforcement Committee for compliance, and — not to Exceed One Thousand Dollars (\$1,000.00) under any circumstances. If authorized by law, a notarized copy of an Order imposing a fine may be recorded in the public records and thereafter shall constitute a lien against the Lot or Dwelling Unit owned by the Non-complying Member, collectible by the Association as a Special Assessment against such Lot or dwelling Unit in the manner set forth in the Declaration.~~

(e) Application of Penalties. All monies received from fines shall be allocated as directed by the Board of Directors.

~~(f)~~(e) Non-Exclusive Remedy. These fines shall not be construed to be exclusive, and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; provided, however, any penalty paid by the offending owner shall be deduced from or offset against any

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damages which the Association may otherwise be entitled to recover by law from such Owner.

(f) If there is conflict between this Article and Section 720.305, Florida Statutes, as same is amended from time to time, the Statute shall control.

Executed in Volusia County, Florida, on this 22 day of January, 2019.

Signed, sealed and delivered
in the presence of:

**ORMOND LAKES HOMEOWNERS
ASSOCIATION, INC.**

Peter Lesizza
Signature of Witness
Print Name: Peter Lesizza

By: Don Diedo
Don Diedo, President

Joe Estrada
Signature of Witness
Print Name: JOE ESTRADA

Peter Lesizza
Signature of Witness
Print Name: Peter Lesizza


By: Penny Pajak
Penny Pajak, Secretary

Richard Bozian
Signature of Witness
Print Name: Richard Bozian

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 22 day of January 2019, by Don Diedo and Penny Pajak, as President and Secretary, respectively, of **ORMOND LAKES HOMEOWNERS ASSOCIATION, INC.**, a Florida not-for-profit corporation, on behalf of the corporation. They ☒ are personally known to me or [] have produced as identification.

WITNESS my hand in the County and State last aforesaid on this 22 day of January, 2019.

 **Peter Lesizza**
NOTARY PUBLIC
STATE OF FLORIDA
Comm# GG171279
Expires 12/27/2021

Peter Lesizza
Notary Public - State of Florida
Print Name: Peter Lesizza
Commission No.: GG171279
My Commission Expires: 12/27/2021

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.

This instrument prepared by and should)
be returned to:)

Robyn Marie Severs, Esquire)
Becker & Poliakoff, P.A.)
100 Whetstone Place, Suite 302)
St. Augustine, FL 32086)
(904) 423-5372)

Cross-reference to the Declaration of)
Covenants and Restrictions for)
Ormond Lakes Homeowners')
Association, Inc. recorded in O.R.)
Book 4109, Page 2887, as amended in)
O.R. Book 5960, Page 1632 and Book)
6452, Page 2108, all of the Public)
Records of Volusia County, Florida.)

**CERTIFICATE OF THIRD AMENDMENT TO DECLARATION
OF COVENANTS AND RESTRICTIONS FOR
ORMOND LAKES SUBDIVISIONS ORMOND BEACH, VOLUSIA COUNTY,
FLORIDA AND NOTICE OF PROVISIONS OF ORMOND LAKES HOMEOWNERS
ASSOCIATION, INC.**

THIS IS TO CERTIFY that the following language amending Article II, Section 2.3 of the Declaration of Covenants and Restrictions for Ormond Lakes Subdivisions Ormond Beach, Volusia County, Florida And Notice of Provisions of Ormond Lakes Homeowners Association, Inc. ("Declaration"), constitutes the Third Amendment to the Declaration, as the Declaration was originally recorded in Official Records Book 4109, Page 2887, and as amended in Official Records Book 5960, Page 1632 and Book 6452, Page 2108, all of the Public Records of Volusia County, Florida. This amendment was duly and properly adopted, pursuant to Article V, Section 5.2 of the Declaration, by not less than a majority of those members attending, in person or by proxy, the Annual Meeting, which was held on December 12, 2018 to wit.

