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DECLARATION OF COVENANTS AND RESTRICTIONS
THE TRAILS SUBDIVISION, UNIT 9, VOLUSIA COUNTY, FLORIDA
AND NOTICE OF PROVISIONS OF THE TRAILS
HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION, made this 3RD day of November, 1978,
by THE TRAILS, INC., a Florida Corporation, with its principal
place of business at 501 North Grandview, Daytona Beach, Volusia
County, Florida, hereinafter sometimes referred to as the Developer.

W I T N E S S E T H :

WHEREAS, the Developer is the record owner in fee simple
absolute of certain real property located in Volusia County, Florida,
and more particularly described on the schedule of legal description,
which is attached hereto as Exhibit A, and made a part hereof; and

WHEREAS, in accordance with the applicable provisions of
state law and local ordinance the Developer caused the above des-
cribed real property to be subdivided into a platted subdivision
known as "The Trails Subdivision Unit 9", in a subdivision plat
thereof duly filed in the Office of the Clerk of the Circuit Court,
Volusia County, Florida, on the 3RD day of NOVEMBER 1978
and recorded in Map Book 35 at page 80 THRU 84, of the public records of
Volusia County, Florida; and

WHEREAS, it is the present intention of the Developer to
develop The Trails Subdivision Unit 9, as a single-family, high
quality residential subdivision; and

WHEREAS, there is a need to specify, make and impose covenants
and to grant necessary easements for the proper use of the sub-
division, and to provide for an effective administration of the
common areas in the subdivision; and

WHEREAS, the Developer has caused to be incorporated in
Florida a non-profit corporation known as The Trails Homeowners
Association, Inc., which has been formed to manage the common areas,
collect assessments and generally provide for the orderly enjoyment
of The Trails Subdivision Unit 9, and any other units of The Trails
Subdivision herebefore or hereafter filed by the Developer; and

WHEREAS, there has been filed of record a similar Declaration
of Covenants and Restrictions for The Trails Subdivision, Units I

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and II, Volusia County, Florida, and Notice of Provisions of The Trails Homeowners Association, Inc., to be found in Official Records Book 1792, pages 1867 through 1902 of the public records of Volusia County, Florida; and

WHEREAS, the Developer wishes to incorporate the covenants and restrictions of The Trails Subdivision, Units I and II, Volusia County, Florida, and the Notice of Provisions of The Trails Homeowners Association, Inc., as previously filed and to extend said covenants and restrictions to apply to the land hereafter described as The Trails Subdivision Unit 9.

NOW, THEREFORE, this Declaration is made, filed and recorded by the Developer so that from the effective date hereof the real property described as The Trails Subdivision Unit 9 as per Map in Map Book 85, page 80 thru 84, of the public records of Volusia County, Florida is and shall be held, transferred, sold, conveyed, donated, given, leased, occupied and used subject to the restrictions, conditions, easements, charges, burdens, assessments, affirmative obligations and liens (all sometimes referred to as the "covenants") set forth in the Declaration of Covenants and Restrictions for The Trails Subdivision, Units I and II, Volusia County, Florida and the Notice of Provisions of The Trails Homeowners Association, Inc. as previously filed at Official Records Book 1792, pages 1867 through 1902, of the public records of Volusia County, Florida, as may be amended from time to time pursuant to the provisions thereof.

The Declaration shall become effective on the date and at the time it is filed and recorded in the public records of Volusia County, Florida.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal on the day and year first above written.

Witnesses:

THE TRAILS, INC.

BY:

(SEAL)

Attest:

Karen Richardson

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STATE OF FLORIDA)
COUNTY OF VOLUSIA)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared C. W. Singletary, Jr. and William Heath well known to me to be the President and Secretary respectively of THE TRAILS, INC., and that they severally acknowledged executing the within document in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 3rd day of ~~October~~, 1978.

November

Karen S. Richardson
Notary Public
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES OCT. 27 1981
BONDED THRU GENERAL INS. UNDERWRITERS

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DECLARATION OF COVENANTS AND RESTRICTIONS
THE TRAILS SUBDIVISION, UNIT 12
VOLUSIA COUNTY, FLORIDA

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VOLUSIA COUNTY, FLORIDA

AND
NOTICE OF PROVISIONS OF
TRAILS TWELVE OAKS HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION, made this 30th day of January,
1979, by THE TRAILS, INC., a Florida Corporation, with its
principal place of business at 501 North Grandview Avenue,
Daytona Beach, Volusia County, Florida, (hereinafter some-
times referred to as the "Developer").

- W I T N E S S E T H -

WHEREAS, the developer is the record owner in fee
simple absolute of certain real property located in Volusia
County, Florida, and more particularly described in the
"Schedule of Legal Description" which is attached hereto
as Schedule "A" and made a part hereof, and

WHEREAS, in accordance with the applicable pro-
visions of State law and local ordinance, the Developer
caused the above described real property to be subdivided
into a platted subdivision known as "Trails Subdivision,
Unit 12" and a subdivision plat thereof duly filed in the
Office of the Clerk of the Circuit Court, Volusia County,
Florida, on December 21, 1978, and recorded in Map
Book 35, Pages 106 of the Public Records of Volusia
County, Florida, and

WHEREAS, it is the intention of the Developer to
develop The Trails Subdivision, Unit 12, as low density,
zero lot line dwellings, excepting the common areas for
recreation amenities legally described in Schedule "B"
attached hereto, and

WHEREAS, there is a need to specify, make and
impose covenants, and to grant necessary easements for the

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use of the subdivision, and to provide for an effective administration of the common areas in the subdivision, and

WHEREAS, the developer has caused to be incorporated in Florida a non-profit corporation known as the Trails Homeowner's Association, Inc. which has been formed to manage the common areas, collect assessments, and generally provide for the orderly enjoyment of The Trails Subdivision, Units 1 through 12 and any future units of The Trails Subdivision hereafter filed by Developers; and

WHEREAS, The Developer has caused to be incorporated in Florida a non-profit corporation known as Trails Twelve Oaks Homeowners Association, Inc., which has been formed to manage the common areas, collect assessments, and generally provide for the orderly enjoyment of The Trails Subdivision, Unit 12;

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 Schedule of 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, Florida.

ARTICLE I

DEFINITIONS AND DESCRIPTION OF PROPERTY

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

a) "Association" shall mean and refer to Trails Twelve Oaks Homeowners Association, Inc., a Florida Corporation not for profit, and its successors and assigns, the membership of which will be owners of "dwelling units" or "lots", in The Trails Subdivision, Unit 12.

b) "Developer" shall mean and refer to The Trails, Inc., a Florida Corporation, its successors and assigns.

c) "Lot" shall mean any parcel of land located within The Trails Subdivision, Unit 12, and bearing a number upon the plat of said subdivision from 1 to 20 inclusive, which is intended for use as a site for a zero lot line dwelling. A parcel of land shall be deemed to be unimproved until the improvements being constructed thereon are substantially complete or are subject to ad valorem tax as improved property.

d) "Dwelling Unit" shall mean one building constructed primarily for use as zoned for residential dwelling.

e) "Subdivision" shall mean The Trails Subdivision, Unit 12, recorded in Map Book 35, at pages 106 of the Public Records of Volusia County, Florida, or, where the context requires, The Trails Subdivision, Units 1 and 2, as recorded in Map Book 33 at pages 153 and 154, Public Records of Volusia County, Florida.

f) "Architectural Control Committee" shall mean a committee appointed by the Developer in accordance with Section 2.3.

g) "Zero lot line" shall mean a concept of development without any sideyard set backs. A structure can be a zero lot line structure regardless of whether it sits on a lot line.

Section 1.2. Property subject to Covenants and Restrictions. The property subject to the Declaration of Covenants and Restrictions is that property described in the Schedule of Legal Description which is attached hereto as Exhibit "A".

ARTICLE IIRESTRICTIVE COVENANTS

Section 2.1. No lot shall be used for any purpose except single family dwelling. No building shall be erected, altered, placed or permitted to remain on any lot except those approved by the Architectural Control Committee as hereafter provided.

Section 2.2. No building or structure, including basketball backboards, shall be erected on, placed upon, altered, or permitted to remain on any lot unless and until the owner submits the site plan, floor plan, elevation, landscaping plan, and abbreviated specifications and such plans have been reviewed and approved by the Architectural Control Committee, as hereinafter provided. The Architectural Control Committee shall review the proposed building or structure (including plans and specifications for same) as to the quality of workmanship and materials, the harmony of the external design and location of the building or structure with existing buildings or structures, the location of the building or structure with respect to topography, vegetation and the finished grade of elevation of the lot, and any other relevant considerations which are based on acceptable standards of planning, zoning, and construction, including considerations which are based exclusively on aesthetic factors. All garages built in Unit 12 shall be and remain garages, and shall not be converted to any use at any time other than the storage of vehicles.

Section 2.3. The Architectural Control Committee shall be composed of three (3) persons. The members of the Committee shall be appointed by the Developer. In the event of death, resignation, inability to serve, or other vacancy in office of any member of the Architectural Control Committee, the remaining members shall promptly appoint a successor member.

Section 2.4. The Architectural Control 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 Association, and served personally or by certified mail upon all interested parties, identifying the proposed building or structure and, if the same is disapproved, the reasons for such disapproval. The decision of the Architectural Control Committee shall be final. If the Architectural Control Committee fails or refuses to approve or disapprove the aforesaid matters within thirty (30) days after the application or request for action is made and after a floor plan, elevation and abbreviated specification (including landscaping, exterior material, colors, and site plan) have been received by the committee, then it shall be conclusively presumed, as to all owners and interested persons, that the alleged violation of this declaration is, and it shall be, deemed automatically to be excused, and any and all rights of action arising therefrom shall be deemed to have been waived, and the applicable restrictive covenants shall be deemed to have been complied with.

Section 2.5. No structure of a temporary nature or character, including but not limited to, a trailer, house trailer, mobile home, camper, basement, tent, shack, garage, barn, or other similar structure or vehicle, shall be used or permitted to remain on any lot as a storage facility or residence, or other living quarters whether temporary or permanent.

Section 2.6. No automobile, truck, boat, boat and trailer, trailer, house trailer, mobile home, camper, or other similar vehicle shall be parked on the street (including the right-of-way) thereof overnight or for a continuous period of time in excess of ten consecutive hours.

Section 2.7. No 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 an approved boathouse, garage, or carport attached to the residence. No automobile, truck, or other commercial vehicle which contains lettering or advertising thereon or which is identified with a business or commercial activity, 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 or carport attached to the residence.

Section 2.8. No livestock, poultry, or animals of any kind or size shall be raised, bred, or kept on any lot; provided, however, that dogs, cats, or other domesticated household pets may be raised and kept provided such pets are not kept, bred or maintained for any commercial purposes, and further provided that such animals shall not become a nuisance to neighbors.

Section 2.9. 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 shall be approved by the Association.

Section 2.10. No noxious or offensive activity shall be carried on or suffered to exist on any lot that may be or may become an annoyance or private or public nuisance.

Section 2.11. No lot shall be used or maintained for dumping or discharge or rubbish, trash, garbage, or other solid waste material. All lots shall be kept free of the accumulation of rubbish, trash, garbage, other solid waste materials, and all unsightly weeds and underbrush. All incinerators or other equipment used for the collection,

storage or disposal of solid waste material 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 and county environmental laws and ordinances.

Section 2.12. Restrictions regarding the fence, wall, hedge or shrub planting on corner lots at intersections shall be as prescribed by the Architectural Control Committee from time to time, in compliance with the applicable provision of the Zoning Ordinance of the City of Ormond Beach, Florida.

Section 2.13. No discharge, overflow, or accumulation of sewage effluent from any septic tank, drain field, mobile home storage tank, or other similar container shall be permitted to exist on any lot.

Section 2.14. No driveway shall be constructed, maintained, altered, or permitted to exist on any 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.

Section 2.15. The owner shall assume and pay as and when the same shall become due the cost of the installation and maintenance of the underground utility system from primary utility lines.

Section 2.16. In order to promote privacy, there shall be no windows permitted on any wall facing the closer side lot line of the lot unless a screening wall or hedge or fixed louver approved by the Architectural Control Committee is provided for and maintained at all times.

Section 2.17. There shall be a minimum of 30 feet front setback as measured from the front lot line; there shall be a minimum of 28 feet between adjacent homes, except that with respect to lots 1 and 2, and 15 and 16 only, the Architectural Control Committee may allow a variance to permit

buildings within no less than 20 feet of each other, or, upon good cause shown, to allow contiguous buildings to be built on the lot line between lots 1 and 2, and between lots 15 and 16 provided that all fire codes are met. Swimming pools may not extend closer to any side lot line than the greater of five feet, or the closer edge of the house. No structure shall exceed 30 feet in height or two stories above the grade of the street in front of the lot upon which said structure is built. The rear yard setback shall be 10% of the depth of the lot.

Section 2.18. Every lot owner grants to his adjoining neighbors a limited easement over a five foot strip along the common lot line for the purpose of maintaining the zero lot line structure contemplated by The Trails Subdivision, Unit 12. However, before any use is made of this easement right, the subservient owner must be given not less than seven or more than 30 days notice of the intended use, except in an emergency use not to exceed 48 hours of use.

ARTICLE III

ASSOCIATION

Section 3.1. To effectively and efficiently provide for the administration of the common areas by the owners of lots or dwelling units in The Trails Subdivision, Unit 12, a non-profit corporation (known and designated as "Trails Twelve Oaks Homeowners Association, Inc.", a non-profit Florida Corporation) has been created. The association shall operate and manage the common areas, assist in the enforcement of the restrictions and covenants contained herein, and undertake and perform all acts and duties necessary and incident to such duties, all in accordance with the provisions of this Declaration and the Certificate of Incorporation and By-Laws of said Association. True and complete copies of the Certificate of Incorporation and By-Laws of the Association are annexed hereto as Exhibits "B" and "C", respectively, and such documents are expressly made a part hereof.

Section 3.2. The owner of each lot within The Trails Subdivision, Unit 12, shall automatically become a member of the Association upon his or her acquisition of and ownership interest in title to any lot or dwelling unit. The membership of such owner shall terminate automatically at the time that such person divests himself or is divested of such ownership interest or title to such lot or dwelling unit, regardless of the means by which such ownership may have been divested.

Section 3.3. No person or corporation or other business entity holding any liens, 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 Association or to any of the rights and privileges, 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 Association 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 its mortgagor or his successor or assign.

Section 3.4. In the administration, operation and management of the common areas and the enforcement of these covenants and restrictions, the Association shall have and is hereby granted full power and authority to enforce all the provisions of this Declaration, to levy and collect assessments in accordance herewith, and to adopt, promulgate, and enforce such rules and regulations governing the use and enjoyment of the common areas and the administration of the aforesaid covenants and restrictions as the Board of Directors of the Association may from time to time deem appropriate and in the best interests of the Association.

Section 3.5. In addition to the maintenance of the common areas, the Association shall be authorized to expend funds on an equitable basis for the maintenance of all front yards in The Trails Subdivision, Unit 12. Front yards shall be defined as that part of each lot bounded on the sides by the side lot lines; on the front by the front lot line, and on the rear by 30' front setback line. On corner lots, the sideyard abutting a street shall be considered a front yard for purposes of this section. In furtherance of this provision, the Association shall construct a well, pump and sprinkling system. All owners may attach their individual sprinklers to this system upon payment of an impact fee and monthly water charge to be determined by the Association.

ARTICLE IV

PRIOR RESTRICTIONS

Section 4.1. Developer hereby acknowledges the existence and validity of the Declaration of Covenants and Restrictions of The Trails, Units 1 and 2, and the Notice of the Provisions of the Trails Homeowners Association, Inc., as previously recorded in the Public Records of Volusia County, Florida, which restrictions and covenants are declared to be in full force and effect and, except where in direct unavoidable conflict herewith, are hereby adopted by reference thereto and declared to be applicable to The Trails Subdivision, Unit 12. However, the provisions of Article VI thereof shall not be applicable to the common areas of The Trails Subdivision, Unit 12, but the ownership, use, control and regulation of such Unit 12 common areas shall be governed exclusively by this Declaration

Section 4.2. The owners of lots in Unit 12, other than the Developer, shall be required to comply with said Prior Restrictions and be a member of The Trails Homeowners Association, Inc., paying assessments thereto as required by

the Prior Restrictions such requirement shall be in addition to the requirement of membership in Trails Twelve Oaks Homeowners Association, Inc..

ARTICLE V

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 5.1. Creation of Lien and Personal Obligation. The Developer covenants, and each owner or tenant of each and every lot or dwelling unit shall by acceptance of a deed or other instrument of conveyance therefore, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, covenants, conditions, restrictions, and other provisions of this Declaration and to promptly pay to the Association or its successors or assigns the following:

- a) All annual assessments or charges, and
- b) All special assessments or charges for the purposes set forth in Section 4.2 of this article, such assessments or charges shall be fixed, established, levied, and collected from time to time as hereinafter provided. The annual and special assessments (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 claim of lien is filed. Each such assessment (together with such interest thereon and the cost of collection including reasonable attorneys' fees) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable, and 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 assessment and the aforesaid interest, collection costs, and attorneys' fees. Prospective purchasers are hereby notified of the possible charge against the property in the Subdivision, and are directed to Section 5.5 hereinbelow.

Section 5.2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the improvement, maintenance, enhancement, enlargement, and operation of the Common Areas and Properties and to provide services which the Association is authorized to provide including, but not limited to maintenance of front yards, the payment of taxes, governmental assessments and insurance thereon, construction of improvements, repair, replacement, and to acquire additions to the Common Areas and Properties, payment of the cost to acquire labor, services, equipment, materials, management, and the supervision, necessary to carry out the authorized functions of the Association, and for the payment of principal, interest and other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions, including the payment of mortgages covering the Common Area and Property at the time of conveyance to the Association. In addition, the Association must keep in force liability insurance on the Common Area in amounts not less than \$100,000/\$300,000. No initiation fee may be charged to members of the Association as a pre-condition to use of such facilities. The 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 the assessments and other revenues collected by the Association exceed its expenses and reasonable reserves to an extent which would violate the Association's non-profit status.

Section 5.3. The initial regular monthly assessment is hereby set at the rate of \$20 per lot or dwelling unit. The Developer guarantees that this assessment shall remain in effect until 51 percent of the dwelling units or lots in The Trails Subdivision, Unit 12, are sold or when turnover of

control of the Homeowners Association is completed, but in no event, no later than December 31, 1980. Thereafter, regular monthly assessments shall be determined at the annual meeting of the directors of the Association. The regular assessment may be increased beyond that set at the annual meeting upon approval of two-thirds of the membership in attendance at any regular or special meeting of the Association, but only after notice of the recommendation is given to all members at least ten (10) days prior to the date of said meeting; provided, however, that nothing herein shall be construed to preclude the Board of Directors of the Association from fixing and levying an emergency assessment not to exceed one month's 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.

Anything in the preceeding paragraph to the contrary notwithstanding, the owner shall not be obligated to pay the regular monthly assessment until the earlier of January 1, 1980, or the first month following the issuance of a building permit to construct a residence on said lot.

Section 5.4. Assessments which are not paid on or before the date the same shall become due shall be delinquent, and each delinquent assessment shall bear interest at ten percent (10%) per annum until it is paid in full. In addition to the accrual of interest, when an assessment becomes delinquent in payment, the Association may file a claim of lien to perfect the lien for such assessment as against third persons, against the dwelling unit and other property of the owner(s) who defaulted in the payment of such assessment. There shall be no exemption from the payment of any assessment or installment thereof by waiver of the use of the common areas by abandonment of the lot or dwelling unit, by extended absence from the subdivision, or by or for any other reason, except as provided in paragraph 5.3.

