

Westminster Wood

Declaration of Covenants and Restrictions

Westminster Wood, as filed of record in Volusia County, Florida, by the developer and notice of provisions of the Westminster Wood Homeowners Association, Inc.

This declaration, made this 8th day of May 1987, by Westminster Wood Development Corporation, a Florida Corporation, with its principal place of business in Deland, Volusia County, Florida (hereinafter sometimes referred to as the "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 in the "Schedule of Legal Description: which is attached hereto as Exhibit "A" and make a part hereof; and,

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 subdivision known as Westminster Wood, and a subdivision plat thereof duly filed in the Office of Clerk of the Circuit Court, Volusia County, Florida, on May 8, 1987, and recorded in Map Book 41 at pages 137 and 138 of the Public Records of Volusia County, Florida; and,

Whereas, it is the present intention of the Developer to develop Westminster Wood, as a low density, high quality, residential subdivision; and,

Whereas, the Developer has subdivided Westminster Wood, into not less than 70 initial 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 any additional units thereof, and to provide for an effective administration of common areas in the subdivision, and any additional units thereof; and,

Whereas, the Developer has arranged to be incorporated in Florida a non-profit corporation known as Westminster Wood Homeowners Association, Inc. which is being formed to manage the common areas, collect assessments, and generally provide for the orderly enjoyment of Westminster Wood and any future units of Westminster Wood hereafter filed by Developer.

Now therefore, this Declaration is made, filed and recorded by the Developer so that from the effective date hereof, the real property described is 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 for Westminster

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(a) "Association" shall mean and refer to the Westminster Wood 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", not only of Westminster Wood, but also future units of Westminster Wood filed of record in Volusia County, Florida, by the Developer.

(b) "Developer" shall mean and refer to Westminster Wood Development Corporation, a Florida Corporation, its successors and assigns.

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(c) "Common Areas" shall mean and refer to those tracts of land, designated on the plat as "common areas" as recorded in Map Book pages and in the public record of Volusia County, Florida Westminster Wood. Additional "common areas" shall be described by Exhibit upon recording of future plats, together with any improvements thereupon which are conveyed or leased under a long term lease to the Association or platted on subdivision maps and designated in the Deed, recorded plat or lease as "common areas". The term "common areas" shall also include any tangible personal property acquired by the Association if such property is designated as such by the Association. All common areas are to be devoted to and intended for the common use and enjoyment of the residential owners of property included in Westminster Wood and additions thereof, their families, guests of owners, persons occupying dwelling units on a house guest or tenant basis, and visiting members of the general public (but only to the extent authorized by the Board of Directors of the Association) subject to the fee schedules and operating rules adopted by said Association; provided, however, that any land or other property which is leased to the Association for use as common areas or common property, shall lose its character upon the expiration of the lease.

(d) "Residential Lot" or "Lot" shall mean any unimproved parcel of land located within Westminster Wood and subsequent recorded property bearing a lot or unit number upon the plat of said subdivision or combinations of such parcels or portions thereof intended to be used as a single residential lot. A parcel of land shall be deemed to be unimproved until the improvements being constructed thereupon are substantially complete or are subject to ad valorem tax as improved property.

(e) "Dwelling Unit" shall mean an improved numbered parcel of ground as indicated on the recorded plat, or combinations of such parcels or portions thereof used as a single residential lot.

(f) "Subdivision" shall mean Westminster Wood as recorded in Map Book, at pages and of the Public Records of Volusia County, Florida and all subsequent recorded units thereto.

(g) "Architectural Review Board" shall mean a committee appointed by the Board of Directors of Westminster Wood Development Corporation or its successors in accordance with Section 2.3, Article II.

## ARTICLE II Restrictive Covenants

Section 2.1 - No lot shall be used for any purpose except residential. No building shall be erected, altered, placed or permitted to remain on any other than one single-family residence (which shall not exceed 35 feet in height) and an attached or unattached garage sufficient for not less than two full sized automobiles. Exception to Section 2.1, lots No. 73 and 74 shall follow the Volusia County Zoning Ordinance for their zoning classification.

