THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATION, INC.

A Covenant-controlled Community
76 South Forty Trail
Ormond Beach, FL 32174-5990
(386) 677-1381

HOMEOWNER'S ASSOCIATION CONTROLLING DOCUMENTS

The attached documents state the By-Laws and Covenants that the Board of Directors and homeowners are obligated to follow to maintain the safety and appearance of this community.

Please retain the manual and, in accordance with existing statutes, it must be transferred to the new owner when selling your home.

THE TRAIL SOUTH FORTY HOMEOWNERS ASSOCIATION, INC. CONTENTS

This file contains a complete set of Trails South Forty Homeowner Association's governing documents issued by the Association. These documents have been registered and are on file with the offices of Volusia County in DeLand.

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NOTICE

Policies and Rules as prepared and approved by the Board of Directors and of the Association are available the H.O.A. office.

Owner/Resident Handbook provides a condensed version of the "Policies and Rules" and is furnished to all Owners and Residents.

ARTICLES OF INCORPORATION OF

THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATION, INC.

A Non-profit Florida Corporation

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

ARTICLE I

The name of this corporation shall be: THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATION, INC.

ARTICLE II

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

- a. To enforce the terms, covenants, conditions and restrictions appertaining to The Trails South Forty in Volusia County as recorded in the Public Records of Volusia County, Florida (hereinafter "the Subdivision").
- b. To accomplish with the foregoing purposes, the corporation shall have all corporate powers permitted under Florida law, including the power to mortgage and borrow monies.

ARTICLE III

QUALIFICATION OF MEMBERS AND MANNER OF THEIR ADMISSION

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

The record title holder of a present vested fee simple interest in any lot or dwelling unit of the Subdivision in Volusia County, Florida: including lots added at a later date.

12-4-81 1

- a. If the record title holder described in Paragraph a, designates in writing to the secretary of the association, the tenant shall be a member of this association. However the owner's membership privileges during the period of such tenancy shall abate and shall be exercisable only by the tenant. When the tenancy ceases to exist, the owner of such dwelling unit shall so certify to the secretary of this association and the owner shall be entitled to resumption of all membership privileges unless a new tenant is in possession of the dwelling unit.
- b. The membership of any tenant or record owner shall automatically terminate when such person is no longer entitled to immediate possession and enjoyment of a dwelling unit in The Trails South Forty Subdivision, filed in the Public Records of Volusia County, Florida.
- c. When a corporation or partnership is an owner of tenant of a dwelling unit or lot, only the president of the corporation or its designate or the senior partner shall be entitled to exercise membership privileges.

ARTICLE IV

This corporation shall have perpetual existence.

ARTICLE V

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

Gerald E. Upson 1001 Old Tomoka Road

Ormond Beach, Florida 32074

T.J. Cloar, III 1001 Old Tomoka Road

Ormond Beach, Florida 32074

Dorothy J. Alexander 1001 Old Tomoka Road

Ormond Beach, Florida 32074

ARTICLE VI

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

- a. The affairs and property of this corporation shall be managed and governed by a Board of Directors composed of not less than three (3) nor more than nine (9) members.
- b. Directors shall be elected by the voting membership at the regular annual meeting of the membership of the corporation. The first annual meeting shall be held within ninety (90) days after the total number of subdivision lots held in the name of either The Trails, Inc. or any builders who have purchased lots with the intent to construct dwelling units thereon for resale, constitutes less than 75% of the total lots in the subdivision. Directors shall be elected for a term of two (2) years. Except, however, the maximum voting minority of the Board elected at the first regular annual meeting of the corporation or 50% of said Board, whichever is applicable, shall have terms of only one (1) year. For example, if said Board has four (4) members, then two (2) of the members (50%) will have terms of only one (1) year, but in the event such Board has seven (7) members, then three (3) of the members (maximum voting minority) shall have terms of only one (1) year. At the second regular annual meeting elections shall be held for those Directorships with one (1) year initial terms. The Directors elected at the second regular annual meeting shall have terms of two (2) years, and all Directors elected thereafter shall have terms of two (2) years. It is the intent of this provision for the Directors to have staggered terms such that there will, if possible, always be at least one (1) Director on the Board with experience from the prior year.
- c. All officers shall be elected by the Board of

Directors in accordance with the By-Laws at the regular annual meeting of the Board of Directors to be held within ten (10) days of the annual meeting of the membership. The Board of Directors shall elect from among the members of the corporation, President, a Vice-President, a Secretary, Treasurer, Assistant Secretary and Assistant Treasurer and such other officers as it may deem desirable.