Section 5.5. The Association, upon written request of any owner, shall furnish to a prospective purchaser or prospective mortgagee or other authorized person a statement of the current status of the assessments on such owner's lot or dwelling unit. When executed by the Treasurer of the Association, the statement shall be binding on the Association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 5.6. All revenue collected by the Association shall be segregated, held and used as the separate property of the Association, and such revenue may be applied by the Association, at the discretion of the Board of Directors, towards the payment of any expenses of operation and maintenance of the front yards or common areas. Revenue collected by the Association from an owner of a lot or dwelling unit may be co-mingled with monies collected from other owners.

Section 5.7. Although all funds and other assets of the Association, and any profits derived therefrom, shall be held for the benefit of the members of the Association, no member of said Association shall have the right to assign, encumber, hypothecate, pledge, or in any manner transfer his 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 Association by reason of the divestment by him of his ownership of said lot or dwelling unit, by whatever means that occurs, the Association shall not be required to account to said owner for any share of the funds or assets of the Association.

Section 5.3. In the event that any institutional first mortgagee (defined as any chartered Bank or Savings and Loan Association) shall acquire title to any lot or

dwelling unit by virtue of any foreclosure or judicial sale, or in the event any such, institutional first mortgagee shall acquire title by deed from the mortgagor or his personal representative, successors or assigns, then such institutional first mortgagee who acquired title shall not be liable or obligated for the payment of any assessment or assessments which are in default and delinquent at the time they have acquired such title. In the event of the acquisition of title as aforesaid, any assessment or assessments as to which the party so acquiring title shall not be liable, shall be absorbed and paid by all the owners of all of the lots and dwelling units as an expense to the Association; provided, however, that nothing contained herein nor any action taken by said owners shall be construed to constitute a release or waiver of liability against the owner who was liable for such delinquent assessments or the enforcement of collection of such payment by means other than foreclosure. In the event that any person, firm, corporation, other business entity, or institutional first mortgagee shall acquire title to any lot or dwelling unit and its appurtenant interest in the Association by virtue of any foreclosure or judicial sale, the party so acquiring title shall be liable and obligated for such assessments as may accrue and become due and payable with respect to said dwelling unit and the common areas subsequent to the date of acquisition of such title.

Section 5.9. Recognizing that proper management and operation of the common area and property (including improvements thereto) result in benefit to all members of the Association, the Association is hereby granted a lien upon all the real property within The Trails Subdivision, Unit 12, and the present and future interests of each member of the Association in the common area and property and

improvements thereto, to secure the prompt payment of each and all assessments made and levied in accordance with this Declaration, each owner shall be liable for, and this lien shall secure, the full amount of said assessment, and the costs and expenses, including attorneys' fees at trial and on appeal which may be incurred by the Association in enforcing this lien or the provisions of this Declaration.

Section 5.10. 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 may be required to be advanced by the Association in order to protect its interests, and the Association 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.

Section 5.11. 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 of a lot or dwelling unit are hereby placed on notice of the lien rights granted to the Association under this Declaration, 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 provided herein.

Section 5.12. The lien created pursuant to this Declaration shall be effective from and after the recording in the official public records of Volusia County, Florida, of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the

property, the amounts due and the date when the same became due. The lien shall continue in effect until all sums secured by the lien have been fully paid. The claim of lien may include assessments which are due and payable when the claim is made and recorded, plus interest, collection costs, 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 Association. 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. The claim of lien filed by the Association shall be subordinate to the lien or any mortgage or any claim of lien if the said mortgage or claim of lien is recorded prior to the Association's claim of lien, and shall likewise be subordinate to any lien filed by The Trails Homeowners Association, Inc. pursuant to prior restrictions.

ARTICLE VI

AMENDMENT TERMINATION AND ENFORCEMENT

Section 6.1. The Developer hereby reserves for itself and its assigns the right to amend, modify or rescind such parts of these restrictions at it in its sole discretion deems necessary or desirable so long as it is (a) the sole owner of the property to which these restrictions apply, or in the alternative, (b) such amendment or modification does not substantially change the character, nature, or general scheme of development of The Trails Subdivision, Unit 12.

In addition to the rights of the Developer reserved in the preceeding paragraph, seventy-five percent (75%) of the record owners of lots in The Trails Subdivision, Unit 12, may amend or modify such provisions of this Declaration as

they deem necessary or desirable except that the provision relating to the powers and duties of the Architectural Control Committee may not be amended for a period of ten years.

Section 6.2. These Covenants and Restrictions may be enforced by an action at law for damages, or a proceeding in equity for an injunction. All costs of enforcement, including reasonable attorneys' fees at trial and on appeal, shall be borne by the violating party.

ARTICLE VII

USE OF COMMON PROPERTY

Section 7.1. The common areas, as hereinabove specifically described, or hereafter designated by developer, shall be, and the same are hereby declared to be, subject to a perpetual non-exclusive easement in favor of all of the owners of lots and dwelling units lying within The Trails Subdivision, Unit 12, as hereinabove described, for the use of such owners and the use of their immediate families, guests, lessees, invitees, and other similarly situated, for all proper and normal residential purposes, for the furnishing of services and facilities for which the same are reasonably intended, and for the quiet enjoyment of said owners. The Association is hereby required to maintain in force public liability insurance in an amount not less than \$100,000/\$300,000, with respect to the common areas under its jurisdiction and control.

Section 7.2. In lieu of any assessments against lots owned by the Developer, he shall, upon the sale of each lot, put the sum of \$1,000 per lot into a special account belonging to the Association. There being 20 lots in The Trails Subdivision, Unit 12, this special account shall receive no more than \$20,000 from the Developer. The money in this special account may be used as follows: The interest may be accumulated or it may be used for maintenance of the

common areas. The principal of such account may be used for constructing improvements to Common Area "B" as shown on the plat of The Trails Subdivision, Unit 12, such improvements to be determined by an affirmative vote of 14 lot owners of Unit 12, other than the Developer. This special account can be terminated, and the money distributed pro-rata to each lot owner, other than the Developer, upon the affirmative vote of 14 lot owners of The Trails Subdivision, Unit 12, each of whom must be residing in The Trails Subdivision, Unit 12 as their primary residence.

ARTICLE VIII

COVENANTS AGAINST PARTITION AND SEPARATE TRANSFER OF COMMON AREA

Recognizing that the full use and enjoyment of any lot or dwelling unit within The Trails Subdivision, Unit 12, is dependent upon the use and enjoyment of the common areas and the improvements made thereto, and that it is in the interests of all of the owners that the ownership of the common areas be retained by the Association. In addition, there shall exist no right to transfer the owners' interest in the Association in any other manner than as an appurtenance to and in the same transaction with, a transfer of title to the lot or dwelling unit in The Trails Subdivision, Unit 12, provided, however, that nothing herein shall preclude a conveyance by the Developer herein of any undivided interest in the common areas to the Association for the purpose of effectuating the intent of this Declaration.

ARTICLE IX

COVENANTS TO RUN WITH LAND

The restrictions and burdens imposed by the provisions and covenants of this Declaration shall constitute covenants running with the land, and each shall constitute an equitable servitude upon the owner of each lot and dwelling

unit and the appurtenant undivided interest in the common areas and upon the heirs, personal representatives, successors, and assigns of each owner, 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 30 years from the date this Declaration is recorded, after which time this Declaration shall be automatically extended for successive ten year periods, unless an instrument, signed by seventy-five percent (75%) of the then recorded owners of the lots or dwelling units in The Trails Subdivision, Unit 12, is recorded containing an agreement of the said owners with respect to the alteration, change, modification or repeal, in whole or in part, of the provisions of this Declaration.

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IN WITNESS WHEREOF, the Developer has hereto
set its hand and seal the day and year first above written.

WITNESSES:

THE TRAILS, INC.

Karen Richardson

By: [Signature]

Nancy E. Owens

Attest: [Signature]

(CORP SEAL)

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 30th day of January, 1979, by C. W. Singletary, Jr. and William G. Heath, president and secretary, respectively, of THE TRAILS, INC., a Florida Corporation, on behalf of the Corporation.

[Signature]
Notary Public
My Commission Expires Nov 13 1982

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV 13 1982
BONDED THRU GENERAL INS UNDERWRITERS

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purposes of subjecting its mortgage lien to such Declaration.

DATED this 31st day of January, 1979.

SECURITY FIRST FEDERAL SAVINGS AND
LOAN ASSOCIATION

BY: [Signature]

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me, this 31st day of January, 1979, by JOHN R. SMITH, the SR. VICE PRESIDENT of SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, on behalf of the Corporation.

[Signature]
NOTARY PUBLIC

MY COMMISSION EXPIRES:

Notary Public, State of Florida at Large
My Commission Expires April 17, 1982
Bounded By American Fire & Casualty Company

EXHIBIT/ "A"
SCHEDULE

20540130
BOOK PAGE

THE TRAILS SUBDIVISION, UNIT 12 part of Secs. 19 & 20, Township 14 south, Range 32 east, Ormond Beach, Volusia County, Florida being a part of the northeast one quarter of the northeast one quarter section 19, Township 14 south, Range 32 east, lying easterly of the Tomoka River and a part of northwest quarter of Section 20, Township 14 south, Range 32 east and being more particularly described as follows: Begin at the southeast corner of the northeast one quarter of the northeast one quarter section 19, Township 14 south, Range 32 east also being the southwest corner of the northwest one quarter of the northwest one quarter, Section 20, Township 14 south, Range 32 east, thence N88°36:01"E along the south line of the northwest one quarter of the northwest one quarter, Section 20 a distance of 249.50 feet, to a point in the westerly boundary of The Trails Unit No. 9, recorded in Map Book 35, Pages 83 & 84 of the Public Records of Volusia County, Florida, thence along said westerly boundary for the (2) following courses and distances: (1) N26°02:00"W a distance of 918.41 feet, thence (2) N0°56:00"W a distance of 84.92 feet to a point, thence S 88°41:01"W a distance of 151 feet more or less to the easterly bank of the Tomoka River, thence along said easterly bank in a southwesterly direction 1200 feet more or less to a point in the south line of the said northeast one quarter of the northeast one quarter, Section 19, thence along said south line N88°42:23"E a distance of 986 feet more or less to the point of beginning. Containing 15.2 Acres more or less.

Being a part of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$ Section 19, Township 14 South; Range 32 East lying Easterly of the Tomoka River, also being a part of the TRAILS SUBDIVISION, UNIT NO. 12 (Twelve Oaks) as shown on map in Map Book 35, Page 106 of the Public Records of Volusia County, Florida and being more particularly described as follows:

Commence at the Southeast corner of the Northeast $\frac{1}{4}$ of the Northeast $\frac{1}{4}$; Section 19; Township 14 South; Range 32 East; Thence N $0^{\circ} 56' 00''$ W along the East line of Section 19 previously described a distance of 220.00 feet; Thence S $88^{\circ} 42' 23''$ W a distance of 238.82 feet for the POINT OF BEGINNING, said point being in the Northerly Right-of-Way of Twelve Oaks Trail a 50 Foot Right-of-Way as shown on the plat of the TRAILS UNIT NO. 12 described above; Thence along said Right-of-Way for the (6) six following courses and distances (1) S $88^{\circ} 42' 23''$ W a distance of 188.21 feet to a point of curvature of a curve concave to the Northeast; (2) Thence along said curve having a radius of 25 feet a central angle of $112^{\circ} 14' 29''$ Actual (Platted $109^{\circ} 39' 15''$), for an arc length of 48.97 feet Actual (Platted 47.85 feet) said arc being subtended by a chord bearing of N $35^{\circ} 10' 22''$ W a distance of 41.51 feet Actual (Platted 40.87 feet) to a point of reverse curvature of a curve concave to the Northwest; (3) Thence along said curve having a radius of 1025 feet, a central angle of $110^{\circ} 58' 16''$ for an arc length of 214.16 feet

said arc being subtended by a chord bearing of N $14^{\circ} 57' 44''$ E a distance of 213.77 feet to a point of reverse curvature of a curve concave to the South; (4) Thence along said curve having a radius of 40.00 feet, a central angle of $144^{\circ} 59' 24''$ for an arc length of 101.22 feet, said arc being subtended by a chord bearing of N $81^{\circ} 28' 18''$ E a distance of 76.30 feet to the point of tangency of said curve; (5) Thence along the tangent of the previously described curve S $26^{\circ} 02' 00''$ E a distance of 235.44 feet to a point of curvature of a curve concave to the Northwest; (6) Thence along said curve having a radius of 25.00 feet, a central angle of $114^{\circ} 44' 23''$ for an arc length of 50.06 feet said arc being subtended by a chord bearing of S $31^{\circ} 20' 12''$ W a distance of 42.11 feet to the point of tangency of said curve and for THE POINT OF BEGINNING

CONTAINING 0.95 ACRES MORE OR LESS

ARTICLES OF INCORPORATION
OF
TRAILS TWELVE OAKS HOMEOWNERS ASSOCIATION, INC.
(A Non-profit Florida Corporation)

We, the undersigned, hereby associate ourselves together for the purpose of becoming incorporated under the laws of the State of Florida, in accordance with the provision of the Statutes of said State, providing for the formation, liabilities, rights, privileges, and immunities of corporations not for profit.

ARTICLE I

The name of this Corporation shall be:
Trails Twelve Oaks Homeowners Association, Inc.

ARTICLE II

The general nature of the business to be transacted is as follows:

A. To enforce the terms, covenants, conditions and restrictions appertaining to The Trails Subdivision, Unit 12, recorded in the Public Records of Volusia County, Florida, in Map Book 35, pages 106, inclusive.

B. To accomplish the foregoing purposes, the corporation shall have all corporate powers permitted under Florida law, including the power to mortgage and borrow monies.

ARTICLE III

QUALIFICATION OF MEMBERS AND MANNER OF THEIR ADMISSION

Any person, firm, corporation, or other business entity coming within the following categories shall automatically become members of this association:

A. The record title holder of a present vested fee simple interest in any lot or dwelling unit of The Trails Subdivision, Unit 12.

Exhibit B

B. If the record title holder described in paragraph A designates in writing to the Secretary of this Association, the tenant shall have the privileges (except voting) of a member of this association. However, the owner's membership privileges (except voting) during the period of such tenancy shall abate and shall be exercisable only by the tenant. When the tenancy ceases to exist, the owner of such dwelling unit shall so certify to the secretary of this Association and the owner shall be entitled to resumption of all membership privileges.

C. The membership of any tenant or record owner shall automatically terminate when such person is no longer entitled to immediate possession and enjoyment of a lot or dwelling unit in The Trails Subdivision, Unit 12, hereafter filed in the Public Records of Volusia County, Florida, by The Trails, Inc., a Florida Corporation.

D. When a corporation or partnership is an owner or tenant of a dwelling unit or lot, only the President of the corporation or its designate or the senior partner shall be entitled to exercise membership privileges.

ARTICLE IV

TERM OF EXISTENCE

This corporation shall have perpetual existence.

ARTICLE V

NAMES AND ADDRESSES OF SUBSCRIBERS

Gerald E. Upson	190 North Nova Road Ormond Beach, FL 32074
George C. Boone, Jr.	501 North Grandview Daytona Beach, FL 32018
C. W. Singletary, Jr.	501 North Grandview Daytona Beach, FL 32018

ARTICLE VIMANAGEMENT AND TIME OF ELECTION

A. The affairs and property of this corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than five (5) members.

B. Directors shall be elected by the voting membership at the regular annual meeting of the membership of the corporation to be held at a time and place as may be designated by the Board of Directors.

C. All officers shall be elected by the Board of Directors in accordance with the By-Laws at the regular annual meeting of the Board of Directors to be held immediately following the annual meeting of the membership. The Board of Directors shall elect from among the members of the corporation, a President, Vice President, Secretary, Treasurer, Assistant Secretary and Assistant Treasurer and such other officers as it may deem desirable.

ARTICLE VIINAMES OF OFFICERS

The names of the officers who shall serve until the first election are as follows:

President	C. W. Singletary, Jr.
Secretary/Treasurer	William G. Heath
Vice President	Gerald E. Upson

ARTICLE VIIIBOARD OF DIRECTORS

The following three (3) persons shall constitute the first Board of Directors. Said First Board of Directors may appoint five (5) successors to serve as an interim Board of Directors until the first election of the Board of Directors at the first regular annual meeting of the members.

George C. Boone, Jr.	501 N. Grandview, Daytona Beach, FL
C. W. Singletary, Jr.	501 N. Grandview, Daytona Beach, FL
Gerald E. Upson	180 N. Nova Road, Ormond Beach, FL

ARTICLE IXBY-LAWS

The By-laws of this Corporation may be made, altered, amended, or rescinded by such modification signed by at least:

A. Not less than sixty-five percent (65%) of the entire membership of the Board of Directors and by not less than sixty-five (65%) of the votes of the entire membership of the Association, or

B. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.

ARTICLE XAMENDMENT OF ARTICLES OF INCORPORATION

An affirmative vote of seventy-five percent (75%) of the qualified voting members of the corporation shall be necessary to amend these Articles of Incorporation.

ARTICLE XI

No dividend shall be paid and no part of the income shall be distributed to its members, directors or officers. The Corporation may, however, pay a reasonable amount to its members, directors and officers for services rendered and may confer benefits upon its members in conformity with the purposes set forth in Article II and upon dissolution or final liquidation, may make distribution to its members, as permitted by the court having jurisdiction thereof and no such payment, benefit or distribution shall be determined to be a dividend or a disbursement of income.

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BOOK

WITNESS THE HANDS AND SEALS OF the incorporators
and subscribers in Volusia County, State of Florida, this
30th day of January, 1979.

(Signature) (SEAL)

(Signature) (SEAL)

(Signature) (SEAL)

STATE OF FLORIDA

COUNTY OF VOLUSIA

Before me, the undersigned authority, personally
appeared GERALD E. UPSON, GEORGE C. BOONE, JR. and C. W.
SINGLETARY, JR., to me well known to be the incorporators
and subscribers to the foregoing Articles of Incorporation
of The Trails Homeowners Association, Inc., who being by
me first duly sworn, acknowledged that they signed the same
for the purpose therein expressed.

WITNESS my hand and seal in the county and state
aforesaid, this 30th day of January, 1979.

(Signature)
Notary Public
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
BY COMMISSION EXPIRES NOV 13 1982
BONDED THRU GENERAL INS. UNDERWRITERS

BY-LAWS
OF
TRAILS TWELVE OAKS HOMEOWNERS ASSOCIATION, INC.
(a corporation not for profit)

1. GENERAL.

1.1 These are the By-Laws of Trails Twelve Oaks Homeowners Association, Inc., called the Association, a Florida non-profit corporation.

1.2 The fiscal year of the Association shall be the calendar year.

1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida", the words "corporation not for profit", and the year of incorporation.

2. MEMBERSHIP, VOTING QUORUM PROXIES.

2.1 There shall be 20 votes initially, each of which shall be owned by The Trails, Inc. One vote shall pass automatically with the title to each lot. The Trails, Inc. reserves the right to exercise all votes not so automatically conveyed. As used herein, the term "majority of owners" or similar phrase means the owners of lots, including The Trails, Inc., who owns 51% or more of the votes.