1. Article II, Section 2.3 of the Declaration of Covenants and Restrictions for Ormond Lakes Subdivisions Ormond Beach, Volusia County, Florida and Notice of Provisions of Ormond Lakes Homeowners Association, Inc. shall be amended as follows:

Section 2.3. Non-Permitted Structures and Vehicle Parking.

(a) Non-Permitted Structures. No structure of a temporary nature, including, but not limited to, trailers, house trailers, mobile homes, campers, recreational vehicles, motor homes, tents, shacks, sheds, barns or similar structures shall be used or permitted to remain on any Lot as a storage facility or residence.

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.

(b) Vehicle Parking.

(i) Permitted Vehicles. The following vehicles ~~may~~ **shall only** be parked ~~overnight~~ on driveways of any Lot **or in an enclosed garage:**

Passenger autos;
 Passenger vans seating no more than 8 passengers;
 Sport Utility vehicles;
 Pickup trucks;

provided there is no commercial signage or ~~s~~**Specialized Equipment (defined as ladders, racks, tanks, lights, machinery, tools, merchandise, building materials, business or trade apparatus etc.)** visible in or on the vehicle, hereinafter "Permitted Vehicles". ~~If all visible commercial signage on a vehicle~~ **Vehicles, listed above, that display only minimal commercial signage on doors and trunk/tailgate and do not contain Specialized Equipment,** that would otherwise qualify as a Permitted Vehicles ~~is covered,~~ **provided such commercial signage is hidden from view** using a black magnetic vinyl cover ~~or similar device~~ that matches the color of the vehicle, ~~then such vehicle may be parked overnight on the driveway of any Lot as a Permitted Vehicle.~~ **Police Law enforcement, and Fire Department** vehicles are deemed Permitted Vehicles. **Protective fitted car covers are allowed only on Permitted Vehicles.**

(ii) Non-Permitted Vehicles. Except as provided in Sec 2.3 (b) (iii), pertaining to "Recreational Vehicles", the following shall not be parked ~~overnight~~ on any driveway **between the hours of 8 PM and sunrise**, or otherwise stored on any Lot except in a closed garage attached to the residence:

Vehicles that are not Permitted Vehicles;
 Inoperative or partially disassembled vehicles;
 Vehicles on blocks;
 Vehicles without current registration tags;
 Watercraft **with or without trailers;**
Utility, commercial or work ~~t~~Trailers of any kind, other than "Travel Trailers" **except** as permitted below **in Sec 2(b)(iii).**

(iii) Recreational Vehicles. No recreational vehicle, motor home, travel trailer, **or watercraft and trailer** shall be parked, stored, or otherwise permitted to remain on any Lot ~~for any period of time other than~~ **between the hours of 8 PM and sunrise**, except in a garage attached to the residence or in an approved detached garage, except as follows:

(1) Provided a permit is obtained from the clubhouse and properly displayed, a motor home, recreational vehicle, ~~or~~ travel trailer, **or**

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.

watercraft and trailer owned by an Association member may be temporarily parked on the member's driveway, **at any hour**, for the purpose of loading, unloading, or being prepared for use, **so long as s**Such temporary parking ~~upon any Lot shall~~ **does** not exceed seventy-two (72) hours during any thirty (30) consecutive days; and

(2) Provided a permit is obtained from the clubhouse and properly displayed, a motor home, recreational vehicle, ~~boat or~~ travel trailer, **or watercraft and trailer** owned by a visiting guest of an Association member may be temporarily parked on the member's driveway **at any hour, so long as s**Such temporary parking ~~for any Lot shall~~ **does** not to exceed seven days during any consecutive three month period.

