DECLARATION OF COVENANTS AND RESTRICTIONS FOR ORMOND LAKES SUBDIVISIONS ORMOND BEACH, VOLUSIA COUNTY, FLORIDA AND

NOTICE OF PROVISIONS OF ORMOND LAKES HOMEOWNERS ASSOCIATION, INC.

ARTICLE 1 DEFINITIONS AND DESCRIPTIONS OF PROPERTY

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

- A. "Association" inclusively refers to the Owners' Association.
- B. "Committee" shall mean the Design Review Committee appointed by the Developer, with responsibilities as defined in Article II hereof.
- C. "Common Area" shall mean those areas shown and indicated as Common Areas on the plats to be recorded and subjected to this Declaration.
- D. "Conservation Easement Area" shall mean all those areas which are subject to the special use restrictions specified in Section 7.3 of this Declaration and which are shown and indicated as Conservation Easements on the plats to be recorded and subjected to this Declaration. Except to the extent they are located on a Lot, all Conservation Easement Areas shall be dedicated to and owned by the Owners' Association in fee simple. The Conservation Easements, including but not limited to those that restrict the use of a Lot, are fully enforceable by the Owners' Association and by the city of Ormond Beach.
- E. "Developer" shall mean and refer to Ormond lakes, Ltd., a Florida Limited Partnership, its successors and assigns.
- F. "Drainage Area" shall mean any Drainage Area or any Drainage Easement shown or indicated on the plats to be recorded and subjected to this Declaration.
- G. "Dwelling Unit" shall mean a portion of the Property, whether developed or undeveloped, intended for development, use and occupancy as an attached or detached residence for a single family, and shall unless otherwise specified include within its meaning (by way of illustration, but not limitation) condominium units, townhouse units, cluster homes, patio or

zero lot line homes and single family detached houses on separately platted lots, as well as vacant land intended for development as such, all of which may be developed, used and defined as herein provided. The term shall include all portions of the lot owned as well as any structure thereon. In the case of an apartment building or other structure which contains multiple dwellings, each dwelling shall be deemed to be a separate Dwelling Unit.

- H. "Lot" shall mean any parcel of land and any condominium unit located within a subdivision of the Property, according to a recorded plat, is identified by a number and is intended for use as a site for a Dwelling Unit.
- I. "Ormond Lakes" and "Ormond Lakes Community" shall mean and refer to the Property.
- J. "Owners' Association" shall mean and refer to the Ormond Lakes Homeowners', Inc., a Florida Corporation not for profit, and its successors and assigns, the members of which shall consist of owners of "Lots" in subdivisions of the Property hereinafter platted and recorded in the Public Records of Volusia County, Florida.
- K. Phrases "purchase from Developer", "sale by Developer" and similar phrases, when used in conjunction with the sale of Lots, refer to transactions pursuant to contract between Developer and a purchaser in which the purchaser receives title to a Lot.
- L. "Structure" shall mean any manmade item placed on, in or under the lands or placed on, in or under any improvement or facility, including, but not limited to, buildings, dwelling units, swimming pools, fountains, fences, walls, signs, barbecue pits, television or radio antennae, or satellite dish or microwave antennae, clotheslines, garages, sheds, outbuildings, porches, balconies, patios, driveways, walls, lighting apparatus, window barriers, window awnings, pipes, poles, recreational facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, tents, shacks, barns, sheds or other temporary storage or residence facilities.
- M. "Subdivision" shall mean any platted unit or phase of the property, recorded by the Developer in the Public Records of Volusia County, Florida.
- N. "Wetlands" shall mean those areas indicated or shown as Wetlands on any recorded plat which is subjected to this Declaration.

<u>Section 1.2. Property Subject to Covenants and Restrictions.</u> The Property subject to the Declaration of covenants and Restrictions is that Property, and any plats or replats

thereof, described in the Legal Description which is attached hereto as Exhibit "A".