Section 2.2 - No building or structure shall be erected on, placed upon, have its exterior altered, or be permitted to

remain on any lot unless and until the owner submits to the Architectural Review Board, 1 complete set of plans hereinafter provided for, the floor plan, elevation, site clearing plan, and abbreviated specifications (including exterior materials and colors) and such plans have been reviewed and approved by the Architectural Review Board, as hereinafter provided. The Architectural Review Board (hereinafter referred to as "ARB") shall review the proposed building or structure (including plans and specifications for same) as to the materials, the harmony of the external design and location of the building or structure with respect to topography, vegetation and the finished grade and elevation of the lot, and any other relevant considerations which are based on acceptable standards of planning, zoning, and construction - including considerations based exclusively on aesthetic factors, compatible with other structures and the general area, these restrictions and the "guidelines" furnished by the developer to persons building in the area.

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Section 2.3 - The ARB shall be composed of not less than three (3) nor more than five (5) persons. Until control of said Board is released to the Association as hereinafter provided, the members of the ARB shall be appointed for staggered, three-year terms by the Board of Directors of Westminster Wood Development Corporation, a Florida Corporation. In the event of death, resignation, inability to serve or other vacancy in office of any member of the ARB, the Board of Directors of Westminster Wood Development Corporation shall promptly appoint a successor member who shall serve for the duration of the unexpired term of the member replaced. The membership, rules of procedure and duties of the committee shall be prescribed by and, from time to time, changed or modified by the Board of Directors of Westminster Wood Development Corporation. When the Board of Directors of Westminster Wood Development Corporation, in their exclusive determination, deem the circumstances appropriate, they shall cause control of the ARB to be turned over to the Board of Directors of the Westminster Wood Homeowners Association, Inc. The Association shall then have the same control thereof as the Board of Directors of Westminster Wood Development Corporation and shall appoint the membership of the ARB which shall assume the duties and perform the functions as set forth in this Declaration.

Section 2.4 - The ARB shall indicate its approval or disapproval of the matters required in Section 2.2 hereof to be acted upon by them, by a written instrument filed with the Secretary of the Board of Directors of Westminster Wood Development Corporation or the Secretary of the Board of Directors of the Westminster Wood Homeowners Association, Inc. if control of the ARB has been released to the Association, and served personally or by certified mail upon all interested parties, identifying the proposed building or structure and the reasons for any disapproval. The decision of the ARB may be appealed in writing within ten (10) days of the receipt of the decision to the Board of Directors of Westminster Wood Development Corporation or the Board of Directors of Westminster Wood Homeowners Association, if control of the ARB has been released to the Association, and the said Board of Directors shall take action on such appeal and either fully or partially approve or disapprove the decision of the ARB within two weeks after the receipt of said appeal to the Board of Directors, and the action of the Board of Directors shall be final. If there is no appeal, then the decision of the ARB shall be final. If the ARB 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, site clearing plan and abbreviated specifications (including exterior material and colors) have been received by the

Board, then it shall be conclusively presumed, as to all owners and interested persons, that the plans as submitted have been approved by the ARB if there is neither an ARB nor a Westminster Wood Homeowners Association in existence, said approval shall not be required.