2. Article II, Section 2.26 of the Declaration of Covenants and Restrictions for Ormond Lakes Subdivisions Ormond Beach, Volusia County, Florida and Notice of Provisions of Ormond Lakes Homeowners Association, Inc. shall be amended as follows:

Section 2.26. Leasing and Guest Occupancy. Without prior notification of the Association, no owner shall lease the owner's lot or residence; nor shall an owner allow such lot or residence to be occupied in the owner's absence except by individuals related to the owner by blood, marriage or legal adoption under the laws of Florida, or by two persons in a domestic partnership. At least twenty (20) days prior to the commencement of a proposed lease term, an owner or owner's agent shall notify the Association of such lease on the forms provided by the Association, and such notification shall also include a copy of the proposed lease. The owner shall be obligated to furnish the tenant with a copy of the Association documents pertaining to restrictive covenants and rules and regulations and each lease, or addendums thereto, shall contain an agreement by the tenant to comply with such restrictive covenants and rules/regulations. The owner shall remain responsible for adherence to restrictive covenants and rules/regulations by owner's tenants, and shall remain subject to any and all remedies the Association shall impose for violation of such restrictive covenants and rules/regulations by owner's tenants.

No lot or residence shall be leased for less than twelve (12) months. The listing of any lot or residence on a website for vacation, swap or other transient or short term occupancy, such as Airbnb or any similar service, or on or in any other publication or medium for such occupancy, is prohibited. No owner may lease or rent his lot or residence if delinquent in the payment of any assessments (monthly and special), unpaid judgments, fines, court costs and attorney's fees (if any) incurred by the Association and all other monies due and owing to the Association for the lot or residence. The Board of Directors is hereby granted the authority to establish additional reasonable rules and regulations for the leasing of lots and residences in Ormond Lakes.


*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.


Each tenant shall be jointly and severally liable with the owner for any damages to the common areas or Association property, or injuries or damage caused by the acts, omissions or negligence of such tenants or those claiming by, through or under them. Only entire lots or residences may be leased; rental of rooms or less than an entire residence is prohibited. There shall be no subdivision or subletting of residences. Lots and residences may only be occupied by tenants as a Single Family residence, with occupancy not to exceed two (2) persons per bedroom. "Single Family" shall be defined as one person, or two or more persons related under the laws of Florida by blood, marriage, or legal adoption, or two persons having a domestic relationship and their dependents. Guests of tenants must be registered with the Association; the maximum stay for guests of tenants is 14 days. Guests of tenants may not use the residence except when the tenant is also in residence. An owner of a leased lot or residence may not use any portion of the common areas except as a guest. Any lease made in violation of this Section 2.26 may be voided by the Association and the Association may institute suit to evict the tenant, in which event the owner of the lot or residence shall be liable for all court costs and reasonable attorney's fees incurred by the Association, both at trial and appellate levels, **and in any bankruptcy or administrative proceeding.**

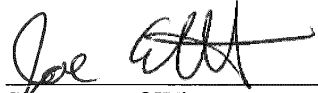
Executed in Volusia County, Florida, on this 22 day of January, 2019.

Signed, sealed and delivered
in the presence of:


**ORMOND LAKES HOMEOWNERS
ASSOCIATION, INC.**

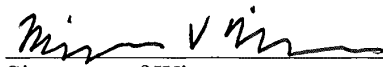

Signature of Witness
Print Name: Peter Lesizza

By: 
Don Diedo, President


Signature of Witness
Print Name: JOE ESTRADA

By: 
Penny Pajak, Secretary


Signature of Witness
Print Name: Peter Lesizza

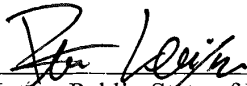

Signature of Witness
Print Name: Richard Bozian

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 22 day of January, 2019, by Don Diedo and Penny Pajak, as President and Secretary, respectively, of **ORMOND LAKES HOMEOWNERS ASSOCIATION, INC.**, a Florida not-for-profit corporation, on behalf of the corporation. They ☒ are personally known to me or [] have produced as identification.

WITNESS my hand in the County and State last aforesaid on this 22 day of January, 2019.



Notary Public-State of Florida
Print Name: Peter Lesizza
Commission No.: GG171279
My Commission Expires: 12/27/2021

ACTIVE: 11833840_1



Peter Lesizza
NOTARY PUBLIC
STATE OF FLORIDA
Comm# GG171279
Expires 12/27/2021

*Additions to text indicated by **bold underline**; deletions by ~~strikeout~~.