ARTICLE II RESTRICTIVE COVENANTS

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

Section 2.2. Design Review Committee Approvals. No person or entity (including the Association) may erect on, place on, alter, or permit any structure or addition to remain within the Subdivisions unless and until the site plan, floor plan, elevation, landscaping plan, abbreviated specifications, etc., are reviewed and approved by the Design Review Committee (hereinafter the "Committee"). The Committee is a committee of the Owners' Association'; the Owners' Association, through its Board of Directors, is authorized to bring suit in the name of the Owners' Association for the purposes of enforcing the decisions of the Committee, including but not limited to injunctive relief. Additionally, the Association, either through a designated member(s) of the Board of Directors or the Committee or both, shall have the irrevocable right to enter onto a lot during reasonable hours, and upon not less than twenty-four (24) hour advance notice to an owner of such lot except in an emergency, in order to inspect any new building structure or addition whether unapproved, proposed or approved. In order to preserve the character of the Subdivisions, the Association hereby reserves for itself, through its Board of Directors, and its successors the right to appoint the members of the committee. All property owned or controlled by the Owners' Association is subject to the Committee's authority. The Committee shall review proposed buildings or structures (including plans and specifications for same or alterations of prior approved buildings or structures) as to the harmony of the external design and location of the building or structure with respect to existing buildings and structures, with respect to topography, vegetation, and the finished grade of elevation of the Lot, and with respect to any other relevant considerations the Committee deems appropriate which are based upon acceptable standards of planning, zoning and constructions, including considerations which are exclusively based on aesthetic factors. Owners will remain responsible for securing City building permits as necessary after securing approvals from the Committee.

Section 2.3. Non-Permitted Structures and Vehicle Parking.

(a). Non-Permitted Structures. No structure of a temporary nature, including, but not limited to, trailers, house trailers, mobile homes, campers,

recreational vehicles, motor homes, tents, shacks, sheds, barns or similar structures shall be used or permitted to remain on any Lot as a storage facility or residence.

(b) Vehicle Parking

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

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

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

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

Vehicles that are not Permitted Vehicles;

Inoperative or partially disassembled vehicles;

Vehicles on blocks:

Vehicles without current registration tags;

Watercraft:

Trailers of any kind, other than "Travel Trailers" as permitted below.

- (iii) Recreational Vehicles. No recreational vehicle, motor home, or travel trailer shall be parked or stored or otherwise permitted to remain on any Lot for any period of time other than in a garage attached to the residence or in an approved detached garage, except as follows:
 - (1) Provided a permit is obtained from the clubhouse and properly displayed, a motor home, recreational vehicle, boat or travel trailer owned by an Association member may be

- temporarily parked on the member's driveway for the purpose of loading, unloading, or being prepared for use. Such temporary parking upon any Lot shall not exceed seventy-two (72) hours during any thirty (30) consecutive days; and
- (2) Provided a permit is obtained from the clubhouse and properly displayed, a motor home, recreational vehicle, boat or travel trailer owned by a visiting guest of an Association member may be temporarily parked on the member's driveway. Such temporary parking for any Lot shall not exceed seven (7) days in any consecutive three (3) month period.
- <u>Section 2.4. Parking on Streets</u>. No vehicle of any kind shall be parked overnight on any public street within Ormond Lakes. Association members or guests may obtain a permit at the clubhouse for temporary parking in a designated off-street parking area.
- <u>Section 2.5.</u> Remodeling or Changes. In order to preserve the character of the Ormond Lakes Community, no exterior walls or roofs of any structure (including materials and colors of said walls and roofs) shall be changed or modified without specific prior written approval of the committee. No garage shall be converted to uses other than storage of vehicles or other personal property unless the Committee has approved another garage to be constructed as a replacement.
- Section 2.6. Owner Maintenance. All Owners shall keep the exterior of their Dwelling Units and landscaped portions of their grounds well maintained, free of disease, bugs and in a presentable condition, and shall not permit thereon any unsightly growth, weeds, or underbrush. If any owner shall fail to maintain the exterior of their Dwelling Units and the landscaped portion of his Lot as herein required, the Owners' Association shall have the power to correct such omission and assess the cost thereof to such owner and place a lien for such cost against such Owner's Lot and improvements thereon. Owners, subject to approval of the Committee, may leave designated portions of their Lot, and if undeveloped the entire Lot, in a "natural" state as long as it is not unsightly and does not constitute a nuisance. Any Conservation Easement located on a Lot must be left in a natural condition and undisturbed as required by any plats or Development Orders. The Owners' Association shall have the right to adopt additional rules and regulations to enforce this subsection.
- Section 2.7. Owners' Association Maintenance Rights. Without limiting the above, the Owners' Association shall have the right to maintain, require and enforce maintenance of that portion of Common Areas, street rights of way or Lots lying between a fence line and the abutting Lot line. The Owners' Association shall have the right to adopt rules and regulations to enforce this provision.