Section 2.5 - All front, side and rear setback lot line construction restrictions in the subdivision shall be as prescribed for single family residences, approved for R-1 zoning classification by the zoning ordinance of Volusia County, Florida, with the exception of front and rear lot line set back shall be 65 foot minimum, (exceptions are lots numbered 17, 18, 19, 20, 36, 37, 38, 39, 55 thru 72 consecutively lot front and rear set back shall be 55 foot minimum). Any setback dimension taken from a lot which abuts Blue Lake Avenue must start seventy (70) feet from the centerline of Blue Lake Avenue. Any setback dimension taken from a lot which abuts Orange Camp Road must start seventy-five (75) feet from the centerline of Orange Camp Road. No residence shall contain less than 2,250 square feet of enclosed living area, with the exception of lots no. 55-72 consecutively shall not contain less than 2000 square feet enclosed living area. All garages shall be of sufficient size so as to accommodate at least two regular-size automobiles. No unenclosed garages or carports shall be permitted. No overhead garage door shall face street that house fronts on, unless front set back exceeds 100 feet. All areas physically or naturally cleared must be landscaped and maintained. Exceptions to Section 2.5 Lots No.73 and 74 shall follow the Volusia County Zoning Ordinance for their zoning classification.

Section 2.6 - No structure of a temporary nature or character, including but not limited to, a trailer, house trailer, mobile home, camper, tent, shack, treehouse, 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. Nothing herein contained shall prevent the construction of a permanent storage facility which has been approved by the ARB and complies with the Volusia County Zoning Ordinance and is in accordance with procedures set forth herein, exception a sales office as permitted by the ARB and the Volusia County Zoning Ordinance.

Section 2.7 - 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, nor may aforementioned vehicle be stored permanently or temporarily in the front or sides of any residence.

Section 2.8 - No boat, boat and trailer, camper, motorized home, house trailer or other trailer shall be parked for any period of time in excess of 48 consecutive hours or stored or otherwise permitted to remain on any lot except in an approved boathouse, enclosure or garage at 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) or stored or otherwise permitted to remain on any lot except in a garage at the residence.

Section 2.9 - 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, furthermore no more than 4 (four) adult domesticated house pets may be raised or kept on any premise. A kennel shall not be permitted. Said pets shall be kept in such a manner that they do not constitute an annoyance or nuisance to residents of the area and must be confined to the owners property unless on a leash.

Section 2.10 - 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 contractor and owner during construction and giving the name of the occupant of the residence located on said lot or one approved sign advertising the premises for sale or rent. No sign may exceed 4.5 square feet and all signs shall be approved by the ARB.

Section 2.11 - No noxious or offensive activity shall be carried on or suffered to exist upon any lot, nor shall anything be done or permitted to exist on any lot that may be or may presently become an annoyance or private or public nuisance.

Section 2.12 - No lot shall be used or maintained for dumping or discharge of 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 unsightly weeds and underbrush. Specifically during construction, the builder shall maintain a trash dumpster of adequate size to accomodate all building debris generated during construction.

Section 2.13 - Restrictions regarding the fence, wall, hedge or shrub planting on corner lots at intersections shall be as prescribed, from time to time, in the applicable provision of the Zoning Ordinance of Volusia County, Florida.

Section 2.14 - No wall, fence, or hedge shall be erected, placed, altered, maintained, or permitted to remain on any lot unless and until the height, type and location thereof have been approved by the ARB in accordance with the procedure and criteria set forth in Section 2.2 hereof, and shall adhere to (Section 806.01, 806.02, 806.03) of the Volusia County Zoning Ordinance.

Section 2.15 - No discharge, overflow, or accumulation of sewage effluent from any drain field, mobile home storage tank, or other similar container shall be permitted to exist on any lot. Individual sewage facilities shall be placed in the front yard.

Section 2.16 - 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 adjoining or abutting the lot.

Section 2.17 - The system from primary utility lines, including but not limited to water, electric, telephone and cable TV (if any), shall be underground and the cost of the installation and maintenance thereof shall be at the expense of the lot owner. Satellite dishes are prohibited unless specifically approved by the ARB.

Section 2.18 - Trees situated on the lot, having a diameter of four inches or more (measured four and one-half feet from ground level) may not be removed without the prior approval of

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the ARB. All requests for approval of tree removal shall be submitted to the ARB along with a plan specifically locating such tree(s). Furthermore, any tree removal plan must comply with the Volusia County Tree Ordinance.