2.2 A quorum at members' meetings shall consist of the owners of a majority of the lots, and decisions shall be made by the owners of the majority of the lots represented at a meeting at which a quorum is present, except where approval by a greater number is required by the Articles of Incorporation, the By-Laws or restrictions.

2.3 Proxies. 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.

3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

3.1 The Annual Members' Meeting shall be held at such time and place designated by the Board of Directors for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided however, that the meeting shall be held at least annually beginning in 1980.

3.2 Special Members' Meeting shall be held whenever called by the president or vice-president or by a majority of the Board of Directors and must be called by such officers upon receipt of a written request of one-third of the members.

3.3 Written notice of all members' meetings, including annual meetings, stating a time and place and the object for which the meeting is called shall be given by

Exhibit C

the president, vice-president, or secretary unless waived in writing. Such notice shall be delivered or mailed by first class mail to each member at his address as it appears on the books of the Association, not less than ten (10) days not more than thirty (30) days prior to the date of the meeting. Notice of meetings may be waived before or after meetings.

3.4 Voting.

a. In case a lot is owned by more than one person or by a corporation or other entity, its vote may be cast by any person designated in writing by all owners of the lot, or by the president in the case of a corporation, and filed with the secretary. Such designation shall be valid until revoked in writing.

3.5 Adjourned Meetings. In the absence of a quorum at any meeting, the members present may adjourn the meeting from time to time until a quorum is present.

3.6 The Order of Business. At Annual Members' Meetings and as far as practical at other members' meetings, shall be:

- 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 of directors.
- g. Unfinished business.
- h. New business.

3.7 Written minutes of all meetings of the lot owners shall be kept and be available for inspection by owners and board members at all reasonable times.

4. BOARD OF DIRECTORS.

4.1 The Board of Directors of the Association shall consist of not less than three nor more than five directors, the exact number to be determined at the time of the annual meeting of members.

4.2 Election of directors shall be conducted in the following manner:

a. Election of directors shall be conducted in the Annual Members' Meeting.

b. A Nominating committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the Annual Members' Meeting. The Committee shall nominate one person for each director to be elected. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

c. The elections shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes.

4.3 The term of each directors' service shall extend until the next annual meeting of the members and subsequently until a successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4.4 The Organizational Meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

4.5 Regular Meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director personally or by mail, telephone or telegraph, at least three (3) days prior to the date named for such a meeting, unless notice is waived.

4.6 Special Meetings of the directors may be called by the president, and must be called by the secretary at the written request of one-third of the directors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

4.7 Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

4.8 A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting in which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Articles of Incorporation or by these By-Laws.

4.9 The Presiding Officer of directors' meeting shall be the president. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

5.0 Meetings of the Board of Directors shall be open to all lot owners. Minutes of all Board meetings shall be kept in a businesslike manner and available for inspection by lot owners at all reasonable times.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

5.1 All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under common law and the statutes, the Articles of Incorporation and these By-Laws, without limiting the generality of the foregoing, the following:

a. To make, levy and collect assessments against members and members' lots to defray the costs of the Association and to use the proceeds of said assessments in the exercise of the powers and duties of the Association.

b. To make and amend regulations governing the use of the property, real and personal, of the Association so long as its regulations do not conflict with the restrictions, the Certificate of Incorporation and these By-laws.

c. To employ such personnel as may be required for proper operation of the Association.

6. OFFICERS.

6.1 The executive officers of the Association shall be a president, a vice-president, a treasurer, a secretary and an assistant secretary, all of whom shall be elected annually by the Board of Directors at its organizational meeting and who may be preemptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the president shall not be also the secretary, an assistant secretary, or the vice-president. The Board of Directors may from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

6.2 The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to, the power to appoint committees from among the members of the Association from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

6.3 The vice-president shall in the absence or disability of the president exercise the powers and perform the duties of the president. He shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

6.4 The secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and other notices required by law. He shall keep the records of the Association, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association as may be required by the directors or the secretary when the secretary is absent.

6.5 The treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name; and to the credit of, the Association in such depositories as may, from time to time, be designated by the Board of Directors.

7. FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Restrictions, and the Articles of Incorporation shall be supplemented by the following provisions:

7.1 The assessment roll shall be maintained in a set of account books in which there shall be an account for each lot. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

7.2 Budget. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Copies of the proposed annual budget, together with a notice of the meeting at which such budget will be considered, shall be transmitted to each member not less than thirty (30) days prior to the meeting. Failure to do so shall not affect the liability of any member for payment of his proportionate share of the budget.

7.3 Assessments. Assessments against the lot owners for their shares of the items of the budget shall be made for the calendar year annually in advance on or before December 1, preceeding the year for which assessments are made. Such assessments shall be due in four (4) equal installments on the first day of each quarter of the year for which the assessments are made. If an annual assessment is not made as required, assessments shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessments shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors and the unpaid assessments for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal installments on the first day of each month remaining in the calendar year.

7.4 Acceleration of Assessment Installments Upon Default. If an owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the owner, and then the unpaid balance of the assessment shall come due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the owners, or not less than twenty (20) days after the mailing of such notice to him by certified mail, whichever shall first occur.

7.5 Assessments for Emergencies. Assessments for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the owners. After such notice and upon approval in writing by persons entitled to cast more than one-half (½) of the votes of the owners, the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors may require.

7.6 The depository of the Association shall be such bank or banks as shall be designated by the directors from time to time and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by such persons as are authorized by the directors.

7.7 A statement of accounts of the Association shall be made annually and a copy of the financial statements shall be available to each member not later than the second Monday in February of the year following the year for which the report is made. Such statements shall not be audited except by vote of 65% of members.

7.8 Written Summaries of the accounting records of the Association shall be supplied at least annually to each member.

8. PARLIAMENTARY RULES.

8.1 Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Articles of Incorporation or these By-Laws.

9. AMENDMENTS. These By-Laws may be amended in the following manner:

9.1 Notice of subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

9.2 A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, provided such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:

a. Not less than sixty-five (65%) of the entire membership of the Board of Directors and by not less than sixty-five percent (65%) of the votes of the entire membership of the Association, or

b. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.

9.3 Proviso. Provided, however, that no amendment shall discriminate against any owner nor against any class or group of owners unless the owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or restrictions.

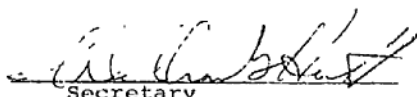
10. RECORDS OF ASSOCIATION.

10.1 All of the books and records of the Association shall be kept in a businesslike manner and shall be available for inspection by any member at reasonable times.

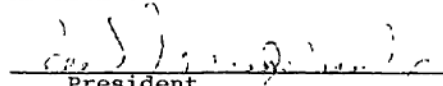
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BOOK PAGE

The foregoing were adopted as the By-Laws of
TRAILS TWELVE OAKS HOMEOWNERS ASSOCIATION, INC., a cor-
poration not for profit under the laws of the State of
Florida, at the first meeting of the directors held on
the 30 day of January, 1979.


Secretary

APPROVED:


President

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BOOK PAGE

This instrument prepared by
The Trails, Inc.
501 N. Grandview
Daytona Beach, Fla.

DECLARATION OF THE COVENANTS AND RESTRICTIONS
AUTUMN WOOD IN ORMOND BEACH,
VOLUSIA COUNTY, FLORIDA
AND
NOTICE OF PROVISIONS OF
THE TRAILS HOMEOWNERS ASSOCIATION, INC.
AND
AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS
OF THE TRAILS SUBDIVISION, UNITS ONE AND TWO, AND
THE TRAILS SUBDIVISION, UNIT THREE.

THIS DECLARATION, made this 2nd day of March, 1978, by The Trails, Inc.,
a Florida Corporation, with its principal place of business at 180 North Nova Road,
Ormond Beach, Volusia County, Florida, hereinafter referred to as "Developer":

WITNESSETH:

WHEREAS, the Developer is the record owner in fee simple absolute of
certain real property located in Volusia County, Florida, and more particularly
described as AUTUMN WOOD in Ormond Beach, Volusia County, Florida, recorded in
Map Book 34, Page 194, Public Records of Volusia County, Florida, and

WHEREAS, the Developer placed of record Covenants and Restrictions on
The Trails Subdivision, Units 1 and 2, and The Trails Subdivision, Unit 3,
recorded in Official Records Book 1792, Page 1267 and Official Records Book 1792,
Page 1903, of the Public Records of Volusia County, Florida, and

WHEREAS, it is the intention of the Developer to develop high quality
multi-family units, and

WHEREAS, there is a need to specify, make and impose covenants, to
grant necessary easements for the proper use of the subdivision and to provide
for an effective administration of the common areas in the subdivision, and

WHEREAS, the Developer has caused to be incorporated in Florida a
non-profit corporation known as The Trails Homeowners Association, Inc., which
has been formed to manage the common areas, collect assessments, and generally
provide for the orderly enjoyment of The Trails Subdivision, Units 1 through 8
and any future units heretofore and hereinafter filed by the Developer, and

WHEREAS, the Developer wishes to incorporate the Covenants and
Restrictions of The Trails Subdivision, Unit 3, and the Notice of Provisions
of The Trails Homeowners Association, Inc., as previously filed and to

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these Covenants and Restrictions applicable to AUTUMN WOOD and

WHEREAS, the Developer reserves the right to amend the Declaration of Covenants and Restrictions, Units 1, 2 & 3, so long as such amendment or modification does not change the character, nature or general scheme of the Development,

NOW THEREFORE, this Declaration is made and filed by the Developer so that from the effective date hereof, AUTUMN WOOD shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject to the Covenants and Restrictions of The Trails Subdivision, Unit 3, and Notice of Provisions of The Trails Homeowners Association, Inc., as may be amended from time to time.

FURTHER, the Developer hereby amends the Declaration of Covenants and Restrictions of The Trails Homeowners Association, Inc. and the Covenants and Restrictions of The Trails Subdivision, Units 1 and 2, and The Trails Subdivision, Unit 3, adding thereto ARTICLE IX, ENFORCEMENT, to read as follows:

Section 1. These covenants and restrictions may be enforced by an action at law for damages or by proceedings in equity. The Developer and The Trails Homeowners Association, Inc. or any of them are hereby given express authority to enforce these covenants and restrictions in the manner provided herein. These remedies shall be cumulative and non-exclusive.

Section 2. If the violation can be cured by the expenditure of money, upon the refusal of the violator to expend the necessary sum, the Developer and The Trails Homeowners Association, Inc. may, but shall not be required to, pay for the cost of curing said violation.

Section 3. All costs of curing violation or of enforcement, including attorney's fees shall be borne by the violating part, whether or not judicial proceedings are instituted, and a lien is hereby created to secure the payment of such costs, including attorney's fees, in favor of the two entities named hereinabove, which shall be treated in the same manner as a lien for an assessment pursuant to Article IV.

The Declaration of Covenants and Restrictions of The Trails Subdivision, Unit 3, and the Notice of Provisions of The Trails Homeowners Association, Inc. is further amended to include AUTUMN WOOD as property subject to the Covenants and Restrictions covered under Section 1.2 thereof.

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BOOK PAGE

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal this 29 day of March, 1978.

Signed, sealed and delivered in the presence of:

THE TRAILS, INC.

Linda F. Alston

By:

C. W. Singletary
President

George H. Moseley

Attest:

A. T. Phelps
Secretary

STATE OF FLORIDA

COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared C. W. SINGLETARY and A. T. PHELPS President and Assistant-Secretary respectively, of THE TRAILS, INC., a Florida Corporation, to me well known and known to me to be the persons who executed the foregoing Declaration of Covenants and Restrictions, who being by me first duly sworn depose and say that they have executed said Declaration for the purposes therein expressed.

WITNESS my hand and official seal in the County and State aforesaid, this 29 day of March, 1978.

Linda F. Alston

Notary Public, State of Florida at Large

My Commission Expires: 9-15-78

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BOOK PAGE

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purposes of subjecting its mortgage lien to such Declaration.

DATED this 28 day of MARCH, 1978.

SECURITY FIRST FEDERAL SAVINGS AND
LOAN ASSOCIATION

BY: [Signature]
Vice President

ATTEST: [Signature]
Assistant Secretary

STATE OF FLORIDA

COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me, this 28 day of MARCH, 1978, by ROBERT L. HILLMAN and ROSEMARIE K. ANDERSON, Executive Vice President and Assistant Secretary respectively, of SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, on behalf of the Corporation.

[Signature]
Notary Public, State of Florida at Large

My Commission Expires: 9-15-78

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BOOK PAGE

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DECLARATION OF THE COVENANTS AND RESTRICTIONS
 AUTUMN WOOD II IN ORMOND BEACH,
 VOLUSIA COUNTY, FLORIDA
 AND
 NOTICE OF PROVISIONS OF
 THE TRAILS HOMEOWNERS ASSOCIATION, INC.
 AND
 AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS
 OF THE TRAILS SUBDIVISION, UNITS ONE AND TWO, AND
 THE TRAILS SUBDIVISION, UNIT THREE.

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THIS DECLARATION, made this 29 day of November, 1978, by THE TRAILS, INC., a Florida Corporation, with its principal place of business at 180 North Nova Road, Ormond Beach, Volusia County, Florida, hereinafter referred to as "Developer":

W I T N E S S E T H:

WHEREAS, the Developer is the record owner in fee simple absolute of certain real property located in Volusia County, Florida, and more particularly described as AUTUMN WOOD II, Unit 1, in Ormond Beach, Volusia County, Florida, recorded in Map Book 35, page 91-2, Public Records of Volusia County, Florida, and

WHEREAS, the Developer placed of record Covenants and Restrictions on THE TRAILS SUBDIVISION, Unit 1 and 2, and THE TRAILS SUBDIVISION, Unit 3, recorded in Official Records Book 1792, page 1867 and Official Records Book 1792, page 1903, of the Public Records of Volusia County, Florida, and

WHEREAS, it is the intention of the Developer to develop high quality multi-family units, and

WHEREAS, there is a need to specify, make and impose covenants, to grant necessary easements for the proper use of the subdivision and to provide for an effective administration of the common areas in the subdivision, and

WHEREAS, the Developer has caused to be incorporated in Florida a non-profit corporation known as THE TRAILS HOMEOWNERS ASSOCIATION, INC., which has been formed to manage the common areas, collect assessments, and generally provide for the orderly enjoyment of THE TRAILS SUBDIVISION,

Units 1 through 8 and any future units heretofore and hereinafter filed by the Developer, and

WHEREAS, the Developer wishes to incorporate the Covenants and Restrictions of THE TRAILS SUBDIVISION, Unit 3, and the Notice of Provisions of THE TRAILS HOMEOWNERS ASSOCIATION, INC., as previously filed and to make these Covenants and Restrictions applicable to AUTUMN WOOD II and

WHEREAS, the Developer reserves the right to amend the Declaration of Covenants and Restrictions, Unit 1, 2, and 3, so long as such amendment or modification does not change the character, nature or general scheme of the Developer,

NOW THEREFORE, this Declaration is made and filed by the Developer so that from the effective date hereof, AUTUMN WOOD II shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject to the Covenants and Restrictions of THE TRAILS SUBDIVISION, Unit 3, and Notice of Provision of THE TRAILS HOMEOWNERS ASSOCIATION, INC., as may be amended from time to time.

The Declaration of Covenants and Restrictions of THE TRAILS SUBDIVISION, Unit 3, and the Notice of Provisions of THE TRAILS HOMEOWNERS ASSOCIATION, INC., is further amended to include AUTUMN WOOD II as property subject to the Covenants and Restrictions covered under Section 1.2 thereof.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal this 29 day of November, 1978.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

THE TRAILS, INC.

Karen Richardson
Barry

BY:

C. W. Singletary, Jr.
William C. Heath

ATTEST:

STATE OF FLORIDA
COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared C. W. Singletary, Jr., and William C. Heath, President and Secretary-Treasurer respectively, of THE TRAILS, INC., a Florida corporation, to me well known and known to me to be the persons who executed the foregoing Declaration of Covenants and Restrictions, who being by me first duly sworn, depose and say that they have executed said Declaration for the purposes therein expressed.

WITNESS my hand and official seal in the County and State aforesaid, this 29 day of November, 1978.

MY COMMISSION EXPIRES:

Notary Public for the State of Florida
My Commission Expires 11/1/1980
Bonded by Automobile Fire & Casualty Co.

NOTARY PUBLIC

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BOOK PAGE

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purpose of subjecting its mortgage lien to such Declaration.

DATED this 29 day of Nov., 1978.

SECURITY FIRST FEDERAL SAVINGS
AND LOAN ASSOCIATION

By

Attest

Secretary-Treasurer

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me, this 29 day of November 1978, by GEORGE C. BOONE, JR. AND WILLIAM G. HEATH, President and Secretary-Treasurer respectively, of SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION, on behalf of the Corporation.

Shirley F. Oleyson
Notary Public, State of Florida at Large

My Commission Expires: 9-15-82

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BOOK PAGE

DECLARATION OF COVENANTS AND RESTRICTIONS
AUTUMN WOOD II SUBDIVISION, UNIT II, VOLUSIA COUNTY, FLORIDA
AND NOTICE OF PROVISIONS OF AUTUMN WOOD II OF THE
TRAILS HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION, made this 9th day of May, 1979,
by A. W. BAYLOR CONSTRUCTION CO., INC., a Florida Corporation,
with its principal place of business at 555 Parque Drive,
Ormond Beach, Volusia County, Florida, hereinafter sometimes
referred to as the Developer.

- W I T N E S S E T H -

WHEREAS, the Developer is the record owner in fee simple
absolute of certain real property located in Volusia County,
Florida, and more particularly described as Autumn Wood II,
Unit II, as per map in Map Book 35, Page 161, public records
of Volusia County, Florida.

WHEREAS, in accordance with the applicable provisions
of state law and local ordinance, the Developer caused the above
described real property to be subdivided into a platted subdivi-
sion and a subdivision plat thereof duly filed in the office
of the Clerk of the Circuit Court, Volusia County, Florida, on
the 8th day of May, 1979, and recorded in Map Book 35,
at page 161, of the public records of Volusia County, Florida; and

WHEREAS, it is the present intention of the Developer
to develop Autumn Wood II Subdivision, Unit II, as a multi-
family, high quality residential subdivision; and

WHEREAS, the Developer has subdivided Autumn Wood II
Subdivision, Unit II, into 30 dwelling units; and

WHEREAS, there is a need to specify, make and impose
covenants and to grant necessary easements for the proper use
of the subdivision, and to provide for an effective administra-
tion of the common areas in the subdivision; and

WHEREAS, the Developer has caused to be incorporated
in Florida a non-profit corporation known as Autumn Wood II of
The Trails Homeowners Association, Inc. which has been formed

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BOOK 1411

to manage the common areas, collect assessments and generally provide for the orderly areas, collect assessments and generally provide for the orderly enjoyment of Autumn Wood II, Unit I and II, and any other units of Autumn Wood II Subdivision herebefore or hereafter filed by the Developer; and

WHEREAS, there has been filed of record a similar Declaration of Covenants and Restrictions for Autumn Wood II, Unit I, Volusia County, Florida, and Notice of Provisions of Autumn Wood II of The Trails Homeowners Association, Inc., to be found in Official Records Book 2033, page 1411, of the public records of Volusia County, Florida; and

WHEREAS, the Developer wishes to incorporate the covenants and restrictions of Autumn Wood II, Unit I, Volusia County, Florida, and the Notice of Provisions of Autumn Wood II of The Trails Homeowners Association, Inc., as previously filed and to extend said covenants and restrictions to apply to the land described as Autumn Wood II, Unit II, as per map in Map Book 35, Page 141, public records of Volusia County, Florida.