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

ARTICLE VII

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

President T.J. Cloar, III

Vice-President and Treasurer James M. Sweet

Secretary Dorothy J. Alexander

ARTICLE VIII

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

Gerald E. Upson 1001 Old Tomoka Road Ormond

Beach, Florida 32074

T.J. Cloar, III 1001 Old Tomoka Road Ormond

Beach, Florida 32074

Dorothy J. Alexander 1001 Old Tomoka Road Ormond

Beach, Florida 32074

ARTICLE IX

The By-Laws of the corporation may be amended, altered, amended or rescinded by such modification adopted in the following manner: Notice of any meeting at which a proposed amendment is considered.

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

- a. Not less than sixty-five (65%) of the entire membership of the Board of Directors and by not less than sixty-five (65%) percent of the votes of the entire membership of the Association: or
- b. By not less than seventy-five (75%) of the votes of the entire membership of the association.

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

ARTICLE X

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

ARTICLE XI

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

DECLARATION OF COVENANTS AND RESTRICTIONS THE TRAILS SOUTH FORTY SUBDIVISION VOLUSIA COUNTY, FLORIDA

AND

NOTICE OF PROVISIONS OF

THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATION, INC.

THIS DECLARATION, made this $\underline{4^{th}}$ day of \underline{May} 1982 by THE TRAILS, INC., a Florida Corporation, with its principal place of business at U.S. #1, North, Ormond Beach, 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 made 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 platted subdivisions Known at The Trails South Forty Subdivision (hereinafter "the Subdivision") and subdivision plats thereof duly filed in the Office of the Clerk of the Circuit Court, Volusia County, Florida, On June 15, 1982, and recorded in Map Book 38.

Pages 134-135 of the Public Records of Volusia County, Florida; and

WHEREAS, it is the intention of the developer to develop the subdivision as high quality medium-low density, zero lot line dwellings, with common areas and recreational amenities as shown on the above referenced plat, but not including Tract \underline{B} and \underline{C} shown on the plat which are reserved For commercial development; and

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

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

NOW, THEREFORE this Declaration is made, filed and recorded by the Developer so that from the effective date hereof, the real property described in the Schedule of Legal Description which is attached hereto as Exhibit "A", is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied, and used subject to the restrictions, conditions, easements, charges, burdens, assessments, affirmative obligations, and liens (all hereinafter sometimes referred to as the "covenants") hereinafter Set forth. This Declaration shall become effective on the date and the time it is filed and recorded in the Public Records of Volusia County, Florida.

ARTICLE I

DEFINITIONS AND DESCRIPTION OF PROPERTY

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

a) "Association" shall mean and refer to The Trails South Forty Homeowners
 Association, Inc. a Florida Corporation not for profit, and its successors and assigns,
 the memberships of which will be owners of "dwelling units" or "lots" in the
 subdivision, and future units of the subdivision hereafter filed by Developer.

- b) "Developer" shall mean and refer to The Trails, Inc., a Florida Corporation, its successors and assigns.
- c) "Lot" shall mean any parcel of land located within any unit of the subdivision, which is intended for use as a site for a zero lot line dwelling. A parcel of land shall be deemed to be unimproved until the improvements being constructed thereon are substantially complete or are subject to ad valorem tax as improved property.
- d) "Dwelling Unit" shall mean one building constructed primarily for use as zoned for residential dwelling.
- e) "Subdivision" shall mean any unit of the subdivision, recorded in the Public Records of Volusia County, Florida.
- f) "Architectural Control Committee" shall mean a committee appointed by the Developer in accordance with Section 2.3.
- g) "Zero lot line" shall mean a concept of development without any sideyard set backs.