Section 2.19 - Anyone violating the provisions of Section 2.18 may be required to replace such trees with trees of like size and condition within thirty days after demand by the ARB. If the owner fails or refuses to replace the trees as demanded, the ARB may cause suitable replacements to be planted and the cost thereof shall be a lien against the lot.

Section 2.20 - All driveways shall abut the adjoining residential street as shall be approved by the ARB.

Section 2.21 - All structures must be completed within nine (9) months of the beginning of construction.

Section 2.22 - No flat built-up roof shall be visible from the street the house fronts on for any residence in development. Common asphalt style or type of roof shingle shall be allowed.

Section 2.23 - No fence of any type shall be allowed from front building line to front lot line. Exception of decorative front entrance will be allowed provided approval is granted by the ARB. No chain-link fencing visible from the street.

Section 2.24 - Approved and accepted mailbox design will be supplied by the Developer.

Section 2.25 - On lots no. 19-37 and 38-54 consecutively, no fence or structure of any type will be permitted less than 25 feet from the center line of electric easement, rear of property, nor 25 feet from any electric line support structure.

Section 2.26 - At the option of the Developer, one year after the transferral of title by the Developer of any unimproved parcel or lot located within Westminster Wood Subdivision, if the parcel or lot remains unimproved, the Developer has the right to re-purchase the parcel or lot at the price the parcel or lot was originally conveyed by the Developer.

Section 2.27 - Westminster Wood Development Corporation reserves the right to maintain a temporary sales office in accordance with Section 819.02 of the Volusia County Zoning Ordinance within Westminster Wood subdivision on any lot. Westminster Wood Development Corporation has the right of approval of any sales office or model center within Westminster Wood Subdivision.

### Article III Property Subject To This Declaration And Additions To The Property

Section 1 - Property Subject to Declaration. The property is and shall be held, transferred, sold, conveyed, and occupied subject to this declaration.

Section 2 - Additions to the Property. The Developer, its successors and assigns, shall have the right to bring within the scheme of this Declaration additional properties in future stages of the development, whether or not such additional properties are contiguous to existing property in the development. Additional land may become subject to this Declaration by recordation of additional Declarations containing essentially the same substance as the instant Declaration in the sole discretion of the Developer, which shall extend the scheme of the covenants



and restrictions of this Declaration to such property.

Any subsequent Declaration of Covenants and Restrictions shall interlock all rights of members of the Association to the end that all rights resulting to members of the Homeowners' Association shall be uniform as between all Phases of Westminster Wood. Such supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and increased costs and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the subject property.

Section 3 - Mergers. Upon a merger or consolidation of the Association with another association as will be provided in its Articles of Incorporation, its properties, rights and obligations may, by operation of law, be transferred to another surviving of consolidated association, or alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by the Declaration upon the Property. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration within the Property, except as herein provided.

Article IV  
Membership And Voting Rights  
In The Association

Section 1 - Membership.

(a) Every Owner shall be a Member of the Association, except that a builder who in the normal course of business purchases a Lot for the purpose of constructing a Living Unit thereupon for resale shall not become a Member of the Association so long as such Living Unit is not occupied. If a builder does allow such Living Unit to be occupied, he shall become a member of the Association. No person or entity who holds record title of a fee or undivided fee interest in any Lot merely as a security for the performance of any obligation shall be a Member.

(b) For the purpose of this Declaration the Developer shall be considered the Owner of a fee interest in and therefore a Member in regards to all unsold Lots.

(c) The Developer shall also have the Voting Rights to all Lots owned by persons or entities not entitled to Membership herein defined.

(d) Exception: lots 73 and 74 at the time of purchase from the Developer, the purchaser shall have the option to become a member of the Association. If the purchaser becomes a member, membership may not be rescinded. However, if purchaser declines membership at the time of purchase, at any time thereafter, membership in the association may be obtained by application and approval of the Westminster Wood Homeowners Association.