NOW, THEREFORE, this Declaration is made, filed and recorded by the Developer so that from the effective date hereof the real property described as Autumn Wood II, Unit II, as per map in Map Book 35, page 141 of the public records of Volusia County, Florida, is and shall be held, transferred, sold, conveyed, donated, given, leased, occupied and used subject to the restrictions, conditions, easements, charges, burdens, assessments, affirmative obligations and liens (all sometimes referred to as the "covenants") set forth in the Declaration of Covenants and Restrictions for Autumn Wood II, Unit I, Volusia County, Florida, and the Notice of Provisions of Autumn Wood II of The Trails Homeowners Association, Inc. as previously filed at Official Records Book 2033, page 1411, of the public records of Volusia County, Florida, as may be amended from time to time pursuant to the provisions thereof.

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Attest: _____

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BOOK PAGE

STATE OF FLORIDA)
)
COUNTY OF VOLUSIA)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared C. W. Singletary, Jr. and A. T. Phelps well known to me to be the President and Assistant-Secretary respectively of THE TRAILS, INC., and that they severally acknowledged executing the within document in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 9th day of May, 1979.


Notary Public

My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires Sept 15, 1982
Bonded By American Fire & Casualty Company

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BOOK PAGE

AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS
AUTUMN WOOD II SUBDIVISION, UNIT I
VOLUSIA COUNTY, FLORIDA, AND NOTICE OF PROVISIONS
OF AUTUMN WOOD II OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.

THE AMENDMENT, made this 9th day of May, 1979, by
A. W. BAYLOR CONSTRUCTION CO., INC., a Florida Corporation,
with its principal place of business at 555 Parque Drive,
Ormond Beach, Volusia County, Florida, hereinafter sometimes
referred to as the Developer.

- W I T N E S S E T H -

WHEREAS, the Developer has previously caused a Declaration of Covenants and Restrictions for Autumn Wood II, Unit I, Volusia County, Florida, and Notice of Provisions of Autumn Wood II of The Trails Homeowners Association, Inc. placed of record in Official Records Book 2033, page 1411 of the public records of Volusia County, Florida; and

WHEREAS, pursuant to Article VI thereof of the Developer reserved the right to amend, modify or rescind such parts of the restrictions as it, in its sole discretion deems necessary or desirable so long as it is (a) the sole owner of the property to which these restrictions apply, or in the alternative (b) such amendment or modification does not substantially change the character, nature or general scheme of the development; and

WHEREAS, the Developer in its sole discretion deems it necessary or desirable to amend the Declaration of Covenants and Restrictions of Autumn Wood II, Unit I, Volusia County, Florida, and Notice of Provisions of Autumn Wood II of The Trails Homeowners Association, Inc. as hereinbelow set forth; and

WHEREAS, such amendment or modification as hereinbelow set forth will not substantially change the character, nature or general scheme of development.

NOW, THEREFORE, the Developer hereby amends The Declaration of Covenants and Restrictions of Autumn Wood II, Unit I,

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Volusia County, Florida, and Notice of Provisions of Autumn Wood of The Trails Homeowners Association, Inc. as follows:

1. The legal description of the property covered by said Declaration of Covenants and Restrictions, and Notice of Provisions of Autumn Wood II of The Trails Homeowners Association, Inc. is hereby amended to include Autumn Wood II, Unit II, Volusia County, Florida, as per the plat thereof found in Map Book 35, page 161, public records of Volusia County, Florida.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal on the day and year first above written.

Witnesses:

A. W. BAYLOR CONSTRUCTION CO., INC.

T. C. Simpson

By: A. W. Baylor (SEAL)

Linda F. Alejo

Attest: Linda F. Alejo (SEAL)

STATE OF FLORIDA)
COUNTY OF VOLUSIA)

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared A. W. Baylor and Patricia Ann Baylor well known to me to be the President and Secretary respectively of A. W. BAYLOR CONSTRUCTION CO., INC., and that they severally acknowledged executing the within document in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 9th day of May, 1979.

Linda F. Alejo
Notary Public

My Commission Expires:

Notary Public State of Florida
My Commission Expires Sept. 15, 1982

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JOINDER IN AMENDMENT

The Trails, Inc., a Florida Corporation, hereby joins
in this Amendment to the Declaration of Covenants and Restric-
tions of Autumn Wood II, Unit I, and Notice of Provisions of
Autumn Wood II of The Trails Homeowners Association, Inc.

Witnesses:

THE TRAILS, INC.

Linda F. Phelps

By:

C. W. Singletary (SEAL)

Roman K. Baker

Attest:

A. T. Phelps (SEAL)

STATE OF FLORIDA)
COUNTY OF VOLUSIA)

I HEREBY CERTIFY that on this day, before me, an Officer
duly authorized in the State and County aforesaid to take acknow-
ledgments, personally appeared C. W. Singletary and A. T. Phelps,
well known to me to be the President and Assistant Secretary respec-
tively of THE TRAILS, INC., and that they severally acknowledged
executing the within document in the presence of two subscribing
witnesses freely and voluntarily under authority duly vested in
them by said corporation and that the seal affixed thereto is
the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and
State last aforesaid this 9th day of May, 1979.

Linda F. Phelps
Notary Public

My Commission Expires:

Notary Public State of Florida at Large
My Commission Expires 10/15/82

DECLARATION OF COVENANTS

AND RESTRICTIONS OF

ARROWHEAD VILLAGE

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, THE TRAILS, INC., a Florida Corporation, hereinafter referred to as "Developer," is the owner of all of Arrowhead Village in Ormond Beach, Volusia County, Florida, as per map in Map Book 36, Page 115, Public Records of Volusia County, Florida, also referred to as Arrowhead Village and "Development," and intends to construct one dwelling on each of the lots thereof, such residence to be constructed in one and two story single family detached residences in the cluster concept; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in the Development and for the maintenance of Common Areas and Structures, and to this end, desires to subject the said real property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said real property and each owner; and

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and amenities in the Development, that there be an agency to which will be delegated and assigned the powers of maintenance and administration of Common Areas, administering and enforcing the covenants and restrictions and charges hereinafter described; and

WHEREAS, there has been incorporated under the laws of the State of Florida, as a Not-For-Profit Corporation, Arrowhead Village of The Trails Homeowners Association, Inc., hereinafter referred to as the "Association," for the purposes of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described above is and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth. This declaration shall become effective on the date of recording thereof among the Public Records of Volusia County, Florida.

ARTICLE I

PRIOR RESTRICTIONS

Section 1. Developer hereby acknowledges the existence and validity of the Declaration of Covenants and Restrictions of the Trails Subdivision, Unit 3, dated August 1, 1975, recorded in Official Records Book 1792, Page 1903 through 1937, Public Records of Volusia County, Florida, said Declaration being hereinafter referred to as "Unit 3 Restrictions," which restrictions and covenants shall continue in full force and effect and are hereby adopted by reference thereto, and are declared to be applicable to Arrowhead Village. However, the provisions of Article VI of the Unit 3 Restrictions shall not be applicable to the property shown as "common areas" on the plat of

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Arrowhead Village, Map Book 36, Page 115, of the Public Records of Volusia County, Florida, but the ownership, use, control and regulation of such common areas shall be governed by this Declaration. Security First Federal Savings and Loan Association joins in the execution of this Declaration for the purposes of subjecting its mortgagee's interest to the terms of this Declaration. Developer also amends the Declaration recorded in Official Records Book 1792, Page 1903 through 1937, of the Public Records of Volusia County, Florida, to conform to these restrictions with respect to the ownership, use, control and regulation of such common areas, but such amendment shall be effective only as to Ramblewood.

Section 2. The owners of lots in Arrowhead Village shall be required to comply with the Unit 3 Restrictions and be a member of The Trails Homeowners Association paying assessments thereto as required, in addition to being a member of Arrowhead Village of The Trails Homeowners Association, Inc. and paying any assessment thereof as required by this Declaration.

ARTICLE II

ASSOCIATION - MEMBERSHIP AND VOTING RIGHTS

Section 1. Arrowhead Village of The Trails Homeowners Association, Inc., shall serve as a homeowners association and provide a legal entity for the representation of the owners. The Articles of Incorporation and By-Laws of said association are on file in the office of said association and shall be construed as a part hereof by reference, as they may be amended from time to time. In the event of a dispute where the provisions of said Articles of Incorporation or By-Laws are or become relevant to any issue a copy thereof certified by the secretary of the association as the current Articles of Incorporation and/or By-Laws thereof shall be deemed to be conclusive evidence of the accuracy thereof.

Section 2. All owners of lots in the Development shall, by virtue of such ownership, become a member of the association and shall have all of the rights, power, obligations and duties of membership as provided herein, in the Certificate of Incorporation and the By-Laws of the association.

ARTICLE III

RESTRICTIVE COVENANTS

Section 1. The areas included within the lot line of each individual lot, but not included within the dwelling constructed on such lot, such areas being hereinafter referred to as "grounds," shall be used for normal and customary yard purposes. No structure, including an addition to a dwelling, shall be constructed or placed on the grounds without the written approval of the association, or except in accordance with regulations enacted by the association. The term "structure" as used herein shall include, but is not limited to, swimming pools, fences, walls, barbecue pits, television or radio antennas, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, recreation facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, etc.

All garages built in Arrowhead Village shall be and remain garages and shall not be converted to any other use at any time other than the storage of vehicles. The driveway to said garage to be for the exclusive use of said garage owner. Developer hereby creates easements for ingress and egress over those parts of the Common Area used as driveways, with each lot owner having an exclusive easement over the driveway serving his lot, which easement shall run with the land.

Section 2. The association shall have legal title to the property shown as "common areas" on the Subdivision Plat, and shall be responsible for operation, management and maintenance of the same. The association shall have the duty and power to enact reasonable and uniform regulations governing the use of the common areas.

Section 3. In order to maintain uniformity of appearance, no owner of any dwelling shall change exterior materials or colors, either of the exterior walls or roof of said dwelling without specific written approval of the association. The association shall have the right from time to time to adopt and enforce rules and regulations for the maintenance and appearance of the exteriors of dwellings and of other structures.

Section 4. All owners shall keep their lawns and interior yards mowed and maintained, free of disease, bugs, and in a presentable condition, and shall not permit any unsightly growth, weeds or underbrush on their grounds. The association shall offer to all owners a "yard maintenance service," with the cost thereof being assessed against those owners taking advantage of such service. If an owner shall fail to maintain his grounds as herein required, the Developer, the association, the Trails Homeowners Association, Inc., and The Trails, Inc., shall have the power to correct such omission and assess the cost thereof to such owner.

The association will maintain that portion of each front yard lying between the owner's front fence line and the abutting right-of-way of each street within the subdivision lying between the curb and the owner's lot line and which is devoted to yard purposes. The association shall have the right to adopt rules and regulations to enforce this provision.

Section 5. Each owner of a lot agrees to maintain fire and extended coverage casualty insurance on the improvements on such lot, and agrees to use the proceeds thereof to repair or replace any damage to or destruction of improvements within a reasonable time after such casualty.

Section 6. In order to maintain and preserve the peace and tranquility of the neighborhood, the association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats, or other domesticated household pets 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 owners' property; (iii) to require that owners keep their pets from making such noises as disturb others; and (iv) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

ARTICLE IVPROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Subject to the provision hereof every member shall have a right and easement of enjoyment in and to the common areas, and such easement shall be appurtenant to and shall pass with membership in the association.

Section 2. The Developer hereby covenants for itself, its successors and assigns, that prior to the sale of any lot, to any one other than a builder or designated successor developer, it will convey to the association fee title to the common areas, free and clear of all encumbrances and liens, subject to the covenants and restrictions contained in the Unit 3 Restrictions (excluding Article VI) and the other provisions of this Declaration. Prior to any such conveyance, the Developer shall complete the installation of lawns and landscaping as provided in the plans for the Development.

ARTICLE VCOVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Each succeeding owner of each and every lot shall by acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, covenants, conditions, restrictions and other provisions of this Declaration and to promptly pay to the association or its successors or assigns the following:

(a) All annual assessments or charges; and

(b) All special assessments or charges for the lawful purposes of the association. Such assessments or charges shall be fixed, established, levied, and collected from time to time as hereinafter provided. The annual and special assessments (together with such interest thereon and the costs of collection including reasonable attorney's fees as hereinafter provided) shall be a charge and continuing lien on the real property and such assessment (together with such interest thereon and the costs of collection including reasonable attorney's fees) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable, and 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 assessment and the aforesaid interest, collection cost, and attorney's fees. Subsequent grantees shall be jointly and severally liable for any outstanding assessments due at the time of their taking title.

Section 2. The assessments levied by the association shall be used exclusively for the improvements, maintenance, enhancement and operation of the common areas, the administration and enforcement of its rules and regulations, and to provide such other services as the association is authorized to provide.

Section 3. Assessments which are not paid on or before the date the same shall become due, shall be delinquent, and such delinquent assessment shall bear interest at the rate of ten percent (10%) per annum until paid. The association may record a claim of lien against any lot on which assessment payments are delinquent for the amount of such delinquency.

Section 4. The association, upon written request of any owner, shall furnish a prospective purchaser, mortgagee, or other authorized person a statement of the current status of the assessments on such owner's lot. When executed by an officer of the association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 5. The lien established may be foreclosed in the same manner as mortgages or other liens on real property may be foreclosed in the State of Florida, or may be collected by any other available legal action.

Section 6. The lien created pursuant to this Declaration shall be perfected by recording in the Public Records of Volusia County, Florida, of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the property, the amounts due, including interest and attorney's fees, and the date when the same became due. The lien shall relate back to the original due date of the delinquent assessment. The claim of lien and any satisfaction of lien shall be signed and verified by the President or Vice-President of the association.

Section 7. In addition to the other assessments authorized herein, the association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any capital improvements, provided that any such special assessment shall have the approval of two-thirds (2/3rds) of the membership at any regular or special meeting of the membership of the association.

Section 8. In the event of any change in the annual assessment, the Board of Directors of the association shall fix the date of commencement and the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and assessments applicable thereto, which shall be kept open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto.

Section 9. Notwithstanding the language to the contrary, in Article V, Section 6 herein, the lien for an assessment shall be subordinate and inferior to any recorded institutional first mortgage regardless when said assessment was due. Upon recordation of the certificate of title issued pursuant to and foreclosure of an institutional first mortgage, or upon the recording of a deed accepted by such lender in lieu of foreclosure, any lien for assessments payable prior to such recordation shall be cancelled, but the lien for assessments due and payable after the recordation of said certificate or deed shall not be impaired and shall be effective as to the grantees of such certificate of title or deed.

Section 10. The lien for an assessment shall also be subordinate to and inferior to the lien for assessments of The Trails Homeowners Association, Inc., to the same extent and effect as in the case of institutional lenders as described in Section 9 above.

Section 11. Assessments provided for herein shall not be levied or enforced against the developer or any lot owner by the developer for any period of time during which such lot has been owned by the developer, or against a designated successor developer; provided, however, that upon completion of construction of a dwelling unit or any such lot, the developer, builder, or successor developer, and the lot in question shall commence being subject to levy and payment of assessments as are other lots and other lot owners in the development.

ARTICLE VI EASEMENTS

Section 1. In the event that 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, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining lot. In the event there is such protrusion, the owner or owners of the lot 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. 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 line, 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, maintenance, repair or reconstruction of 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 Directors of the association shall control.

ARTICLE VII

AMENDMENTS AND TERMINATION

Section 1. The Developer hereby reserves for himself or a designated successor developer, the right to amend, modify or rescind such parts of these restrictions as it in its sole discretion deems necessary or desirable so long as it is (a) the sole owner of the property to which the altered restrictions would apply; or (b) such amendment or modification does not substantially change the character, nature or general scheme of the development; and (c) The Trails, Inc., its successors or assigns, joins in such amendment.

Section 2. In addition to the manner of amendment set forth in the preceding paragraph the record owners of ninety percent (90%) of lots in Ramblewood may amend or modify such provisions of this Declaration as they may deem necessary or advisable. Such amendment shall be approved at a regular or special meeting of the members of the association duly called and at which a quorum is present (in person or proxy) by at least ninety percent (90%) of those entitled to cast a vote. A certificate executed by the President and Secretary and containing such amendment shall be filed in the Public Records of Volusia County, Florida. It shall not be necessary for the record owners to join in any document to effectuate such amendment. Provided, however, that no such amendment enacted with ten (10) years from the date of recording hereof shall be effective without the approval thereof by The Trails, Inc., its successors or assigns.

Section 3. The Developer hereby reserves the right to designate a successor developer to succeed to the rights of the Developer hereunder, except that all Amendments hereto must be executed by the Trails, Inc., for a period of ten years, unless The Trails, Inc. be sooner dissolved.

ARTICLE VIII

NO PARTITION OR SEVERANCE

Section 1. Recognizing that it is in the interests of all owners that membership rights and ownership of the common areas not be separated from the ownership of the dwellings and lots in said subdivision, it is hereby declared that membership rights of any owner in the association or ownership of any interest in the common areas shall remain undivided and shall be retained only as an appurtenance to a lot or dwelling unit. Such owners shall have no right at law or in equity to seek partition or severance of such membership rights in the association or ownership of common areas, either or both. There shall exist no right to transfer membership in the association except as an appurtenance to and in the same transaction with, a transfer of title to the lot or dwelling unit in Ramblewood (which includes any future unit of said subdivision hereafter filed for record in the Public Records of Volusia County, Florida). A conveyance or other transfer of title to a lot or dwelling in said subdivision, whether voluntary, by operation of law or otherwise, shall automatically include a transfer or conveyance of membership rights in the association, whether or not the same is specifically described or referred to in said conveyance or transfer.

ARTICLE IX

COVENANTS TO RUN WITH LAND

Section 1. The restrictions and covenants of this Declaration shall constitute covenants running with the land, and each shall constitute an equitable servitude upon the owner of each lot 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 recorded, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless an instrument signed by not less than seventy-five (75%) of the then record owners of lots or dwelling units in Arrowhead Village (all units) is recorded containing an agreement of such owners to amend these restrictions in whole or in part.

ARTICLE X

SAVING CLAUSE

Section 1. In the event that any one or more of the foregoing covenants, conditions or restrictions shall be adjudged for any reason, by a court of competent jurisdiction, to be null and void, such judgment shall not in any manner whatsoever affect, modify, change, abrogate or nullify any of the covenants, conditions and restrictions not so adjudged to be void, but all of the remaining covenants, conditions, reservations and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

ARTICLE XI

ENFORCEMENT

Section 1. These covenants and restrictions may be enforced by an action at law for damages or by proceedings in equity. The Developer, a successor developer, the association, and The Trails Homeowners Association, Inc. or any of them are hereby given express authority to enforce these covenants and restrictions in the manner provided herein. These remedies shall be cumulative and non-exclusive.

Section 2. If the violation can be cured by the expenditure of money, upon the refusal of the violator to expend the necessary sum, the Developer, a successor developer, the association or The Trails Homeowners Association, Inc., may, but shall not be required to, advance the cost of curing said violation.

Section 3. All costs of curing violation or of enforcement, including attorney's fees shall be borne by the violating party, whether or not judicial proceedings are instituted, and a lien is hereby created to secure the payment of such costs, including attorney's fees, in favor of the four entities named hereinabove, which shall be treated in the same manner as a lien for an assessment pursuant to Article V.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal this 11th day of January, 1980.