Section 2.8. Maintenance Easements. For the purpose of providing access to each owner of a boundary line wall or structure, to permit painting, maintenance, repairs or reconstruction of such wall or structure that abuts such owner's boundary lines, the adjoining owner or owners of each Lot which abuts such boundary line wall or structure hereby give and grant a perpetual easement to the owner or owners of such wall or structure to enter upon the property of such adjoining owner or owners for the specific purpose of painting, maintaining, repairing or reconstructing such wall or structure. Such entry will be made in a reasonable manner and only at reasonable times, and any damage caused by such entry shall be repaired as soon as practicable and at the expense of the owner of the wall or structure who causes such entry to be made. In the event of controversy, the decision of the Board of Directors of the Owners' Association shall control.

Section 2.9. Special Maintenance Easements. In the event any portion of any structure originally constructed by the Developer or a designated successor developer, including any boundary line wall, shall protrude over an adjoining Lot or Common Area, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining Lot or common Area. In the event there is such a protrusion, the Owner or Owners of the Lot or common Area on which such protrusion extends shall be deemed to have granted a perpetual easement to the adjoining Owner or Owners for continuing maintenance and use of such projection or boundary wall, including any replacement thereof.

<u>Section 2.10. Design Review Committee Membership</u>. The Committee shall be composed of not less than five (5) persons.

Section 2.11. Committee Decision Making. The Committee shall indicate its approval or disapproval, as the case may be, of the matters required in Section 2.2. hereof to be approved or acted upon by them, by a written instrument filed with the Secretary of the Board of Directors of the Owners' Association, and served personally or by certified mail upon the applicant, identifying the proposed building or structure and, if the same is disapproved, the reason for such disapproval. The decision of the Committee may be appealed to the Board of Directors by any owner of a Lot whose application of request for action has been disapproved by the Committee. Any such appeal to the Board of Directors must be made within ten (10) days of the date of the owner's receipt of the instrument of disapproval from the Committee. The decision of the Board of Directors upon hearing such appeal shall be final. If the Committee fails or refuses to approve or disapprove the aforesaid matters within thirty (30) days after the application of request for action is made and after a floor plan, elevation and abbreviated specifications (including landscaping, exterior materials, colors, and site plan for all structures) have been received by the Committee, then it shall be conclusively presumed, as to all owners and interested persons, that the particular alleged violation of this Declaration is, and it shall be deemed automatically to be, excused, but solely as to that particular applicant and application, and any and all rights of action of the committee arising from said

particular alleged violation shall be deemed to have been waived, but only with respect to that particular applicant and application.