Section 2 - Voting Rights. The Association shall have two classes of voting membership.

Class A. Class A Members shall be all those Owners as defined in Section 1 with the exception of the Developer. Class A Members shall be entitled to one vote for each Living Unit in which they hold the interests required for membership by Section 1. When more than one person or entity holds such interest or interests in any Living Unit, all such persons or entities shall be Members, and the vote for such Living Unit shall be exercised

as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Living Unit.

Class B. Class B Member shall be the Developer. The Class B Member shall be entitled to four votes for each Lot or Living Unit in which it holds the interest required for membership by Section 1, provided that the Class B membership shall cease and become converted to Class A membership when the total votes outstanding in Class A membership equal the total votes outstanding in the Class B membership, at which time the Class B membership shall be determined to be a Class A membership and entitled to vote as such.

#### Article V Property Rights In The Common Property

Section 1 - Use of Common Property. Subject to the provisions of Section 3 of this Article, every Member shall have a right and easement of enjoyment in and to the Common Property and such easement shall be appurtenant to and shall pass with the title to every Lot and/or Living Unit.

Section 2 - Title to Common Property. The Developer may retain the legal title to the Common Property until such time as it has completed improvements thereupon and until such time as, in the opinion of the Developer, the Association is able to maintain the same. The Developer may convey certain items of the Common Property and retain others. To illustrate, the Developer may, at its discretion, immediately convey all landscaped beautification areas, street lights, or such other items to the Association upon completion of same without conveying to the Association certain other Common Property. Notwithstanding any provision herein to the contrary, the Developer hereby covenants for itself, its successors and assigns, that it shall convey all Common Property located within The Property when the Developer has legally conveyed to Owners other than itself one hundred percent (100%) of the Lots within The Property.

Section 3 - Extent of Members' Rights. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Developer and of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Property, and in aid thereof; to mortgage said property. In the event of a default upon any such mortgage, the lender shall have a right (1) to take possession of such properties, to charge admission and other fees as a condition to continued enjoyment by the Members and, if necessary, to open the enjoyment of such properties to a wider public until the mortgage debt is satisfied whereupon the possession of such properties shall be returned to the Association and all rights of the Members hereunder shall be fully restored, or (2) to foreclose the mortgage and have the Common Property sold at a foreclosure sale; and

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Property against foreclosure; and

(c) The right of the Association, as provided in its Articles and By-Laws, to suspend the enjoyment right of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

(d) The right of the Association to charge reasonable admission and other fees for the use of the Common Property; and

(e) The right of the Association to dedicate or transfer all or any part of the Common Property to any public agency,



authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided, however, that no such dedication or transfer, or determination as to the purposes or as to the conditions thereof, shall be effective unless written notice of the proposed dedication or transfer and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken, and unless two-thirds (2/3) of the votes of the membership have been recorded, agreeing to such dedication, transfer, purpose or condition.

#### Article VI Covenants For Assessments

Section 1 - Creation of the Lien and Personal Obligation of Assessments. Each Owner hereby covenants and agrees to pay the Association: (1) Original Assessment; (2) Annual Assessment or charges; and (3) Special Assessments for Capital Improvements; such assessments to be fixed, established, and collected from time to time as hereinafter provided. Provided, however, the Developer shall not be required to pay the original, annual, or special assessments for any Lots it owns. The annual and special assessments, together with such interest thereupon and costs of collection thereof as are hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with such interest thereupon and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due.