Signed, sealed and delivered
in the presence of:

[Signature]
[Signature]

THE TRAILS, INC.

BY: [Signature]
C. W. Slaughter, Jr., President

ATTEST: [Signature]
William G. Heath, Secretary

STATE OF FLORIDA
COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared C. W. SINGLETARY, JR. and WILLIAM G. HEATH, well known to me to be the President and Secretary respectively of the Corporation who executed the foregoing Declaration of Covenants and Restrictions of Arrowhead Village, who being by me first duly sworn, depose and say that they executed said Declaration for the purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid, this 11th day of January, 1980.

Nancy C. Owens
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 13 1982
BONDED THRU GENERAL INS. UNDERWRITERS
Notary Public, State of Florida at Large
My Commission Expires:

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purposes of subjecting its mortgage liens to such Declaration.

Dated, this 11th day of January, 1980.

SECURITY FIRST FEDERAL SAVINGS
AND LOAN ASSOCIATION

BY: [Signature]

ATTEST: [Signature]

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me, by C. W. Singletary Jr. and William G. Heath, Executive Vice President and Secretary respectively, of Security First Federal Savings and Loan Association, on behalf of the Corporation.

Dated, this 11th day of January, 1980.

Nancy C. Owens
Notary Public, State of Florida at Large
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 13 1982
BONDED THRU GENERAL INS. UNDERWRITERS

ARTICLES OF INCORPORATION
OF
ARROWHEAD VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.
A Non-profit Florida Corporation

We, the undersigned, hereby associate ourselves together for the purpose of becoming incorporated under the laws of the State of Florida, in accordance with the provisions of the Statutes of said state, providing for the formation, liabilities, rights, privileges, and immunities of corporations not for profit.

ARTICLE I

The name of this corporation shall be ARROWHEAD VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

The general nature of the business to be transacted is as follows:

- a. To enforce the terms, covenants, conditions and restrictions appertaining to Arrowhead Village in Ormond Beach as recorded in the Public Records of Volusia County, Florida.
- b. To accomplish the foregoing purposes, the corporation shall have all corporate powers permitted under Florida law, including the power to mortgage and borrow monies.

ARTICLE III

QUALIFICATION OF MEMBERS AND MANNER OF THEIR ADMISSION

Any person, firm, corporation, or other business entity coming within the following categories shall automatically become members of this association:

- a. The record title holder of a present vested fee simple interest in any lot or dwelling unit of Arrowhead Village in Ormond Beach, Florida.
- b. If the record title holder described in paragraph a, designates in writing to the secretary of the association, the tenant shall be a member of this association. However, the

- 2 -

owner's membership privileges during the period of such tenancy shall abate and shall be exercisable only by the tenant. When the tenancy ceases to exist, the owner of such dwelling unit shall so certify to the secretary of this association and the owner shall be entitled to resumption of all membership privileges unless a new tenant is in possession of the dwelling unit.

c. The membership of any tenant or record owner shall automatically terminate when such person is no longer entitled to immediate possession and enjoyment of a dwelling unit in Arrowhead Village Subdivision, filed in the Public Records of Volusia County, Florida.

d. When a corporation or partnership is an owner or tenant of a dwelling unit or lot, only the president of the corporation or its designate or the senior partner shall be entitled to exercise membership privileges.

ARTICLE IV

This corporation shall have perpetual existence.

ARTICLE V

The names and addresses of subscribers of this corporation are as follows:

Gerald E. Upson	180 N. Nova Road Ormond Beach, Florida 32074
C.W. Singletary, Jr.	501 North Grandview Daytona Beach, Florida 32018
William G. Heath	501 North Grandview Daytona Beach, Florida 32018

ARTICLE VI

The management of this corporation and time for elections shall be as follows:

a. The affairs and property of this corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than nine (9) members.

b. Directors shall be elected by the voting membership at the regular annual meeting of the membership of the corporation to be held on the first Monday in October 1980 and each year thereafter at such place as may be designated by the Board of Directors.

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c. All officers shall be elected by the Board of Directors in accordance with the By-Laws at the regular annual meeting of the Board of Directors to be held immediately following the annual meeting of the membership. The Board of Directors shall elect from among the members of the corporation, a president, a vice-president, a secretary, treasurer, assistant secretary and assistant treasurer and such other officers as it may deem desirable.

d. All officers may hold more than one office as set forth above, except that the President shall not be also the Secretary, Assistant Secretary or Vice-President.

ARTICLE VII

The names of the officers who shall serve until the first election are as follows:

President	C.W. Singletary, Jr.
Vice President and Secretary/Treasurer	William G. Heath
Vice President	Gerald E. Upson

ARTICLE VIII

The following three (3) persons shall constitute the first Board of Directors. Said First Board of Directors may appoint three (3) successors to serve as an interim Board of Directors until the first election of the Board of Directors at the first regular annual meeting of the members.

C.W. Singletary, Jr.	501 North Grandview Daytona Beach, Florida 32018
William G. Heath	501 North Grandview Daytona Beach, Florida 32018
Gerald E. Upson	180 N. Nova Road Ormond Beach, Florida 32074

ARTICLE IX

The By-Laws of this corporation may be made, altered, amended, or rescinded by such modification adopted in the following manner:

Notice of subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of The Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:

a. Not less than sixty-five percent (65%) of the entire membership of the Board of Directors and by not less than sixty-five percent (65%) percent of the votes of the entire membership of the Association; or

b. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.

Proviso. Provided, however, that no amendment shall discriminate against any owner nor against any class or group of owners unless the owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or restrictions.

ARTICLE X

An affirmative vote of sixty-five percent (65%) of the membership and Board of Directors or by not less than seventy-five percent (75%) of the votes of the entire membership of the association shall be necessary to amend these Articles of Incorporation.

ARTICLE XI

No dividend shall be paid and no part of the income shall be distributed to its members, directors or officers. The corporation may, however, pay a reasonable amount to its members, directors and officers for services rendered and may confer benefits upon its members in conformity with the purposes set forth in Article II, and upon dissolution or final liquidation, may make distribution to its members, as permitted by the court having jurisdiction thereof and no such payment, benefit or distribution shall be determined to be a dividend or a disbursement of income.

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WITNESS THE HANDS AND SEALS of the incorporators and subscribers in Volusia County, State of Florida, this 1 day of March, 1982.

Signed, sealed and delivered in the presence of:

[Signature]
as to all parties)

[Signature] (SEAL)
C.W. Singletary, Jr.

[Signature] (SEAL)
William G. Heath

[Signature] (SEAL)
Gerald E. Upson

STATE OF FLORIDA

COUNTY OF VOLUSIA

Before me, the undersigned authority, personally appeared C.W. SINGLETARY, JR., WILLIAM G. HEATH, GERALD E. UPSON, to me well known to be the incorporators and subscribers to the foregoing Articles of Incorporation of Arrowhead Village of The Trails Homeowners Association, who being by me first duly sworn, acknowledged that they signed the same for the purposes therein expressed.

WITNESS my hand and official seal in the State and County aforesaid this 11 day of March, 1982.

Notary Public, State of Florida
at Large
My Commission expires:

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV 11 1982
Gerald E. Upson, Notary Public

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CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

First: That ARROWHEAD VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, desiring to organize under the laws of the State of Florida with its principal office, as indicated in the Articles of Incorporation at Ormond Beach, Volusia County, Florida, has named W.O. UPSON, 180 N. Nova Road, Ormond Beach, Florida 32074, as its agent to accept service of process within this State.

ACKNOWLEDGMENT

Having been named to accept service of process for the above named corporation, at place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provision of said Act to keeping said office open.

W.O. Upson
Registered Agent

BY-LAWS

OF

ARROWHEAD VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.
a corporation not for profit

1. GENERAL.

1.1 These are the By-Laws of ARROWHEAD VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC., called the Association, a Florida non-profit corporation.

1.2 The fiscal year of the Association shall be the calendar year.

1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida," the words "corporation not for profit," and the year of incorporation.

2. MEMBERSHIP, VOTING QUORUM, PROXIES.

2.1 There shall be one vote for each lot upon which a unit has been completed. In no event, however, shall the total units in this Association exceed forty (40). One vote shall pass automatically with the title to each lot. The Trails, Inc. reserves for itself and designated successor Developers, the right to exercise all votes not so automatically conveyed. As used herein, the term "majority of owners" or similar phrase means the owners of lots, including The Trails, Inc. who owns 51% or more of the votes.

2.2 A quorum at members' meetings shall consist of the owners of a majority of the lots, and decisions shall be made by the owners of a majority of the lots represented at a meeting at which a quorum is present, except where approval by a greater number is required by the Articles of Incorporation, the By-Laws or restrictions.

2.3 Proxies. At meetings of the membership, votes may be cast in person or 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.

3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

3.1 The Annual Members' Meeting shall be held at such place designated by the Board of Directors, at 7:30 o'clock P.M. local time, on the first Monday in October beginning in 1980, or sooner as specified in the Article of Incorporation, for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that date is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.

3.2 Special Members' Meeting shall be held whenever called by the president or vice-president or by a majority of the Board of Directors and must be called by such officers upon

receipt of a written request of one-third of the members.

3.3 Written notice of all members' meetings, including annual meetings, stating a time and place and the object for which the meeting is called shall be given by the president, vice-president or secretary unless waived in writing. Such notice shall be delivered or mailed by first class mail to each member at his address as it appears on the books of the Association, not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Notice of meetings may be waived before or after meetings.

3.4 Voting.

a. In case a lot is owned by more than one person or by a corporation or other entity, its vote may be cast by any person designated in writing by all owners of the lot, or by the president in the case of a corporation, and filed with the secretary. Such designation shall be valid until revoked in writing.

3.5 Adjourned Meetings. In the absence of a quorum at any meeting, the members present may adjourn the meeting from time to time until a quorum is present.

3.6 The Order of Business. At Annual Members' Meetings and as far as practical at other members' meetings, the order of business shall be:

- 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 of directors.
- g. Unfinished business.
- h. New business.

3.7 Written minutes of all meetings of the lot owners shall be kept and be available for inspection by owners and board members at all reasonable times.

4. BOARD OF DIRECTORS.

4.1 The Board of Directors of the Association shall consist of not less than three nor more than nine directors, the exact number to be determined at the time of the election.

4.2 Election of directors shall be conducted in the following manner:

a. Election of directors shall be conducted at the Annual Members' Meeting.

b. A Nominating Committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the Annual Members' Meeting. The Committee shall nominate one person for each director to be elected. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

c. The elections shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes.

4.3 The term of each director's service shall extend until the next annual meeting of the members and subsequently until a successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4.4 The Organizational Meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

4.5 Regular Meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director personally or by mail, telephone or telegraph, at least three (3) days prior to the date named for such a meeting, unless notice is waived.

4.6 Special Meetings of the directors may be called by the president, and must be called by the secretary at the written request of one-third of the directors. Not less than three (3) days' written notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

4.7 Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

4.8 A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting in which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Articles of Incorporation or by these By-Laws.

4.9 The Presiding Officer of directors meetings shall be the president. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

5.0 Meetings of the Board of Directors shall be open to all lot owners and notice of meeting shall be posted conspicuously, forty-eight (48) hours in advance for the attention of owners except in an emergency. Minutes of all Board meetings shall be kept in a businesslike manner and available for inspection by lot owners at all reasonable times.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

5.1 All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under common law and the statutes, the Articles of Incorporation and these By-Laws, without limiting the generality of the foregoing, the following:

a. To make, levy and collect assessments against members and members' lots to defray the costs of the Association and to use the proceeds of said assessments in the exercise of the powers and duties of the Association.

b. To make and amend regulations governing the use of the property, real and personal, of the Association so long as its regulations do not conflict with the restrictions, the Certificate of Incorporation and these By-Laws.

c. To employ such personnel as may be required for proper operation of the Association.

6. OFFICERS.

6.1 The executive officers of the Association shall be a president, a vice-president, a treasurer, a secretary and an assistant secretary, all of whom shall be elected annually by the Board of Directors at its organizational meeting and who may be preemptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the president shall not also be the secretary, an assistant secretary, or the vice-president. The Board of Directors may from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

6.2 The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to, the power to appoint committees from among the members of the Association from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

6.3 The vice-president shall in the absence or disability of the president exercise the powers and perform the duties of the president. He shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

6.4 The secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and other notices required by law. He shall keep the records of the Association, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association required by the directors or the assistant secretary when the secretary is absent.

7. FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Restrictions, and the Articles of Incorporation shall be supplemented by the following provisions:

7.1 The assessment roll shall be maintained in a set of account books in which there shall be an account for each lot. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

7.2 Budget. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Copies of the proposed annual budget, together with a notice of the meeting at which such budget will be considered, shall be transmitted to each member not less than thirty (30) days prior to the meeting. Failure to do so shall not affect the liability of any member for payment of his proportionate share of the budget.

7.3 Assessments. Assessments against the lot owners for their share of the items of the budget shall be made for the calendar year annually in advance on or before December 1 preceding the year for which the assessments are made. Such assessments shall be due in twelve (12) equal installments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, assessments shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessment shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors and the unpaid assessments for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal installments on the first day of each month remaining in the calendar year.

7.4 Acceleration of Assessment Installments Upon Default. If an owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the owner, and then the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the owners, or not less than twenty (20) days after the mailing of such notice to him by certified mail, whichever shall first occur.

7.5 Assessments for Emergencies. Assessments for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the owners. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the owners, the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors may require.

7.6 The depository of the Association shall be such bank or banks as shall be designated by the directors from time to time and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by check signed by such persons as are authorized by the directors.

7.7 An audit of accounts of the Association shall be made annually and a copy of the audit report shall be available to each member not later than the second Monday in February of the year following the year for which the report is made.

7.8 Written summaries of the accounting records of the Association shall be supplied at least annually to each member.

8. PARLIAMENTARY RULES.

8.1 Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Articles of Incorporation or these By-Laws.

9. AMENDMENTS. These By-Laws may be amended in the following manner:

9.1 Notice of subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

9.2 A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:

a. Not less than sixty-five percent (65%) of the entire membership of the Board of Directors and by not less than sixty-five percent (65%) percent of the votes of the entire membership of the Association; or


b. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.

9.3 Proviso. Provided, however, that no amendment shall discriminate against any owner nor against any class or group of owners unless the owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or restrictions.

10. RECORDS OF ASSOCIATION.

10.1 All of the books and records of the Association shall be kept in a businesslike manner and shall be available for inspection by any member at reasonable times.

The foregoing were adopted as the By-Laws of ARROWHEAD VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC., a corporation not for profit, under the laws of the State of Florida, at the first meeting of the Directors held on the 11th day of JANUARY, 1980.


Secretary

DECLARATION OF COVENANTS
AND RESTRICTIONS OF
OAK VILLAGE

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, THE TRAILS, INC., a Florida Corporation, hereinafter referred to as "Developer," is the owner of all of Oak Village in Ormond Beach, Volusia County, Florida, as per map in Map Book 36, Page 113, Public Records of Volusia County, Florida, also referred to as Oak Village and "Development," and intends to construct one dwelling on each of the lots thereof, such residence to be constructed in one and two story single family detached residences in the cluster concept; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in the Development and for the maintenance of Common Areas and Structures, and to this end, desires to subject the said real property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said real property and each owner; and

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and amenities in the Development, that there be an agency to which will be delegated and assigned the powers of maintenance and administration of Common Areas, administering and enforcing the covenants and restrictions and charges hereinafter described; and

WHEREAS, there has been incorporated under the laws of the State of Florida, as a Not-For-Profit Corporation, Oak Village of The Trails Homeowners Association, Inc., hereinafter referred to as the "Association," for the purposes of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described above is and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth. This declaration shall become effective on the date of recording thereof among the Public Records of Volusia County, Florida.

ARTICLE I

PRIOR RESTRICTIONS

Section 1. Developer hereby acknowledges the existence and validity of the Declaration of Covenants and Restrictions of the Trails Subdivision, Unit 3, dated August 1, 1975, recorded in Official Records Book 1792, Page 1903 through 1937, Public Records of Volusia County, Florida, said Declaration being hereinafter referred to as "Unit 3 Restrictions," which restrictions and covenants shall continue in full force and effect and are hereby adopted by reference thereto, and are declared to be applicable to Oak Village. However, the provisions of Article VI of the Unit 3 Restrictions shall not be applicable to the property shown as "common areas" on the plat of

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Oak Village, Map Book 36, Page 113, of the Public Records of Volusia County, Florida, but the ownership, use, control and regulation of such common areas shall be governed by this Declaration. Security First Federal Savings and Loan Association joins in the execution of this Declaration for the purposes of subjecting its mortgagee's interest to the terms of this Declaration. Developer also amends the Declaration recorded in Official Records Book 1792, Page 1903 through 1937, of the Public Records of Volusia County, Florida, to conform to these restrictions with respect to the ownership, use, control and regulation of such common areas, but such amendment shall be effective only as to Oak Village.

Section 2. The owners of lots in Oak Village shall be required to comply with the Unit 3 Restrictions and be a member of The Trails Homeowners Association paying assessments thereto as required, in addition to being a member of Oak Village of The Trails Homeowners Association, Inc. and paying any assessment thereof as required by this Declaration.

ARTICLE II

ASSOCIATION - MEMBERSHIP AND VOTING RIGHTS

Section 1. Oak Village of The Trails Homeowners Association, Inc., shall serve as a homeowners association and provide a legal entity for the representation of the owners. The Articles of Incorporation and By-Laws of said association are on file in the office of said association and shall be construed as a part hereof by reference, as they may be amended from time to time. In the event of a dispute where the provisions of said Articles of Incorporation or By-Laws are or become relevant to any issue a copy thereof certified by the secretary of the association as the current Articles of Incorporation and/or By-Laws thereof shall be deemed to be conclusive evidence of the accuracy thereof.

Section 2. All owners of lots in the Development shall, by virtue of such ownership, become a member of the association and shall have all of the rights, power, obligations and duties of membership as provided herein, in the Certificate of Incorporation and the By-Laws of the association.

ARTICLE III

RESTRICTIVE COVENANTS

Section 1. The areas included within the lot line of each individual lot, but not included within the dwelling constructed on such lot, such areas being hereinafter referred to as "grounds," shall be used for normal and customary yard purposes. No structure, including an addition to a dwelling, shall be constructed or placed on the grounds without the written approval of the association, or except in accordance with regulations enacted by the association. The term "structure" as used herein shall include, but is not limited to, swimming pools, fences, walls, barbecue pits, television or radio antennas, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, recreation facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, etc.

All garages built in Oak Village shall be and remain garages and shall not be converted to any other use at any time other than the storage of vehicles. The driveway to said garage to be for the exclusive use of said garage owner. Developer hereby creates easements for ingress and egress over those parts of the Common Area used as driveways, with each lot owner having an exclusive easement over the driveway serving his lot, which easement shall run with the land.

Section 2. The association shall have legal title to the property shown as "common areas" on the Subdivision Plat, and shall be responsible for operation, management and maintenance of the same. The association shall have the duty and power to enact reasonable and uniform regulations governing the use of the common areas.

Section 3. In order to maintain uniformity of appearance, no owner of any dwelling shall change exterior materials or colors, either of the exterior walls or roof of said dwelling without specific written approval of the association. The association shall have the right from time to time to adopt and enforce rules and regulations for the maintenance and appearance of the exteriors of dwellings and of other structures.