- Section 2.12. Domesticated Animal Control. In order to maintain and preserve the peace and tranquility of the Ormond Lakes Community, the Owners' Association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats and other domesticated household pets, including prohibiting the keeping and breeding of such animals for commercial purposes, and specifically shall have the right (i) to require such animals to be leashed; (ii) to prohibit such animals from roaming at large beyond the confines of their owner's grounds; (iii) to require that owners keep their pets from making noises likely to disturb others; (iv) to limit the number of such animals; and (v) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.
- <u>Section 2.13. Livestock Prohibition</u>. Except as provided otherwise in Section 2.12. above, no livestock, swine, poultry or animals of any kind other than those described in the preceding section shall be raised, bred, or kept within the Ormond Lakes Community.
- **Section 2.14. Sign Control.** No sign of any kind shall be erected, permitted to remain on or displayed to public view on or from any Lot, except an approved sign giving the name of the occupant of the residence located on said Lot or any approved sign advertising the premises for sale or rent. All signs must be approved by the committee as a condition to their being erected or being allowed to remain. Political signs shall be erected and removed in accordance with applicable City ordinances.
- <u>Section 2.15. Offensive Activities</u>. No noxious or offensive activity that may be or may become an annoyance or a private or public nuisance shall be carried on or suffer to exist on any Lot.
- Section 2.16. Garbage Control. No Lot, Common Area, Drainage Area or Conservation Easement Area shall be used for dumping, discharge or storage of rubbish, trash, garbage, or other solid waste material. All Lots that have been built upon shall be kept free of the accumulations of rubbish, trash, garbage, and other waste materials. All incinerators or other equipment used for the collection, storage or disposal of solid waste materials shall be kept in a clean and sanitary condition. The use of any incinerators or similar equipment or facilities shall be in accordance with applicable state, county and city environmental laws and ordinances.
- <u>Section 2.17. Fences and Shrubs</u>. Fence or wall placement and hedge or shrub planting near streets shall be subject to Committee approval and in compliance with the applicable provisions of the Ordinances of the City of Ormond Beach.
- <u>Section 2.18. Tree Removal</u>. Removal of trees from any Lot within the Subdivision shall be in accordance with the applicable provisions of the Committee and Ordinances of the City of Ormond Beach.

<u>Section 2.19. Driveways</u>. Each Lot owner is granted an exclusive easement for ingress and egress purposes over those parts of the Common Areas upon which a driveway to said Owner's garage is built, said easement running with the land. It shall be the Owner's duty and obligation to maintain and repair said driveway in good condition. The driveway to a garage is to be for the exclusive use of the garage owner. No driveway shall be constructed, maintained, altered or permitted to exist on any Common Area or Lot if the driveway obstructs or would obstruct or significantly impede the flow of surface drainage in the area adjacent to the Lot or in the street right-of-way or swale area adjoining or abutting the Lot. No driveway shall be constructed of a material, such as mulch, that is subject to displacement by stormwater.

Section 2.20. Common Area Management and Ownership. The Owners' Association shall operate, maintain and manage all Common Areas, all islands located in the streets, all private roads and all roads rights-of-way which are not maintained by the City of Ormond Beach, whether or not such Common Areas, islands or road rights-of-way are shown on a plat. It is intended that the Owners' Association shall maintain all rights-of-way and all islands, as well as all Common Areas. The Owners' Association must accept any deed to the above described areas from the Developer when tendered by the Developer. The Developer is authorized to record such deeds prior to delivering same to the Owners' Association. The Owners' Association shall enforce the restrictions and covenants contained herein, and shall undertake and perform all acts and duties necessary and incident to such duties, all in accordance with the provisions of this Declaration, the Articles of Incorporation and By-Laws of said Owners' Association.

Section 2.21. Maintenance of Stormwater System and Discharge Facilities, Management and Ownership of Drainage Areas and Conservation Easement Areas.

The Owners' Association shall manage all surface water, shall maintain all stormwater management systems and discharge facilities, and shall manage, maintain, monitor and, where applicable, preserve natural assets and materials located with the Drainage Areas and Conservation Easement Areas, including, but not limited to, groundwater, wetlands, lakes, ponds, tributaries and wildlife habitat. The Owners' Association has the responsibility and authority to establish and enforce rules, regulations and other controls as needed to accomplish the maintenance, monitoring, management and preservation obligations outlined above. The Owners' Association must accept from the Developer when tendered by the Developer any deed transferring to the Owners' Association all or any part of the Drainage Areas or the Conservation Easement Areas. The Developer is authorized to record such deeds prior to delivering same to the Owners' Association. The Owners' Association is hereby granted authority to enforce and shall enforce the restrictions and covenants contained in this Section 2.21 herein or in Development Orders issued by the City of Ormond Beach, and shall undertake and perform all acts and duties necessary and incident to such Development orders, all in accordance with the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Owners' Association.