Section 2 - Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents in the Property and in particular for the improvement and maintenance of properties, services and facilities which have been constructed, installed or furnished or may subsequently be constructed, installed or furnished, which are devoted to the purpose and related to the use and enjoyment of the Common Property and of the homes situated upon the Property, including, but not limited to:

- (a) Payment of operating expenses of the Association;
- (b) Lighting, improvement and beautification of access ways and easement areas, and the acquisition, maintenance, repair and replacement of directional markers and signs and traffic control devices, and costs of controlling and regulating traffic on the access ways;
- (c) Maintenance, improvement and operation of drainage easements and systems;
- (d) Maintenance, improvement and operation of any private streets or rights-of-way for the benefit of The Property;
- (e) Management, maintenance, improvement and beautification of buffer strips and all other Common Property, and improvements thereon;
- (f) Garbage collection and trash and rubbish removal, but only when and to the extent specifically authorized by the Association;
- (g) Repayment of deficits previously incurred by the Association, if any, in making capital improvements to or upon the Common Property, and/or in furnishing the services and facilities provided herein to or for the Owners and Members of the Association;
- (h) Repayment of funds and interest thereupon, which have been or may be borrowed by the Association for any of the aforesaid purposes;

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(i) Doing any other thing necessary or desirable, in the judgment of the Association, to keep The Property neat and attractive or to preserve or enhance the value of The Property, or to eliminate fire, health or safety hazards, or, which in the judgment of the Association, may be of general benefit to the Owners;

(j) The Association shall have the duty of maintaining the Common Property and private streets and islands in street right-of-ways in the subdivision, and keeping same neat and attractive.

Section 3 - Original, Annual, and Special Assessments.

(a) Original Assessment. An original one-time assessment of \$100.00 (one hundred dollars) per lot shall be paid to the Association by each Owner of a lot, except the Developer, at the time of the closing of the original purchase of any Lot from the Developer, except that a builder who in the normal course of business, purchases a Lot for the purpose of constructing a Living Unit thereupon shall not be required to pay said Original Assessment until such time as the Living Unit is occupied.

(b) Annual Assessment. An Annual Assessment on each Lot shall be paid to the Association in semi-annual installments in advance on April 1 and October 1 of each year. This Annual Assessment shall be in addition to the above-mentioned original Assessment. The first semi-annual installment of said Annual Assessment shall be due and payable on the date of the closing of the initial sale of each Lot by the Developer, and shall be prorated for the period from said date of closing to the due date of the next semi-annual installment as above set forth. The initial Annual Assessment for the remainder of calendar year 1987 and for the calendar year 1988 shall be \$180.00 for each Lot. Said assessment shall be paid directly to the Association, to be held in accordance with the above provisions. The Association's Board of Directors may adjust the Annual Assessment after the end of each calendar year. Such adjustment shall be in accordance with changes in the Consumer Price Index (hereinafter called the "Price Index"). The Price Index shall mean the average for "all items" shown on the "U.S. city average for urban wage earners and clerical workers (including single workers), all items, groups, subgroups and special groups of items" as promulgated by the Bureau of Labor Statistics of the U.S. Department of Labor, using the 1967 annual average with base of 100. The annual assessment shall be adjusted in accordance with the following provisions:

(1) The Price Index for January, 1, 1987 shall be designated the Base Price Index;

(2) Promptly after the end of the first year and each year thereafter, the Association's Board of Directors shall adjust the annual assessment so that the ratio of the Price Index for the first month following the end of each such year to the adjusted annual assessment shall be the same as the ratio of the Base Price Index to the initial annual assessment. Provided, however, if after consideration of current maintenance costs and future needs of the Association, the annual assessment for any year may be set at a lesser amount.

(3) No adjustment whatever shall be made in the annual assessment for any year unless the adjusted annual assessment computed as above provided varies by more than one percent (1%) from the then current annual assessment;

(4) No adjustment shall be made which increases the annual assessment for any year more than twelve percent (12%) from the previous annual assessment unless approved in accordance with Section 5 hereof;

(5) No adjustment shall reduce the annual assessment below the initial annual assessment;

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(6) The Association shall send a notice to the Owners setting forth the adjusted annual assessment at least sixty (60) days prior to the payment date of the first installment of the annual assessment.