Section 4. All owners shall keep their lawns and interior yards mowed and maintained, free of disease, bugs, and in a presentable condition, and shall not permit any unsightly growth, weeds or underbrush on their grounds. The association shall offer to all owners a "yard maintenance service," with the cost thereof being assessed against those owners taking advantage of such service. If an owner shall fail to maintain his grounds as herein required, the Developer, the association, the Trails Homeowners Association, Inc., and The Trails, Inc., shall have the power to correct such omission and assess the cost thereof to such owner.

The association will maintain that portion of each front yard lying between the owner's front fence line and the abutting right-of-way of each street within the subdivision lying between the curb and the owner's lot line and which is devoted to yard purposes. The association shall have the right to adopt rules and regulations to enforce this provision.

Section 5. Each owner of a lot agrees to maintain fire and extended coverage casualty insurance on the improvements on such lot, and agrees to use the proceeds thereof to repair or replace any damage to or destruction of improvements within a reasonable time after such casualty.

Section 6. In order to maintain and preserve the peace and tranquility of the neighborhood, the association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats, or other domesticated household pets 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 owners' property; (iii) to require that owners keep their pets from making such noises as disturb others; and (iv) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

ARTICLE IVPROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Subject to the provision hereof every member shall have a right and easement of enjoyment in and to the common areas, and such easement shall be appurtenant to and shall pass with membership in the association.

Section 2. The Developer hereby covenants for itself, its successors and assigns, that prior to the sale of any lot, to anyone other than a builder or designated successor developer, it will convey to the association fee title to the common areas, free and clear of all encumbrances and liens, subject to the covenants and restrictions contained in the Unit 3 Restrictions (excluding Article VI) and the other provisions of this Declaration. Prior to any such conveyance, the Developer shall complete the installation of lawns and landscaping as provided in the plans for the Development.

ARTICLE VCOVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Each succeeding owner of each and every lot shall by acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, covenants, conditions, restrictions and other provisions of this Declaration and to promptly pay to the association or its successors or assigns the following:

(a) All annual assessments or charges; and

(b) All special assessments or charges for the lawful purposes of the association. Such assessments or charges shall be fixed, established, levied, and collected from time to time as hereinafter provided. The annual and special assessments (together with such interest thereon and the costs of collection including reasonable attorney's fees as hereinafter provided) shall be a charge and continuing lien on the real property and such assessment (together with such interest thereon and the costs of collection including reasonable attorney's fees) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable; and 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 assessment and the aforesaid interest, collection cost, and attorney's fees. Subsequent grantees shall be jointly and severally liable for any outstanding assessments due at the time of their taking title.

Section 2. The assessments levied by the association shall be used exclusively for the improvements, maintenance, enhancement and operation of the common areas, the administration and enforcement of its rules and regulations, and to provide such other services as the association is authorized to provide.

Section 3. Assessments which are not paid on or before the date the same shall become due, shall be delinquent, and such delinquent assessment shall bear interest at the rate of ten percent (10%) per annum until paid. The association may record a claim of lien against any lot on which assessment payments are delinquent for the amount of such delinquency.

Section 4. The association, upon written request of any owner, shall furnish a prospective purchaser, mortgagee, or other authorized person a statement of the current status of the assessments on such owner's lot. When executed by an officer of the association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 5. The lien established may be foreclosed in the same manner as mortgages or other liens on real property may be foreclosed in the State of Florida, or may be collected by any other available legal action.

Section 6. The lien created pursuant to this Declaration shall be perfected by recording in the Public Records of Volusia County, Florida, of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the property, the amounts due, including interest and attorney's fees, and the date when the same became due. The lien shall relate back to the original due date of the delinquent assessment. The claim of lien and any satisfaction of lien shall be signed and verified by the President or Vice-President of the association.

Section 7. In addition to the other assessments authorized herein, the association may levy special assessments for the purposes of defraying, in whole or in part, the cost of any capital improvements, provided that any such special assessment shall have the approval of two-thirds (2/3rds) of the membership at any regular or special meeting of the membership of the association.

Section 8. In the event of any change in the annual assessment, the Board of Directors of the association shall fix the date of commencement and the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and assessments applicable thereto, which shall be kept open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto.

Section 9. Notwithstanding the language to the contrary, in Article V, Section 6 herein, the lien for an assessment shall be subordinate and inferior to any recorded institutional first mortgage regardless when said assessment was due. Upon recordation of the certificate of title issued pursuant to and foreclosure of an institutional first mortgage, or upon the recording of a deed accepted by such lender in lieu of foreclosure, any lien for assessments payable prior to such recordation shall be cancelled, but the lien for assessments due and payable after the recordation of said certificate or deed shall not be impaired and shall be effective as to the grantee of such certificate of title or deed.

Section 10. The lien for an assessment shall also be subordinate to and inferior to the lien for assessments of The Trails Homeowners Association, Inc., to the same extent and effect as in the case of institutional lenders as described in Section 9 above.

Section 11. Assessments provided for herein shall not be levied or enforced against the developer or any lot owner by the developer for any period of time during which such lot has been owned by the developer, or against a designated successor developer; provided, however, that upon completion of construction of a dwelling unit or any such lot, the developer, builder, or successor developer, and the lot in question shall commence being subject to levy and payment of assessments as are other lots and other lot owners in the development.

ARTICLE VI EASEMENTS

Section 1. In the event that 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, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining lot. In the event there is such protrusion, the owner or owners of the lot 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. 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 line, 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, maintenance, repair or reconstruction of 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 Directors of the association shall control.

ARTICLE VII AMENDMENTS AND TERMINATION

Section 1. The Developer hereby reserves for himself or a designated successor developer, the right to amend, modify or rescind such parts of these restrictions as it in its sole discretion deems necessary or desirable so long as it is (a) the sole owner of the property to which the altered restrictions would apply; or (b) such amendment or modification does not substantially change the character, nature or general scheme of the development; and (c) The Trails, Inc., its successors or assigns, joins in such amendment.

Section 2. In addition to the manner of amendment set forth in the preceding paragraph the record owners of ninety percent (90%) of lots in Ramblewood may amend or modify such provisions of this Declaration as they may deem necessary or advisable. Such amendment shall be approved at a regular or special meeting of the members of the association duly called and at which a quorum is present (in person or proxy) by at least ninety percent (90%) of those entitled to cast a vote. A certificate executed by the President and Secretary and containing such amendment shall be filed in the Public Records of Volusia County, Florida. It shall not be necessary for the record owners to join in any document to effectuate such amendment. Provided, however, that no such amendment enacted with ten (10) years from the date of recording hereof shall be effective without the approval thereof by The Trails, Inc., its successors or assigns.

Section 3. The Developer hereby reserves the right to designate a successor developer to succeed to the rights of the Developer hereunder, except that all Amendments hereto must be executed by the Trails, Inc., for a period of ten years, unless The Trails, Inc. be sooner dissolved.

ARTICLE VIII

NO PARTITION OR SEVERANCE

Section 1. Recognizing that it is in the interests of all owners that membership rights and ownership of the common areas not be separated from the ownership of the dwellings and lots in said subdivision, it is hereby declared that membership rights of any owner in the association or ownership of any interest in the common areas shall remain undivided and shall be retained only as an appurtenance to a lot or dwelling unit. Such owners shall have no right at law or in equity to seek partition or severance of such membership rights in the association or ownership of common areas, either or both. There shall exist no right to transfer membership in the association except as an appurtenance to and in the same transaction with, a transfer of title to the lot or dwelling unit in Ramblewood (which includes any future unit of said subdivision hereafter filed for record in the Public Records of Volusia County, Florida). A conveyance or other transfer of title to a lot or dwelling in said subdivision, whether voluntary, by operation of law or otherwise, shall automatically include a transfer or conveyance of membership rights in the association, whether or not the same is specifically described or referred to in said conveyance or transfer.

ARTICLE IX

COVENANTS TO RUN WITH LAND

Section 1. The restrictions and covenants of this Declaration shall constitute covenants running with the land, and each shall constitute an equitable servitude upon the owner of each lot 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 recorded, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless an instrument signed by not less than seventy-five (75%) of the then record owners of lots or dwelling units in Oak Village (all units) is recorded containing an agreement of such owners to amend these restrictions in whole or in part.

ARTICLE X

SAVING CLAUSE

Section 1. In the event that any one or more of the foregoing covenants, conditions or restrictions shall be adjudged for any reason, by a court of competent jurisdiction, to be null and void, such judgment shall not in any manner whatsoever affect, modify, change, abrogate or nullify any of the covenants, conditions and restrictions not so adjudged to be void, but all of the remaining covenants, conditions, reservations and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

ARTICLE XI

ENFORCEMENT



Section 1. These covenants and restrictions may be enforced by an action at law for damages or by proceedings in equity. The Developer, a successor developer, the association, and The Trails Homeowners Association, Inc. or any of them are hereby given express authority to enforce these covenants and restrictions in the manner provided herein. These remedies shall be cumulative and non-exclusive.

Section 2. If the violation can be cured by the expenditure of money, upon the refusal of the violator to expend the necessary sum, the Developer, a successor developer, the association or The Trails Homeowners Association, Inc., may, but shall not be required to, advance the cost of curing said violation.

Section 3. All costs of curing violation or of enforcement, including attorney's fees shall be borne by the violating party, whether or not judicial proceedings are instituted, and a lien is hereby created to secure the payment of such costs, including attorney's fees, in favor of the four entities named hereinabove, which shall be treated in the same manner as a lien for an assessment pursuant to Article V.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal this 11th day of January, 1980.

Signed, sealed and delivered
in the presence of:

THE TRAILS, INC.

BY: 
C. W. Singletary, Jr., President

ATTEST: 
William G. Heath, Secretary

STATE OF FLORIDA
COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared C. W. SINGLETARY, JR. and WILLIAM G. HEATH, well known to me to be the President and Secretary respectively of the Corporation who executed the foregoing Declaration of Covenants and Restrictions of Oak Village, who being by me first duly sworn, depose and say that they executed said Declaration for the purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid, this 11th day of January, 1980.

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 13 1982
BONDED THRU GENERAL INS. UNDERWRITERS

Nancy C. Owens
Notary Public, State of Florida at Large
My Commission Expires:

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purposes of subjecting its mortgage liens to such Declaration.

Dated, this 11th day of January, 1980.

SECURITY FIRST FEDERAL SAVINGS
AND LOAN ASSOCIATION

BY: [Signature]

ATTEST: [Signature]

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me, by C. W. Singletary Jr. and William G. Heath Executive Vice President and Secretary respectively, of Security First Federal Savings and Loan Association, on behalf of the Corporation.

Dated, this 11th day of January, 1980.

Nancy C. Owens
Notary Public, State of Florida at Large
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV. 13 1982
BONDED THRU GENERAL INS. UNDERWRITERS

ARTICLES OF INCORPORATION

OF

OAK VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.

A Non-profit Florida Corporation

We, the undersigned, hereby associate ourselves together for the purpose of becoming incorporated under the laws of the State of Florida, in accordance with the provisions of the Statutes of said state, providing for the formation, liabilities, rights, privileges, and immunities of corporations not for profit.

ARTICLE I

The name of this corporation shall be OAK VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

The general nature of the business to be transacted is as follows:

a. To enforce the terms, covenants, conditions and restrictions appertaining to Oak Village in Ormond Beach as recorded in the Public Records of Volusia County, Florida.

b. To accomplish the foregoing purposes, the corporation shall have all corporate powers permitted under Florida law, including the power to mortgage and borrow monies.

ARTICLE IIIQUALIFICATION OF MEMBERS AND MANNER OF THEIR ADMISSION

Any person, firm, corporation, or other business entity coming within the following categories shall automatically become members of this association:

a. The record title holder of a present vested fee simple interest in any lot or dwelling unit of Oak Village in Ormond Beach, Florida.

b. If the record title holder described in paragraph a, designates in writing to the secretary of the association, the tenant shall be a member of this association. However, the

owner's membership privileges during the period of such tenancy shall abate and shall be exercisable only by the tenant. When the tenancy ceases to exist, the owner of such dwelling unit shall so certify to the secretary of this association and the owner shall be entitled to resumption of all membership privileges unless a new tenant is in possession of the dwelling unit.

c. The membership of any tenant or record owner shall automatically terminate when such person is no longer entitled to immediate possession and enjoyment of a dwelling unit in Oak Village Subdivision, filed in the Public Records of Volusia County, Florida.

d. When a corporation or partnership is an owner or tenant of a dwelling unit or lot, only the president of the corporation or its designate or the senior partner shall be entitled to exercise membership privileges.

ARTICLE IV

This corporation shall have perpetual existence.

ARTICLE V

The names and addresses of subscribers of this corporation are as follows:

Gerald E. Upson	180 N. Nova Road Ormond Beach, Florida 32074
C.W. Singletary, Jr.	501 North Grandview Daytona Beach, Florida 32018
William G. Heath	501 North Grandview Daytona Beach, Florida 32018

ARTICLE VI

The management of this corporation and time for elections shall be as follows:

a. The affairs and property of this corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than nine (9) members.

b. Directors shall be elected by the voting membership at the regular annual meeting of the membership of the corporation to be held on the first Monday in October 1980 and each year thereafter at such place as may be designated by the Board of Directors.

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c. All officers shall be elected by the Board of Directors in accordance with the By-Laws at the regular annual meeting of the Board of Directors to be held immediately following the annual meeting of the membership. The Board of Directors shall elect from among the members of the corporation, a president, a vice-president, a secretary, treasurer, assistant secretary and assistant treasurer and such other officers as it may deem desirable.

d. All officers may hold more than one office as set forth above, except that the President shall not be also the Secretary, Assistant Secretary or Vice President.

ARTICLE VII

The names of the officers who shall serve until the first election are as follows:

President	C.W. Singletary, Jr.
Vice President and Secretary/Treasurer	William G. Heath
Vice President	Gerald E. Upson

ARTICLE VIII

The following three (3) persons shall constitute the first Board of Directors. Said First Board of Directors may appoint three (3) successors to serve as an interim Board of Directors until the first election of the Board of Directors at the first regular annual meeting of the members.

C.W. Singletary, Jr.	501 North Grandview Daytona Beach, Florida 32018
William G. Heath	501 North Grandview Daytona Beach, Florida 32018
Gerald E. Upson	180 N. Nova Road Ormond Beach, Florida 32074

ARTICLE IX

The By-Laws of this corporation may be made, altered, amended, or rescinded by such modification adopted in the following manner:

Notice of subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

A resolution adopting a proposed amendment may be proposed by either the Board of Directors, or by the members of The Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:

a. Not less than sixty-five percent (65%) of the entire membership of the Board of Directors and by not less than sixty-five percent (65%) percent of the votes of the entire membership of the Association; or

b. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.

Proviso. Provided, however, that no amendment shall discriminate against any owner nor against any class or group of owners unless the owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or restrictions.

ARTICLE X

An affirmative vote of sixty-five percent (65%) of the membership and Board of Directors or by not less than seventy-five percent (75%) of the votes of the entire membership of the association shall be necessary to amend these Articles of Incorporation.

ARTICLE XI

No dividend shall be paid and no part of the income shall be distributed to its members, directors or officers. The corporation may, however, pay a reasonable amount to its members, directors and officers for services rendered and may confer benefits upon its members in conformity with the purposes set forth in Article II, and upon dissolution or final liquidation, may make distribution to its members, as permitted by the court having jurisdiction thereof and no such payment, benefit or distribution shall be determined to be a dividend or a disbursement of income.

WITNESS THE HANDS AND SEALS of the incorporators and subscribers in Volusia County, State of Florida, this 11th day of January, 1981.

Signed, sealed and delivered in the presence of:

[Signature]
as to all parties)

[Signature] (SEAL)
C.W. Singletary, Jr.

[Signature] (SEAL)
William G. Heath

[Signature] (SEAL)
Gerald E. Upson

STATE OF FLORIDA

COUNTY OF VOLUSIA

Before me, the undersigned authority, personally appeared C.W. SINGLETARY, JR., WILLIAM G. HEATH, GERALD E. UPSON, to me well known to be the incorporators and subscribers to the foregoing Articles of Incorporation of Oak Village of The Trails Homeowners Association, who being by me first duly sworn, acknowledged that they signed the same for the purposes therein expressed.

WITNESS my hand and official seal in the State and County aforesaid this 11th day of January, 1981.

[Signature]
Notary Public, State of Florida
at Large
My Commission expires:

NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES NOV 13 1982
BONDOLD THRU GENERAL INS UNDERWRITERS

- 6 -

CERTIFICATE DESIGNATING PLACE OF BUSINESS OR DOMICILE FOR THE SERVICE OF PROCESS WITHIN THIS STATE, NAMING AGENT UPON WHOM PROCESS MAY BE SERVED.

First: That OAK VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, desiring to organize under the laws of the State of Florida with its principal office, as indicated in the Articles of Incorporation at Ormond Beach, Volusia County, Florida, has named GERALD E. UPSON, 180 N. Nova Road, Ormond Beach, Florida 32074, as its agent to accept service of process within this State.

ACKNOWLEDGMENT

Having been named to accept service of process for the above named corporation, at place designated in this Certificate, I hereby accept to act in this capacity, and agree to comply with the provision of said Act to keeping said office open.

Registered Agent

BY-LAWS

OF

OAK VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC.
a corporation not for profit

1. GENERAL.

1.1 These are the By-Laws of OAK VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC., called the Association, a Florida non-profit corporation.

1.2 The fiscal year of the Association shall be the calendar year.

1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida," the words "corporation not for profit," and the year of incorporation.

2. MEMBERSHIP, VOTING QUORUM, PROXIES.

2.1 There shall be one vote for each lot upon which a unit has been completed. In no event, however, shall the total units in this Association exceed forty four (44). One vote shall pass automatically with the title to each lot. The Trails, Inc. reserves for itself and designated successor Developers, the right to exercise all votes not so automatically conveyed. As used herein, the term "majority of owners" or similar phrase means the owners of lots, including The Trails, Inc. who owns 51% or more of the votes.

2.2 A quorum at members' meetings shall consist of the owners of a majority of the lots, and decisions shall be made by the owners of a majority of the lots represented at a meeting at which a quorum is present, except where approval by a greater number is required by the Articles of Incorporation, the By-Laws or restrictions.

2.3 Proxies. At meetings of the membership, votes may be cast in person or 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.

3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

3.1 The Annual Members' Meeting shall be held at such place designated by the Board of Directors, at 7:30 o'clock P.M. local time, on the first Monday in October beginning in 1980, or sooner as specified in the Article of Incorporation, for the purpose of electing directors and transacting any other business authorized to be transacted by the members; provided, however, if that date is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.

3.2 Special Members' Meeting shall be held whenever called by the president or vice-president or by a majority of the Board of Directors and must be called by such officers upon

receipt of a written request of one-third of the members.

3.3 Written notice of all members' meetings, including annual meetings, stating a time and place and the object for which the meeting is called shall be given by the president, vice-president or secretary unless waived in writing. Such notice shall be delivered or mailed by first class mail to each member at his address as it appears on the books of the Association, not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Notice of meetings may be waived before or after meetings.

3.4 Voting.

a. In case a lot is owned by more than one person or by a corporation or other entity, its vote may be cast by any person designated in writing by all owners of the lot, or by the president in the case of a corporation, and filed with the secretary. Such designation shall be valid until revoked in writing.

3.5 Adjourned Meetings. In the absence of a quorum at any meeting, the members present may adjourn the meeting from time to time until a quorum is present.

3.6 The Order of Business. At Annual Members' Meetings and as far as practical at other members' meetings, the order of business shall be:

- 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 of directors.
- g. Unfinished business.
- h. New business.