Section 2.22. Enforcement of Conservation Easements. All Conservation Easements are perpetual undivided interests in the real property upon which the Conservation Easements are located. Nothing in this Declaration shall prohibit the Conservation Easement Areas from being acquired by any governmental body or agency or by a charitable corporation or trust described in Section 704.06, Florida Statutes (1995), as long as such acquisition is approved by the St. Johns River Water Management District or its successor governmental regulatory body (hereinafter inclusively referred to as the "District") and by the City of Ormond Beach. The Conservation Easements created by virtue of being shown and indicated on any recorded plat of real property which is developed as a unit or phase of Ormond Lakes Community and is subjected to this Declaration and the restrictions applicable to such conservation Easement Areas shall be enforceable by the District, the City of Ormond Beach and the Owners' Association, and shall not be amended without the prior approval of the district and the City of Ormond Beach.

Section 2.23. Insurance. Each Lot owner shall, at all times after construction of a Dwelling Unit on the Lot, and each owner of a Dwelling Unit shall maintain fire and extended coverage casualty insurance on the improvements on such Lot and on the Dwelling Unit, and shall use the proceeds thereof to repair or replace any damage to or destruction of such improvements or the Dwelling Unit within a reasonable time after such casualty. Similarly, the owner of any boat, recreational vehicle or other vehicle stored in a designated storage area must carry casualty insurance.

<u>Section 2.24.</u> Changes in Covenants. No change in the covenants which would materially alter the character of Ormond lakes Community or the permitted use of lands and structures within the Ormond Lakes Community shall be made without the prior approval of the City Commission of the City of Ormond Beach.

<u>Section 2.25. Amendments to Subdivision Plats</u>. The Developer or its successors, subject to approval of the District and the City of Ormond Beach regarding amendments to Conservation Easement Areas, shall solely retain the right to amend or replat the plats of the present and any future phases and units of the Subdivisions, without requiring concurrence by the Association, Lot owners or Dwelling Unit owners, provided amendments are consistent with Article VIII of this Declaration.

Section 2.26. Leasing and Guest Occupancy. Without prior notification of the Association, no Owner shall lease the Owner's Lot or residence; nor shall an Owner allow such Lot or residence to be occupied in the owner's absence except by individuals related to the owner by blood, marriage or legal adoption under the laws of Florida, or by two persons in a domestic relationship. At least twenty (20) days prior to the commencement of a proposed lease term, an Owner or Owner's agent shall notify the Association of such lease on the forms provided by the Association, and such notification shall also include a copy of the proposed lease. The Owner shall be obligated to furnish the tenant with a copy of the Association documents pertaining to restrictive Covenants and Rules and Regulations, and each lease, or addendums thereto, shall contain an

agreement by the tenant to comply with such restrictive Covenants and Rules/Regulations. The Owner shall remain responsible for adherence to restrictive Covenants and Rules/Regulations by Owner's tenants, and shall remain subject to any and all remedies the Association shall impose for violation of such restrictive Covenants and Rules/Regulations by Owner's tenants.

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

ARTICLE III OWNERS' ASSOCIATION

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

Section 3.2. Membership Limits. No person or corporation or other business entity holding any lien, mortgage or other encumbrance upon any Lot or Dwelling Unit shall be entitled by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights and privileges of membership in such Association, 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 a mortgagor or the mortgagor's successors or assigns.

<u>Section 3.3. Adoption of Rules and Regulations</u>. The Owners' Association shall adopt and enforce reasonable rules and regulations regarding security that may be provided within the Subdivision. The Owners' Association shall enforce the restrictions and covenants contained herein, as well as their rules and regulations promulgated hereunder and shall undertake and perform all acts and duties necessary and incident to enforcing such restrictions, covenants, rules and regulations, all in accordance with the provisions of this Declaration and the Articles of Incorporation and By-Laws of the Owners' Association. True and complete copies of the Articles of Incorporation and By-Laws of the owners' Association are annexed hereto as Exhibit "B" and such documents are expressly made a part hereof.

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

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

ARTICLE IV COVENANTS AND MAINTENANCE ASSESSMENTS

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

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

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

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

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

No initiation fee may be charged to members of the Association as a pre-condition to use of such areas or facilities. User fees, however, may be charged. 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 assessments and other revenues collected by the Association exceed their expenses and reasonable reserves to an extent which would violate the Associations not-for-profit status.