In the event that a substantial change is made in the method of establishing the Price Index, then the Price Index shall be adjusted to the figure that would have resulted had no change occurred in the manner of computing such Price Index. In the event that such Price Index (or its successor or substitute Index) is not available, a reliable governmental or other non-partisan publication evaluating the information heretofore used in determining the Price Index shall be used in lieu of such Price Index.

In addition to the foregoing procedure, the Association may change the maximum assessments prospectively for any such period, provided that any such change shall have the assent of two-thirds (2/3) of the votes of Members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting, provided further that the limitations herein shall not apply to any change in the maximum assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Articles of Incorporation and under Article III, Section 3 hereof. The votes shall be counted in accordance with Article IV, Section 2 hereof.

(c) Special Assessments for Capital Improvements. In addition to the annual assessments authorized by Section 3 hereof, the Association may levy in any assessment year a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of any capital improvements upon the Common Property, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Class A Members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 4 - Quorum for any action requiring a vote of the Membership of the Association under this Article. The quorum required for any action requiring a vote of the Membership of the Association under this Article VI shall be as follows:

At the first meeting called, as provided in Section 3 of this Article, the presence at the meeting of Members, or of proxies, entitled to cast sixty percent (60%) of all votes of the Membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth in Section 3 of this Article, and the required quorum at any such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5 - Certificate of Payment. The Association shall upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 6 - Effect of Non-Payment of Assessment. If the Assessments are not paid on the date when due, then said

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assessments shall become delinquent on that date, and, if not paid within thirty (30) days after such delinquency date, the assessment shall bear interest from the date of delinquency at such rate as shall be determined by the Board of Directors of the Association, not to exceed the highest rate allowed by the laws of the State of Florida. The Association shall have a lien on each Lot for any unpaid assessments, interest accruing thereupon, and cost of collection including reasonable attorney's fees incurred by the Association incident to the collection of such assessment or enforcement of such lien, whether or not legal proceedings are initiated, which lien shall become effective against such Lot and shall bind such Lot in the hands of the then owner, his heirs, devisees, personal representatives and assigns, upon the recording in the Public Records of Volusia County, Florida, a claim of lien stating the description of the Lot, the name of the record owner thereof, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien shall have been fully paid. Such claims of lien shall be signed and verified by an officer of the Association or by a managing agent of the Association. Upon full payment, the party making payment shall be entitled to a recordable satisfaction of lien, to be prepared and recorded at his expense. Claims of lien for assessment may be foreclosed by suit brought in the name of the Association in like manner as a foreclosure of a mortgage on real property.

The obligation of the Owner on the delinquency date to pay such assessment shall remain his personal obligation for the statutory period even though a Claim of Lien may have been recorded, but said personal obligation shall not pass to his successors in title unless expressly assumed by them. The Association may bring an action at law against said Owner personally obligated on the assessment owed, together with interest, reasonable attorney's fees and cost of collection, in addition to any action to foreclose the Claim of Lien.

Section 7 - Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be absolutely subordinate to the lien of any first mortgage now or hereinafter placed upon the Living Unit subject to assessment. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lien thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 8 - Exempt Property. The following property subject to this Declaration shall be exempted from the assessments, charges and liens created herein: (a) All properties to the extent of any easement or other interest therein dedicated and accepted by any local public authority and devoted to public use; (b) All Common Property as defined in Article I, Section 1.1(c) hereof; (c) All properties exempted from taxation by the laws of the State of Florida, upon the terms and to the extent of such legal exemption; and (d) All property owned by the Developer.

Notwithstanding any provisions herein, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges or liens, other than Lots owned by the Developer.

#### SCHEDULE OF LEGAL DESCRIPTION:

Exhibit A: - The East 1/2 of the Southeast 1/4 of Section 27, Township 17 South, Range 30 East, Volusia County Florida, except the Southeast 1/4 of the Southwest 1/4 of the Southeast 1/4 of the Southeast 1/4, Lying in Section 27, Township 17, Range 30 East.