3.7 Written minutes of all meetings of the lot owners shall be kept and be available for inspection by owners and board members at all reasonable times.

4. BOARD OF DIRECTORS.

4.1 The Board of Directors of the Association shall consist of not less than three nor more than nine directors, the exact number to be determined at the time of the election.

4.2 Election of directors shall be conducted in the following manner:

a. Election of directors shall be conducted at the Annual Members' Meeting.

b. A Nominating Committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the Annual Members' Meeting. The Committee shall nominate one person for each director to be elected. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.

c. The elections shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes.

4.3 The term of each director's service shall extend until the next annual meeting of the members and subsequently until a successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

4.4 The Organizational Meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.

4.5 Regular Meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings shall be given to each director personally or by mail, telephone or telegraph, at least three (3) days prior to the date named for such a meeting, unless notice is waived.

4.6 Special Meetings of the directors may be called by the president, and must be called by the secretary at the written request of one-third of the directors. Not less than three (3) days' written notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.

4.7 Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

4.8 A quorum at directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting in which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Articles of Incorporation or by these By-Laws.

4.9 The Presiding Officer of directors meetings shall be the president. In the absence of the presiding officer, the directors present shall designate one of their number to preside.

5.0 Meetings of the Board of Directors shall be open to all lot owners and notice of meeting shall be posted conspicuously, forty-eight (48) hours in advance for the attention of owners except in an emergency. Minutes of all Board meetings shall be kept in a businesslike manner and available for inspection by lot owners at all reasonable times.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS.

5.1 All of the powers and duties of the Association shall be exercised by the Board of Directors, including those existing under common law and the statutes, the Articles of Incorporation and these By-Laws, without limiting the generality of the foregoing, the following:

a. To make, levy and collect assessments against members and members' lots to defray the costs of the Association and to use the proceeds of said assessments in the exercise of the powers and duties of the Association.

b. To make and amend regulations governing the use of the property, real and personal, of the Association so long as its regulations do not conflict with the restrictions, the Certificate of Incorporation and these By-Laws.

c. To employ such personnel as may be required for proper operation of the Association.

6. OFFICERS.

6.1 The executive officers of the Association shall be a president, a vice-president, a treasurer, a secretary and an assistant secretary, all of whom shall be elected annually by the Board of Directors at its organizational meeting and who may be preemptorily removed by vote of the directors at any meeting. Any person may hold two or more offices except that the president shall not also be the secretary, an assistant secretary, or the vice-president. The Board of Directors may from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

6.2 The president shall be the chief executive officer of the Association. He shall have all of the powers and duties which are usually vested in the office of president of an association, including but not limited to, the power to appoint committees from among the members of the Association from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

6.3 The vice-president shall in the absence or disability of the president exercise the powers and perform the duties of the president. He shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the directors.

6.4 The secretary shall keep the minutes of all proceedings of the directors and the members. He shall attend to the giving and serving of all notices to the members and other notices required by law. He shall keep the records of the Association, except those of the treasurer, and shall perform all other duties incident to the office of secretary of an association required by the directors or the assistant secretary when the secretary is absent.

7. FISCAL MANAGEMENT. The provisions for fiscal management of the Association set forth in the Restrictions, and the Articles of Incorporation shall be supplemented by the following provisions:

7.1 The assessment roll shall be maintained in a set of account books in which there shall be an account for each lot. Such an account shall designate the name and address of the owner or owners, the amount of each assessment against the owners, the dates and amounts in which assessments come due, the amounts paid upon the account and the balance due upon assessments.

7.2 Budget. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Copies of the proposed annual budget, together with a notice of the meeting at which such budget will be considered, shall be transmitted to each member not less than thirty (30) days prior to the meeting. Failure to do so shall not affect the liability of any member for payment of his proportionate share of the budget.

7.3 Assessments. Assessments against the lot owners for their share of the items of the budget shall be made for the calendar year annually in advance on or before December 1 preceding the year for which the assessments are made. Such assessments shall be due in twelve (12) equal installments on the first day of each month of the year for which the assessments are made. If an annual assessment is not made as required, assessments shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessment shall be due upon each installment date until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors and the unpaid assessments for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal installments on the first day of each month remaining in the calendar year.

7.4 Acceleration of Assessment Installments Upon Default. If an owner shall be in default in the payment of an installment upon an assessment, the Board of Directors may accelerate the remaining installments of the assessment upon notice to the owner, and then the unpaid balance of the assessment shall become due upon the date stated in the notice, but not less than ten (10) days after delivery of the notice to the owners, or not less than twenty (20) days after the mailing of such notice to him by certified mail, whichever shall first occur.

7.5 Assessments for Emergencies. Assessments for common expenses for emergencies that cannot be paid from the annual assessments for common expenses shall be made only after notice of the need for such is given to the owners. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the owners, the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors may require.

7.6 The depository of the Association shall be such bank or banks as shall be designated by the directors from time to time and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by check signed by such persons as are authorized by the directors.

7.7 An audit of accounts of the Association shall be made annually and a copy of the audit report shall be available to each member not later than the second Monday in February of the year following the year for which the report is made.

7.8 Written summaries of the accounting records of the Association shall be supplied at least annually to each member.

8. PARLIAMENTARY RULES.

8.1 Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Articles of Incorporation or these By-Laws.

9. AMENDMENTS. These By-Laws may be amended in the following manner:

9.1 Notice of subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

9.2 A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:

a. Not less than sixty-five percent (65%) of the entire membership of the Board of Directors and by not less than sixty-five percent (65%) percent of the votes of the entire membership of the Association; or

b. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.

9.3 Proviso. Provided, however, that no amendment shall discriminate against any owner nor against any class or group of owners unless the owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or restrictions.

10. RECORDS OF ASSOCIATION.

10.1 All of the books and records of the Association shall be kept in a businesslike manner and shall be available for inspection by any member at reasonable times.

The foregoing were adopted as the By-Laws of OAK VILLAGE OF THE TRAILS HOMEOWNERS ASSOCIATION, INC., a corporation not for profit, under the laws of the State of Florida, at the first meeting of the Directors held on the 11th day of January, 1980.

William B. Hunt
Secretary

DECLARATION OF COVENANTS

AND RESTRICTIONS OF

ARROWHEAD VILLAGE II

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, THE TRAILS, INC., a Florida Corporation, hereinafter referred to as "Developer," is the owner of all of Arrowhead Village II in Ormond Beach, Volusia County, Florida, as per map in Map Book 27, Page 82-83, Public Records of Volusia County, Florida, also referred to as Arrowhead Village II and "Development," and intends to construct one dwelling on each of the lots thereof, such residence to be constructed in one and two story single family detached residences in the cluster concept; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in the Development and for the maintenance of Common Areas and Structures, and to this end, desires to subject the said real property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said real property and each owner; and

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and amenities in the Development, that there be an agency to which will be delegated and assigned the powers of maintenance and administration of Common Areas, administering and enforcing the covenants and restrictions and charges hereinafter described; and

WHEREAS, there has been incorporated under the laws of the State of Florida, as a Not-For-Profit Corporation, Arrowhead Village II of The Trails Homeowners Association, Inc., hereinafter referred to as the "Association," for the purposes of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described above is and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions" hereinafter set forth. This declaration shall become effective on the date of recording thereof among the Public Records of Volusia County, Florida.

ARTICLE I

PRIOR RESTRICTIONS

Section 1. Developer hereby acknowledges the existence and validity of the Declaration of Covenants and Restrictions of the Trails Subdivision, Unit 3, dated August 1, 1975, recorded in Official Records Book 1792, Page 1903 through 1937, Public Records of Volusia County, Florida, said Declaration being hereinafter referred to as "Unit 3 Restrictions," which restrictions and covenants shall continue in full force and effect and are hereby adopted by reference thereto, and are declared to be applicable to Arrowhead Village II. However, the provisions of Article VI of the Unit 3 Restrictions shall not be applicable to the property shown as "common areas" on the plat of

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Arrowhead Village II, Map Book 37, Page 82-83, of the public Records of Volusia County, Florida, but the ownership, use, control and regulation of such common areas shall be governed by this Declaration. Security First Federal Savings and Loan Association joins in the execution of this Declaration for the purposes of subjecting its mortgagee's interest to the terms of this Declaration. Developer also amends the Declaration recorded in Official Records Book 1792, Page 1903 through 1937, of the Public Records of Volusia County, Florida, to conform to these restrictions with respect to the ownership, use, control and regulation of such common areas, but such amendment shall be effective only as to Arrowhead Village II.

Section 2. The owners of lots in Arrowhead Village II shall be required to comply with the Unit 3 Restrictions and be a member of The Trails Homeowners Association paying assessments thereto as required, in addition to being a member of Arrowhead Village II of The Trails Homeowners Association, Inc. and paying any assessment thereof as required by this Declaration.

ARTICLE II

ASSOCIATION - MEMBERSHIP AND VOTING RIGHTS

Section 1. Arrowhead Village II of The Trails Homeowners Association Inc., shall serve as a homeowners association and provide a legal entity for the representation of the owners. The Articles of Incorporation and By-Laws of said association are on file in the office of said association and shall be construed as a part hereof by reference, as they may be amended from time to time. In the event of a dispute where the provisions of said Articles of Incorporation or By-Laws are or become relevant to any issue a copy thereof certified by the secretary of the association as the current Articles of Incorporation and/or By-Laws thereof shall be deemed to be conclusive evidence of the accuracy thereof.

Section 2. All owners of lots in the Development shall, by virtue of such ownership, become a member of the association and shall have all of the rights, power, obligations and duties of membership as provided herein, in the Certificate of Incorporation and the By-Laws of the association.

ARTICLE III

RESTRICTIVE COVENANTS

Section 1. The areas included within the lot line of each individual lot, but not included within the dwelling constructed on such lot, such areas being hereinafter referred to as "grounds," shall be used for normal and customary yard purposes. No structure, including an addition to a dwelling, shall be constructed or placed on the grounds without the written approval of the association, or except in accordance with regulations enacted by the association. The term "structure" as used herein shall include, but is not limited to, swimming pools, fences, walls, barbecue pits, television or radio antennas, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, recreation facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, etc.

All garages built ~~BOOK~~ ^{PAGE} Village II shall be and remain garages and shall not be converted to any other use at any time other than the storage of vehicles. The driveway to said garage to be for the exclusive use of said garage owner. Developer hereby creates easements for ingress and egress over those parts of the Common Area used as driveways, with each lot owner having an exclusive easement over the driveway serving his lot, which easement shall run with the land.

Section 2. The association shall have legal title to the property shown as "common areas" on the Subdivision Plat, and shall be responsible for operation, management and maintenance of the same. The association shall have the duty and power to enact reasonable and uniform regulations governing the use of the common areas.

Section 3. In order to maintain uniformity of appearance, no owner of any dwelling shall change exterior materials or colors, either of the exterior walls or roof of said dwelling without specific written approval of the association. The association shall have the right from time to time to adopt and enforce rules and regulations for the maintenance and appearance of the exteriors of dwellings and of other structures.

Section 4. All owners shall keep their lawns and interior yards mowed and maintained, free of disease, bugs, and in a presentable condition, and shall not permit any unsightly growth, weeds or underbrush on their grounds. The association shall offer to all owners a "yard maintenance service," with the cost thereof being assessed against those owners taking advantage of such service. If an owner shall fail to maintain his grounds as herein required, the Developer, the association, the Trails Homeowners Association, Inc., and The Trails, Inc., shall have the power to correct such omission and assess the cost thereof to such owner.

The association will maintain that portion of each front yard lying between the owner's front fence line and the abutting right-of-way of each street within the subdivision lying between the curb and the owner's lot line and which is devoted to yard purposes. The association shall have the right to adopt rules and regulations to enforce this provision.

Section 5. Each owner of a lot agrees to maintain fire and extended coverage casualty insurance on the improvements on such lot, and agrees to use the proceeds thereof to repair or replace any damage to or destruction of improvements within a reasonable time after such casualty.

Section 6. In order to maintain and preserve the peace and tranquility of the neighborhood, the association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats, or other domesticated household pets 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 owners' property; (iii) to require that owners keep their pets from making such noises as disturb others; and (iv) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

ARTICLE IVPROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Subject to the provision hereof every member shall have a right and easement of enjoyment in and to the common areas, and such easement shall be appurtenant to and shall pass with membership in the association.

Section 2. The Developer hereby covenants for itself, its successors and assigns, that prior to the sale of any lot, to any one other than a builder or designated successor developer, it will convey to the association fee title to the common areas, free and clear of all encumbrances and liens, subject to the covenants and restrictions contained in the Unit 3 Restrictions (excluding Article VI) and the other provisions of this Declaration. Prior to any such conveyance, the Developer shall complete the installation of lawns and landscaping as provided in the plans for the Development.

ARTICLE VCOVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Each succeeding owner of each and every lot shall by acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, covenants, conditions, restrictions and other provisions of this Declaration and to promptly pay to the association or its successors or assigns the following:

(a) All annual assessments or charges; and

(b) All special assessments or charges for the lawful purposes of the association. Such assessments or charges shall be fixed, established, levied, and collected from time to time as hereinafter provided. The annual and special assessments (together with such interest thereon and the costs of collection including reasonable attorney's fees as hereinafter provided) shall be a charge and continuing lien on the real property and such assessment (together with such interest thereon and the costs of collection including reasonable attorney's fees) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable, and 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 assessment and the aforesaid interest, collection cost, and attorney's fees. Subsequent grantees shall be jointly and severally liable for any outstanding assessments due at the time of their taking title.

Section 2. The assessments levied by the association shall be exclusively for the improvements, maintenance, enhancement and operation of the common areas, the administration and enforcement of its rules and regulations, and to provide such other services as the association is authorized to provide.

Section 3. Assessments which are not paid on or before the date the same shall become due, shall be delinquent, and such delinquent assessment shall bear interest at the rate of ten percent (10%) per annum until paid. The Assn. shall have a lien against any lot and the improvements thereon for the amount of any assessment payments or any special assessment payments that are delinquent including accelerated payments plus interest, court costs and attorneys fees.

Section 4. The association, upon written request of any owner, shall furnish a prospective purchaser, mortgagee, or other authorized person a statement of the current status of the assessments on such owner's lot. When executed by an officer of the association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 5. The lien established may be foreclosed in the same manner as mortgages or other liens on real property may be foreclosed in the State of Florida, or may be collected by any other available legal action.

Section 6. The lien created pursuant to this Declaration shall be perfected by recording in the Public Records of Volusia County, Florida, of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the property, the amounts due, including interest and attorney's fees, and the date when the same became due. The lien shall relate back to the original due date of the delinquent assessment. The claim of lien and any satisfaction of lien shall be signed and verified by the President or Vice-President of the association.

Section 7. In addition to the other assessments authorized herein, the association may levy special assessments for the purposes of defraying, in whole or in part, the cost of any capital improvements, provided that any such special assessment shall have the approval of two-thirds (2/3rds) of the membership at any regular or special meeting of the membership of the association.

Section 8. In the event of any change in the annual assessment, the Board of Directors of the association shall fix the date of commencement and the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and assessments applicable thereto, which shall be kept open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto.

Section 9. Notwithstanding the language to the contrary, in Article V, Section 6 herein, the lien for an assessment shall be subordinate and inferior to any recorded institutional first mortgage regardless when said assessment was due. Upon recordation of the certificate of title issued pursuant to and foreclosure of an institutional first mortgage, or upon the recording of a deed accepted by such lender in lieu of foreclosure, any lien for assessments payable prior to such recordation shall be cancelled, but the lien for assessments due and payable after the recordation of said certificate or deed shall not be impaired and shall be effective as to the grantee of such certificate of title or deed.

Section 10. The lien for an assessment shall also be subordinate to and inferior to the lien for assessments of The Trails Homeowners Association, Inc., to the same extent and effect as in the case of institutional lenders as described in Section 9 above.

Section 11. Assessments provided for herein shall not be levied or enforced against the developer or any lot owner by the developer for any period of time during which such lot has been owned by the developer, or against a designated successor developer; provided, however, that upon completion of construction of a dwelling unit or any such lot, the developer, builder, or successor developer, and the lot in question shall commence being subject to levy and payment of assessments as are other lots and other lot owners in the development.

ARTICLE VI EASEMENTS

Section 1. In the event that 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, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining lot. In the event there is such protrusion, the owner or owners of the lot 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. 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 line, 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, maintenance, repair or reconstruction of 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 Directors of the association shall control.

ARTICLE VII AMENDMENTS AND TERMINATION

Section 1. The Developer hereby reserves for himself or a designated successor developer, the right to amend, modify or rescind such parts of these restrictions as it in its sole discretion deems necessary or desirable so long as it is (a) the sole owner of the property to which the altered restrictions would apply; or (b) such amendment or modification does not substantially change the character, nature or general scheme of the development; and (c) The Trails, Inc. joins in such amendment.

Section 2. In addition to the manner of amendment set forth in the preceding paragraph the record owners of ninety percent (90%) of lots in Arrowhead Village II may amend or modify such provisions of this Declaration as they may deem necessary or advisable. Such amendment shall be approved at a regular or special meeting of the members of the association duly called and at which a quorum is present (in person or proxy) by at least ninety percent (90%) of those entitled to cast a vote. A certificate executed by the President and Secretary and containing such amendment shall be filed in the Public Records of Volusia County, Florida. It shall not be necessary for the record owners to join in any document to effectuate such amendment. Provided, however, that no such amendment enacted within ten (10) years from the date of recording hereof shall be effective without the approval thereof by The Trails, Inc., unless the said The Trails, Inc., shall be dissolved prior to the expiration of the said ten (10) year period.

Section 3. The Developer hereby reserves the right to designate a successor developer to succeed to the rights of the Developer hereunder, except that all Amendments hereto must be executed by the Trails, Inc., for a period of ten years, unless The Trails, Inc. be sooner dissolved.

ARTICLE VIII

NO PARTITION OR SEVERANCE

Section 1. Recognizing that it is in the interests of all owners that membership rights and ownership of the common areas not be separated from the ownership of the dwellings and lots in said subdivision, it is hereby declared that membership rights of any owner in the association or ownership of any interest in the common areas shall remain undivided and shall be retained only as an appurtenance to a lot or dwelling unit. Such owners shall have no right at law or in equity to seek partition or severance of such membership rights in the association or ownership of common areas, either or both. There shall exist no right to transfer membership in the association except as an appurtenance to and in the same transaction with, a transfer of title to the lot or dwelling unit in Arrowhead Village II (Which includes any future unit of said subdivision hereafter filed for record in the Public Records of Volusia County, Florida). A conveyance or other transfer of title to a lot or dwelling in said subdivision, whether voluntary, by operation of law or otherwise, shall automatically include a transfer or conveyance of membership rights in the association, whether or not the same is specifically described or referred to in said conveyance or transfer.

ARTICLE IX

COVENANTS TO RUN WITH LAND

Section 1. The restrictions and covenants of this Declaration shall constitute covenants running with the land, and each shall constitute an equitable servitude upon the owner of each lot 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 recorded, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless an instrument signed by not less than seventy-five (75%) of the then record owners of lots or dwelling units in Arrowhead Village-II (all units) is recorded containing an agreement of such owners to amend these restrictions in whole or in part.