 A structure can be a zero lot line structure regardless of whether it sits on a lot line

Section 1.2 Property subject to Covenants and Restrictions.

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

ARTICLE II RESTRICTIVE COVENANTS

<u>Section 2.1</u> <u>No lot shall be used for any purpose other than a one family dwelling, garage or carport, and grounds.</u> The areas included within the lot line of each individual lot, but not included within the dwelling constructed on such lot, such areas being hereinafter referred to as "grounds", shall be used for normal and customary yard purposes.

<u>Section 2.2</u> No building structure, including an addition to a dwelling, shall be erected on, placed, on altered, or permitted to remain on any lot unless and until the owner submits the site

plan, floor plan, elevation, landscaping plan, and abbreviated specifications, and such plans, etc. have been reviewed and approved by the Architectural Control Committee, as hereinafter provided. The Architectural Control Committee shall review the proposed building or structure (including plans and specifications for same) as to the harmony of the external design and location of the building or structure compared to existing buildings and structures, the location of the building or structure with respect to topography, vegetation, and the finished grade of elevation of the lot, and any other relevant considerations which are based upon acceptable standards of planning, zoning, and construction, including considerations which are exclusively on aesthetic factors. The term "structure" as used herein shall include, but is not limited to swimming pools, fences, walls. Barbeque pits, television or radio antennae, clotheslines, garages, sheds, outbuildings, porches, patios, driveways, walks, lighting apparatus, window barriers, window awnings, recreational facilities such as basketball courts or goals, tennis courts, shuffleboard courts, and lawn decorative objects such as statues, tables, etc., basements, tents, shacks, barns, sheds, or other temporary storage or residence facilities. All garages built shall be and remain garages and shall not be converted to any other use at any time other than the storage of vehicles. The driveway to said garage is to be for the exclusive use of said garage owner. Developer hereby creates easements for ingress and egress over those parts of the Common Area used as driveways, with each lot owner having an exclusive easement over the driveway serving his lot, which easement shall run with the land.

<u>Section 2.3</u> No recreational vehicle, boat, boat and trailer, or trailer alone shall be parked (for any period of time in excess of ten consecutive hours) or stored or otherwise permitted to remain on any lot except in an approved boathouse, garage, or carport attached to the residence. No automobile, truck or other

commercial vehicle which contains lettering shall be parked (for any period of time in excess of ten consecutive hours) or stored or otherwise permitted to remain on any lot except in a garage or carport attached to the residence.

Section 2.4 In order to maintain uniformity of appearance, no owner of any dwelling shall change exterior materials or colors, either of the exterior walls or roof of said dwelling without specific written approval of the association. The association shall have the right from time to time to adopt and enforce rules and regulations for the maintenance and appearance of the exteriors of dwellings and of other structures.

Section 2.5 All owners shall keep their grounds mowed and maintained, free of disease, bugs, and in a presentable condition, and shall not permit any unsightly growth, weeds or underbrush on their grounds. If an owner shall fail to maintain his grounds herein required, the Developer, the association, and/or The Trails, Inc. shall have the power to correct such omission and assess the cost thereof to such owner. The Association shall have the right to adopt rules and regulations to enforce this provision.

<u>Section 2.6</u> Each owner of a lot agrees to maintain fire and extended coverage casualty insurance on the improvements on such lot, and agrees to use the proceeds thereof to repair or replace any damage to or destruction of improvements within a reasonable time after such casualty.

Section 2.7 In order to maintain and preserve the peace and tranquility of the neighborhood, the association shall have the right to adopt reasonable rules and regulations regarding the keeping of dogs, cats, or other domesticated household pets and specifically shall have the right (i) to require such animals to be leashed; (ii) to prohibit such animals from roaming at large beyond the confines of their owners' property; (iii) to require that owners keep their pets from making such noises as disturb

others; and (iv) to adopt such other rules and regulations as may seem necessary or required to carry out the purposes of this restriction.

Section 2.8 In the event that any portion of any structure originally constructed by the Developer or a designated successor developer, including any boundary line wall, shall protrude over an adjoining lot or common area, such structure or boundary line wall shall not be deemed to be an encroachment upon the adjoining lot. In the event there is such protrusion; the owner or owners of the lot on which such protrusion extends shall be deemed to have granted a perpetual easement to the adjoining owner or owners for continuing maintenance and use of such projection or boundary wall, including any replacement thereof.