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

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

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

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

Except as elsewhere provided herein to the contrary, each Owner of a Lot or Dwelling Unit shall be obligated to pay assessments which accrued prior to his taking title and shall

be obligated to pay the regular monthly assessment continually from, at the latest, the date such Owner takes title to said Lot or Dwelling Unit.

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

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

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

Section 4.6. Assignment of Membership. Although all funds and other assets of the Association, and any income derived there from, shall be held for the benefit of the respective Members, no Member of the Association shall have the right to assign, encumber, hypothecate, ledge, or in any manner transfer his, her or its membership or interest in or to said funds and assets, except as an appurtenance to his Lot or Dwelling Unit. When an owner of a Lot or Dwelling Unit shall cease to be a member of the Association by reason of divestment of 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 it holds.

Section 4.7. Liens for Assessments. Recognizing that proper management and operation of all the areas of the Ormond Lakes Community benefits all owners of Lots or Dwelling Units, the Association is hereby granted a lien upon all the Lots and Dwelling Units within the Ormond lakes Community and the present and future interests of each Lot and Dwelling Unit Owner in the Common Areas, Drainage Areas, Conservation Easement Areas and improvements thereof, to secure and prompt payment of each and all assessments made and levied in accordance with this Declaration. Each Lot and Dwelling Unit Owner shall be liable for, and this lien shall secure, the full amount of said assessment including reasonable attorney's fees, deposition costs (whether or not depositions are used at trial), reasonable expert witness fees and costs (whether or not expert testifies at trial), postage, long distance telephone, travel, lodging and meal costs which are incurred (either prior to trial, at trial, on appeal or on retrial) by the Association with respect to enforcement or interpretation of the provisions of this Declaration or of the Articles of Incorporation or the By-Laws of the Association.

<u>Section 4.8. Foreclosure of Lien</u>. The lien herein established may be foreclosed in the same manner as real estate mortgages may be foreclosed in the State of Florida. The lien granted herein shall also secure such payment of or advances for taxes and payments on superior mortgages, liens or encumbrances which are advanced by the Association in order to protect its interests, shall be entitled to interest computed on the basis of advances made from time to time at the highest legal rate of interest on all such advances made by the Association.

Section 4.9. Ownership Subject to Existing Liens. All persons, firms, corporations, and other business entities, which shall acquire, by whatever means, any interest in the ownership of any Lot or Dwelling Unit, or who may be given or who may acquire a mortgage, lien or other encumbrance on a Lot or Dwelling Unit are hereby placed on notice of the lien rights granted to the Association under this Declaration (including the partial exception for institutional first mortgagees) and all of such persons, firms, corporations, and other business entities shall acquire their rights, title and interest in and to said Lot or Dwelling Unit expressly subject to the lien rights (and exceptions) provided herein.

Section 4.10. Lien Preparation and Recording. The lien created pursuant to this Declaration exists as of the date the Association sets the amount of its monthly assessments for that year. The lien shall continue in effect until all sums secured by the lien have been fully paid. Such lien shall be perfected for the purpose of determining priority among competing creditors by the recording in the public records of the Count yin which the Lot is located of a "claim of lien" stating the description for the Lot or Dwelling Unit encumbered by the lien, the name of the record owner of the Lot or Dwelling Unit, the amounts due at that time and the date when any part of the unpaid amount first became due. If the Association accelerated the assessment for the balance of

the calendar year, the claim of lien shall perfect a lien for the total "accelerated" amount. The claim of lien shall perfect the lien not only for assessments which are due and payable when the claim of lien is recorded, but also for interest, collection costs, reasonable attorney's 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.

Section 4.11. Enforcement. These Covenants and Restrictions may be enforced by an action at law for damages, or proceeding in equity for an injunction.

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

ARTICLE V CHANGES; AMENDMENT AND TERMINATION

SECTION 5.1. Owner's Right to Amend. Subject to the approval of the governmental agencies with jurisdiction over the subject area and upon affirmative vote by a majority of those members of record in the Owners' Association attending in person or by proxy, on a proper Resolution at a proper Owners' association meeting, the members of the Owners' Association may amend or modify such provisions of this Declaration as they deem necessary or desirable, except that the owners cannot amend the Declaration in a manner which conflicts with or is inconsistent with the Development Orders issued by the City of Ormond Beach.