ARTICLE X

SAVING CLAUSE

Section 1. In the event that any one or more of the foregoing covenants, conditions or restrictions shall be adjudged for any reason by a court of competent jurisdiction, to be null and void, such judgment shall not in any manner whatsoever affect, modify, change, abrogate or nullify any of the covenants, conditions and restrictions not so adjudged to be void, but all of the remaining covenants, conditions, reservations and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

ARTICLE XI

ENFORCEMENT

Section 1. These covenants and restrictions may be enforced by an action at law for damages or by proceedings in equity. The Developer, a successor developer, the association, and The Trails Homeowners Association, Inc. or any of them are hereby given express authority to enforce these covenants and restrictions in the manner provided herein. These remedies shall be cumulative and non-exclusive.

Section 2. If the violation can be cured by the expenditure of money, upon the refusal of the violator to expend the necessary sum, the Developer, a successor developer, the association or The Trails Homeowners Association, Inc., may, but shall not be required to, advance the cost of curing said violation.

Section 3. All costs of curing violation or of enforcement, including attorney's fees shall be borne by the violating party, whether or not judicial proceedings are instituted, and a lien is hereby created to secure the payment of such costs, including attorney's fees, in favor of the four entities named hereinabove, which shall be treated in the same manner as a lien for an assessment pursuant to Article V.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal this 9th day of October, 1980.

Signed, sealed and delivered
in the presence of:

Cynthia Brant
Cheryl S. Burnett

THE TRAILS, INC.

BY: *C. W. Singletary*
C. W. Singletary, Jr., President

ATTEST: *William G. Heath*
William G. Heath, Secretary

STATE OF FLORIDA
COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared C.W. Singletary, Jr. and William G. Heath, well known to me to be the President and Secretary respectively of the Corporation who executed the foregoing Declaration of Covenants and Restrictions of Arrowhead Village II, who being by me first duly sworn, depose and say that they executed said Declaration for the purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid, this

9th day of October, 1980.

Cynthia K. Barnhart
Notary Public, State of Florida
at Large:

NOTARY PUBLIC, State of Florida at Large
My Commission Expires November 8, 1982
Bonded by RESERVE INSURANCE CO.

Commission Expires:

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purposes of subjecting its mortgage liens to such Declaration.

Dated: this 9th day of October, 1980.

- Security First Federal
Savings and Loan Association

By: [Signature]
Vice President

Attest: Rosemarie K. Anderson
Assistant Secretary

State of Florida
County of Volusia

The foregoing instrument was acknowledged before me, by ROBERT L. HILLMAN and ROSEMARIE K. ANDERSON, Vice President and Assistant Secretary respectively, of Security First Federal Savings and Loan Association, on behalf of the corporation.

Dated, this 9th day of October, 1980.

Linda F. Wexler
Notary Public, State of Florida
at Large:

My Commission Expires:

Notary Public, State of Florida at Large
My Commission Expires November 8, 1982
Bonded by A. J. ...

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DECLARATION OF COVENANTS

AND RESTRICTIONS OF

ARROWHEAD VILLAGE III

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, THE TRAILS, INC., a Florida Corporation, hereinafter referred to as "Developer," is the owner of all of Arrowhead Village III Ormond Beach, Volusia County, Florida, as per map in Map Book _____, Page _____, Public Records of Volusia County, Florida, also referred to as Arrowhead Village III and "Development," and intends to construct one dwelling on each of the lots thereof, such residence to be constructed in one and two story single family detached residences in the cluster concept; and

WHEREAS, the Developer desires to provide for the preservation of the values and amenities in the Development and for the maintenance of Common Areas and Structures, and to this end, desires to subject the said real property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said real property and each owner; and

WHEREAS, the Developer has deemed it desirable, for the efficient preservation of the values and amenities in the Development, that there be an agency to which will be delegated and assigned the powers of maintenance and administration of Common Areas, administering and enforcing the covenants and restrictions and charges hereinafter described; and

WHEREAS, there has been incorporated under the laws of the State of Florida, as a Not-For-Profit Corporation, Arrowhead Village III of The Trails Homeowners Association, Inc., hereinafter referred to as the "Association," for the purposes of exercising the functions aforesaid;

NOW, THEREFORE, the Developer declares that the real property described above is and shall be held, transferred, sold, conveyed, used and occupied subject to the covenants, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions" hereinafter set forth. This declaration shall become effective on the date of recording thereof among the Public Records of Volusia County, Florida.

ARTICLE I

PRIOR RESTRICTIONS

Section 1. Developer hereby acknowledges the existence and validity of the Declaration of Covenants and Restrictions of the Trails Subdivision, Unit 3, dated August 1, 1975, recorded in Official Records Book 1792, Page 1903 through 1937, Public Records of Volusia County, Florida, said Declaration being hereinafter referred to as "Unit 3 Restrictions," which restrictions and covenants shall continue in full force and effect and are hereby adopted by reference thereto, and are declared to be applicable to Arrowhead Village III. However, the provisions of Article VI of the Unit 3 Restrictions shall not be applicable to the property shown as "common areas" on the plat of

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Handwritten signature and initials.

Arrowhead Village III Map Book, Page of the public Records of Volusia County, Florida, but the ownership, use, control and regulation of such common areas shall be governed by this Declaration. Security First Federal Savings and Loan Association joins in the execution of this Declaration for the purposes of subjecting its mortgagee's interest to the terms of this Declaration. Developer also amends the Declaration recorded in Official Records Book 1792, Page 1903 through 1937, of the Public Records of Volusia County, Florida, to conform to these restrictions with respect to the ownership, use, control and regulation of such common areas, but such amendment shall be effective only as to Arrowhead Village III

Section 2. The owners of lots in Arrowhead Village III shall be required to comply with the Unit 3 Restrictions and be a member of The Trails Homeowners Association paying assessments thereto as required, in addition to being a member of Arrowhead Village III of The Trails Homeowners Association, Inc. and paying any assessment thereof as required by this Declaration.

ARTICLE II

ASSOCIATION - MEMBERSHIP AND VOTING RIGHTS

Section 1. Arrowhead Village III of The Trails Homeowners Association Inc., shall serve as a homeowners association and provide a legal entity for the representation of the owners. The Articles of Incorporation and By-Laws of said association are on file in the office of said association and shall be construed as a part hereof by reference, as they may be amended from time to time. In the event of a dispute where the provisions of said Articles of Incorporation or By-Laws are or become relevant to any issue a copy thereof certified by the secretary of the association as the current Articles of Incorporation and/or By-Laws thereof shall be deemed to be conclusive evidence of the accuracy thereof.

Section 2. All owners of lots in the Development shall, by virtue of such ownership, become a member of the association and shall have all of the rights, power, obligations and duties of membership as provided herein, in the Certificate of Incorporation and the By-Laws of the association.

ARTICLE III

RESTRICTIVE COVENANTS

Section 1. The areas included within the lot line of each individual lot, but not included within the dwelling constructed on such lot, such areas being hereinafter referred to as "grounds," shall be used for normal and customary yard purposes. No structure, including an addition to a dwelling, shall be constructed or placed on the grounds without the written approval of the association, or except in accordance with regulations enacted by the association. The term "structure" as used herein shall include, but is not limited to, swimming pools, fences, walls, barbecue pits, television or radio antennas, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, recreation facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, etc.

BOOK PAGE

All garages built in Arrowhead Village III shall be and remain garages and shall not be converted to any other use at any time other than the storage of vehicles. The driveway to said garage to be for the exclusive use of said garage owner. Developer hereby creates easements for ingress and egress over those parts of the Common Area used as driveways, with each lot owner having an exclusive easement over the driveway serving his lot, which easement shall run with the land.

Section 2. The association shall have legal title to the property shown as "common areas" on the Subdivision Plat, and shall be responsible for operation, management and maintenance of the same. The association shall have the duty and power to enact reasonable and uniform regulations governing the use of the common areas.

Section 3. In order to maintain uniformity of appearance, no owner of any dwelling shall change exterior materials or colors, either of the exterior walls or roof of said dwelling without specific written approval of the association. The association shall have the right from time to time to adopt and enforce rules and regulations for the maintenance and appearance of the exteriors of dwellings and of other structures.

Section 4. All owners shall keep their lawns and interior yards mowed and maintained, free of disease, bugs, and in a presentable condition, and shall not permit any unsightly growth, weeds or underbrush on their grounds. The association shall offer to all owners a "yard maintenance service," with the cost thereof being assessed against those owners taking advantage of such service. If an owner shall fail to maintain his grounds as herein required, the Developer, the association, the Trails Homeowners Association, Inc., and The Trails, Inc., shall have the power to correct such omission and assess the cost thereof to such owner.

The association will maintain that portion of each front yard lying between the owner's front fence line and the abutting right-of-way of each street within the subdivision lying between the curb and the owner's lot line and which is devoted to yard purposes. The association shall have the right to adopt rules and regulations to enforce this provision.

Section 5. Each owner of a lot agrees to maintain fire and extended coverage casualty insurance on the improvements on such lot, and agrees to use the proceeds thereof to repair or replace any damage to or destruction of improvements within a reasonable time after such casualty.

Section 6. In order to maintain and preserve the peace and tranquility of the neighborhood, the association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats, or other domesticated household pets 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 owners' property; (iii) to require that owners keep their pets from making such noises as disturb others; and (iv) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

ARTICLE IVPROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Subject to the provision hereof every member shall have a right and easement of enjoyment in and to the common areas, and such easement shall be appurtenant to and shall pass with membership in the association.

Section 2. The Developer hereby covenants for itself, its successors and assigns, that prior to the sale of any lot, to any one other than a builder or designated successor developer, it will convey to the association fee title to the common areas, free and clear of all encumbrances and liens, subject to the covenants and restrictions contained in the Unit 3 Restrictions (excluding Article VI) and the other provisions of this Declaration. Prior to any such conveyance, the Developer shall complete the installation of lawns and landscaping as provided in the plans for the Development.

ARTICLE VCOVENANTS FOR MAINTENANCE ASSESSMENTS

Section 1. Each succeeding owner of each and every lot shall by acceptance of a deed or other instrument of conveyance therefor, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, covenants, conditions, restrictions and other provisions of this Declaration and to promptly pay to the association or its successors or assigns the following:

(a) All annual assessments or charges; and

(b) All special assessments or charges for the lawful purposes of the association. Such assessments or charges shall be fixed, established, levied, and collected from time to time as hereinafter provided. The annual and special assessments (together with such interest thereon and the costs of collection including reasonable attorney's fees as hereinafter provided) shall be a charge and continuing lien on the real property and such assessment (together with such interest thereon and the costs of collection including reasonable attorney's fees) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable, and 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 assessment and the aforesaid interest, collection cost, and attorney's fees. Subsequent grantees shall be jointly and severally liable for any outstanding assessments due at the time of their taking title.

Section 2. The assessments levied by the association shall be exclusively for the improvements, maintenance, enhancement and operation of the common areas, the administration and enforcement of its rules and regulations, and to provide such other services as the association is authorized to provide.

Section 3 Assessments which are not paid on or before the date the same shall become due, shall be delinquent, and each delinquent assessment shall bear interest at the rate of eighteen percent (18%) per annum until paid. The association may record a claim of lien against any lot on which assessment payments are delinquent for the amount of such delinquency.

Section 4 The association, upon written request of any owner, shall furnish a prospective purchaser, mortgagee, or other authorized person a statement of the current status of the assessments on such owner's lot. When executed by an officer of the association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 5. The lien established may be foreclosed in the same manner as mortgages or other liens on real property may be foreclosed in the State of Florida, or may be collected by any other available legal action.

Section 6. The lien created pursuant to this Declaration shall be perfected by recording in the Public Records of Volusia County, Florida, of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the property, the amounts due, including interest and attorney's fees, and the date when the same became due. The lien shall relate back to the original due date of the delinquent assessment. The claim of lien and any satisfaction of lien shall be signed and verified by the President or Vice-President of the association.

Section 7. In addition to the other assessments authorized herein, the association may levy special assessments for the purposes of defraying, in whole or in part, the cost of any capital improvements, provided that any such special assessment shall have the approval of two-thirds (2/3rds) of the membership at any regular or special meeting of the membership of the association.

Section 8. In the event of any change in the annual assessment, the Board of Directors of the association shall fix the date of commencement and the amount of the assessment against each lot for each assessment period at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the lots and assessments applicable thereto, which shall be kept open to inspection by any owner. Written notice of the assessment shall thereupon be sent to every owner subject thereto.

Section 9. Notwithstanding the language to the contrary, in Article V, Section 6 herein, the lien for an assessment shall be subordinate and inferior to any recorded institutional first mortgage regardless when said assessment was due. Upon recordation of the certificate of title issued pursuant to and foreclosure of an institutional first mortgage, or upon the recording of a deed accepted by such lender in lieu of foreclosure, any lien for assessments payable prior to such recordation shall be cancelled, but the lien for assessments due and payable after the recordation of said certificate or deed shall not be impaired and shall be effective as to the grantee of such certificate of title or deed.

Section 10. The lien for an assessment shall also be subordinate to and inferior to the lien for assessments of the Trails Homeowners Association, Inc., to the same extent and effect as in the case of institutional lenders as described in Section 9 above.

Section 11. Assessments provided for herein shall not be levied or enforced against the developer or any lot owner by the developer for any period of time during which such lot has been owned by the developer, or against a designated successor developer; provided, however, that upon completion of construction of a dwelling unit or any such lot, the developer, builder, or successor developer, and the lot in question shall commence being subject to levy and payment of assessments as are other lots and other lot owners in the development.

ARTICLE VI EASEMENTS

Section 1. In the event that 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, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining lot. In the event there is such protrusion, the owner or owners of the lot 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. 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 line, 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, maintenance, repair or reconstruction of 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 Directors of the association shall control.

ARTICLE VII

AMENDMENTS AND TERMINATION

Section 1. The Developer hereby reserves for himself or a designated successor developer, the right to amend, modify or rescind such parts of these restrictions as it in its sole discretion deems necessary or desirable so long as it is (a) the sole owner of the property to which the altered restrictions would apply; or (b) such amendment or modification does not substantially change the character, nature or general scheme of the development; and (c) The Trails, Inc. joins in such amendment.

Section 2 In addition to the manner of amendment set forth in the preceding paragraph the record owners of ninety percent (90%) of lots in Arrowhead Village III may amend or modify such provisions of this Declaration as they may deem necessary or advisable. Such amendment shall be approved at a regular or special meeting of the members of the association duly called and at which a quorum is present (in person or proxy) by at least ninety percent (90%) of those entitled to cast a vote. A certificate executed by the President and Secretary and containing such amendment shall be filed in the Public Records of Volusia County, Florida. The City of Ormond Beach will be notified of all changes to the Covenants and Restrictions. It shall not be necessary for the record owners to join in any document to effectuate such amendment. Provided, however, that no such amendment enacted within ten (10) years from the date of recording hereof shall be effective without the approval thereof by The Trails, Inc., unless the said The Trails, Inc., shall be dissolved prior to the expiration of the said ten (10) year period.

Section 3 The Developer hereby reserves the right to designate a successor developer to succeed to the rights of the Developer hereunder, except that all Amendments hereto must be executed by The Trails, Inc., for a period of ten (10) years, unless The Trails, Inc. be sooner dissolved.

ARTICLE VIII

NO PARTITION OR SEVERANCE

Section 1 Recognizing that it is in the interests of all owners that membership rights and ownership of the common areas not be separated from the ownership of the dwellings and lots in said subdivision, it is hereby declared that membership rights of any owner in the association or ownership of any interest in the common areas shall remain undivided and shall be retained only as an appurtenance to a lot or dwelling unit. Such owners shall have no right at law or in equity to seek partition or severance of such membership rights in the association or ownership of common areas, either or both. There shall exist no right to transfer membership in the association except as an appurtenance to and in the same transaction with, a transfer of title to the lot or dwelling unit in Arrowhead Village III (which includes any future unit or said subdivision hereafter filed for record in the Public Records of Volusia County, Florida). A conveyance or other transfer of title to a lot or dwelling in said subdivision, whether voluntary, by operation of law or otherwise, shall automatically include a transfer or conveyance of membership rights in the association, whether or not the same is specifically described or referred to in said conveyance or transfer.

ARTICLE IX

COVENANTS TO RUN WITH LAND

Section 1. The restrictions and covenants of this Declaration shall constitute covenants running with the land, and each shall constitute an equitable servitude upon the owner of each lot 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 recorded, after which time this Declaration shall be automatically extended for successive ten (10) year periods, unless an instrument signed by not less than seventy-five (75%) of the then record owners of lots or dwelling units in Arrowhead Village III (all units) is recorded containing an agreement of such owners to amend these restrictions in whole or in part.

ARTICLE X

SAVING CLAUSE

Section 1. In the event that any one or more of the foregoing covenants, conditions or restrictions shall be adjudged for any reason by a court of competent jurisdiction, to be null and void, such judgment shall not in any manner whatsoever affect, modify, change, abrogate or nullify any of the covenants, conditions and restrictions not so adjudged to be void, but all of the remaining covenants, conditions, reservations and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

ARTICLE XI

ENFORCEMENT

Section 1. These covenants and restrictions may be enforced by an action at law for damages or by proceedings in equity. The Developer, a successor developer, the association, and The Trails Homeowners Association, Inc. or any of them are hereby given express authority to enforce these covenants and restrictions in the manner provided herein. These remedies shall be cumulative and non-exclusive.

Section 2. If the violation can be cured by the expenditure of money, upon the refusal of the violator to expend the necessary sum, the Developer, a successor developer, the association or The Trails Homeowners Association, Inc., may, but shall not be required to, advance the cost of curing said violation.

Section 3. All costs of curing violation or of enforcement, including attorney's fees shall be borne by the violating party, whether or not judicial proceedings are instituted, and a lien is hereby created to secure the payment of such costs, including attorney's fees, in favor of the four entities named hereinabove, which shall be treated in the same manner as a lien for an assessment pursuant to Article V.

IN WITNESS WHEREOF, the Developer has hereunto set its hand and seal this 3 day of Aug, 1982.

Signed, sealed and delivered
in the presence of:

Ruth Hamed
Deborah R. Sugg

THE TRAILS INC

BY:

T. J. Cloar, III, Vice President

ATTEST:

James M. Sweet, Secretary

STATE OF FLORIDA
COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared T J Clour, III and James M. Sweet well known to me to be the Vice Pres. & Asst. Sec. respectively of the Corporation who executed the foregoing Declaration of Covenants and Restrictions of Arrowhead Village III who being by me first duly sworn, depose and say that they executed said Declaration for the purposes therein expressed

WITNESS my hand and official seal in the County and State last aforesaid, this

14th day of July, 1982.

L. Susan L. Anthony
Notary Public, State of Florida
at Large:

NOTARY PUBLIC, State of Florida at Large
Commission Expires April 15, 1986
Commission Expires:

JOINDER IN DECLARATION

Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Declaration for the purposes of subjecting its mortgage liens to such Declaration.

Dated: this 12th day of October, 1982

Security First Federal
Savings and Loan Association

By: [Signature]
Assistant Vice President

Attest: [Signature]
Assistant Secretary

State of Florida
County of Volusia

The foregoing instrument was acknowledged before me, by Linda F. Alexon and Rosemarie K. Anderson, Assistant Vice Pres. and Assistant Secretary respectively, of Security First Federal Savings and Loan Association, on behalf of the corporation

Dated, this 12th day of October, 1980.

[Signature]
Notary Public, State of Florida
at Large:

My Commission Expires:
NOTARY PUBLIC STATE OF FLORIDA AT LARGE
MY COMMISSION EXPIRES MAY 6 1984
BONOLD THRU GENERAL REG. UNDERSTABLES

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