ARTICLE VI USE OF COMMON PROPERTY

<u>Section 6.1. Lot Owners' Common Area Usage</u>. The Common Areas, as specifically described herein, or hereafter designated by Developer (excluding areas within utility easements where above ground utilities structures are located) shall be, and the same are hereby declared to be, subject to a perpetual non-exclusive easement in favor of all Owners of Lots developed within the Subdivision, for the use of such Owners and their immediate families, guests, tenants, invitees, and others similarly situated, for all proper

and normal residential purposes, for the furnishing of services and facilities for which the common Area can be reasonably utilized and for the quiet enjoyment of said owners.

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

<u>Section 7.1. Areas Located on Plats</u>. In order to maintain the values inherent in large areas of natural undisturbed and substantially undisturbed lands for the benefit of the residents of the Ormond Lakes Community, Developer shall in plats of the Ormond Lakes Community locate and identify Drainage Areas and Conservation Easement Areas which shall, as is more particularly described below, be preserved and protected in their current condition or will be subjected only to certain allowed improvements and activities.

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

- (a) Drainage facilities, retention ponds, lakes and related improvements may be made by the Developer as long as they are in compliance with all applicable Development Orders issued by the City of Ormond Beach;
- (b) Vegetation shall not be altered or removed except as permitted by applicable Development Orders. Fishing is allowed so long as all caught fish are released ("catch and release"); fish may not be caught for food. Only small watercraft, such as paddle craft, kayaks, canoes, prams, sailboats and boats, not exceeding fourteen (14) feet in length and displaying a decal issued by the Ormond Lakes Homeowners' Association, may be used on lakes and ponds. Only electric motors which do not make objectionable noise may be used in conjunction with such watercraft. Owners' watercraft may be stored at the water's edge along the owners' lakeshore boundary. No motorized boats with gasoline engines shall be allowed upon the lakes or retention ponds except for boats utilized by agents of the Association in necessary maintenance of such lakes and ponds.
- (c) No water shall be removed or added to the lakes by any person or entity without the prior permission of the Owners' Association.
- (d) No waste or foreign materials shall be dumped or scattered in the Drainage Areas, but this shall not prohibit the use of fertilizers or pesticides in the

minimum amounts necessary to stabilize and maintain vegetation in the Drainage Areas in functionally and aesthetically pleasing conditions.

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

- (a) Construction or placing of buildings, roads, signs, billboards or other advertising, utilities, or other structures on or above the ground.
- (b) Dumping or placing of soil or other substance or materials as landfill or dumping or placing of trash, waste, or unsightly or offensive materials.
- (c) Removal or destruction of trees, shrubs, or other vegetation,
- (d) Excavation, dredging, or removal of loam, peat, gravel, soil, rock, or other material substance in such manner as to affect the surface.
- (e) Surface use, except for purposes that permit the land or water area to remain predominantly in its natural condition.
- (f) Activities detrimental to drainage, flood control, water conservation, erosion control, soil conservation, or fish and wildlife habitat preservation.
- (g) Acts or uses detrimental to such retention of land or water areas.
- (h) Acts or uses detrimental to the preservation of the structural integrity or physical appearance of sites or properties of historical, architectural, archaeological, or cultural significance.

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

<u>Section 7.4. Cross Easements</u>. The Owners' Association is hereby granted a perpetual easement upon all Common Areas and all Lots for the purpose of going upon said properties to fix, repair, alleviate or change any condition adversely affecting the stormwater management systems, discharge facilities, Drainage Areas, or conservation Easement Areas. In exercising this right, the Owners' Association shall act reasonably so

as to cause the lease inconvenience or difficulty to the Owner or Owners of said properties.

ARTICLE VIII COVENANTS AGAINST PARTITION AND SEPARATE TRANSFER OF COMMON AREAS

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

ARTICLE IX COVENANTS TO RUN WITH THE LAND

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

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