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

<u>Section 2.10</u> The Architectural Control Committee shall be composed of three (3) persons. The members of the Committee shall be appointed by the Developer. In the event of death, resignation,

Inability to serve, or other vacancy in office of any member of the Architectural Control Committee, the remaining members shall promptly appoint a successor member.

Section 2.11 The Architectural Control Committee shall indicate its approval or disapproval, as the case may be, of the matters required in Section 2.2 hereof to be approved or acted upon by them, by a written instrument filed with the Secretary of the Board of Directors of the Association, and served personally or by certified mail upon the applicant, identifying the proposed building or structure and, if the same is disapproved, the reasons for such disapproval. The decision of the Architectural Control Committee shall be final. If the Architectural Control Committee fails or refuses to approve or disapprove the aforesaid matters within (30) days after the application or request for action is made and after a floor plan, elevation and abbreviated specifications (including landscaping, exterior materials, colors, an site plan) have been received by the committee, then it shall be conclusively presumed, as to all owners and interested persons, that the alleged violation of this declaration is, and it shall be deemed automatically to be excused, and any and all rights of action arising therefrom shall be deemed to have been waived, and the applicable restrictive covenants shall be deemed to have been complied with.

Section 2.12 No livestock, poultry, or animals of any kind or size shall be raised, bred, or kept on any lot; provided, however, that dogs, csats, or other domesticated household pets may be raised and kept provided such pets are not kept, bred or maintained for any commercial purposes, and further provided that such animals shall not become a nuisance to neighbors.

Section 2.13 No sign of any kind shall be erected, permitted to remain on or displayed to public view on or from any lot, except an approved sign giving the name of the occupant of the residence located on said lot or an approved sign advertising the premises

for sale or rent. All signs shall be approved by the Association.

Section 2.14 No noxious or offensive activity shall be carried on or suffered to exist on any lot that may be or may become an annoyance or private or public nuisance.

Section 2.15 No lot or common area shall be used 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 all unsightly weeds and underbrush. 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 and county environmental laws and ordinances.

<u>Section 2.16</u> Restrictions regarding the fence, wall, hedge or shrub planting or corner lots at intersections shall be as prescribed by the Architectural Control Committee from time to time, in compliance with the applicable provision of the Zoning Ordinance of the City of Ormond Beach.

<u>Section 2.17</u> No discharge, overflow, or accumulation of sewage effluent from any septic tank, drain field, mobile home storage tank, or other similar container shall be permitted to exist on any lot.

Section 2.18 No driveway shall be constructed, maintained, altered, or permitted to exist on any lot if the driveway obstructs or would obstruct or significantly impede the flow of surface drainage in the area adjacent to the lot or in the street right-of-way or swale area adjoining or abutting the lot.

<u>Section 2.19</u> The owner shall assume and pay as and when the same shall become due the cost of the installation and maintenance of the underground utility system from primary utility lines.

- <u>Section 2.20</u> (a) No garages or screen porches shall be converted to other than their original purpose.
- (b) No recreational vehicles or boats shall be stored on any lot except in garages.
- (c) No change in the Deed Restrictions and Covenants which would alter the design or use of the property and structures shall be made without the written permission of the City of Ormond Beach.
- Section 2.21 Notwithstanding the fact each lot owner is granted an exclusive easement for ingress and egress purposes over those parts of the common area used as driveway to said owner's lot, it is the lot owner's duty and obligation to maintain and repair said driveway in good condition and according to the requirements of Article II, Section 2.5 herein.

ARTICLE III

ASSOCIATION

Section 3.1. To effectively and efficiently provide for the administration of the common areas by the owners of lots or dwelling units in the Subdivision (all units), a non-profit corporation known and designated as "The Trails South Forty Homeowners association, Inc.", a non-profit Florida Corporation has been created. The association shall operate, maintain and manage the common areas, shall operate, maintain and manage any islands in the the streets, shall assist in the enforcement of 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 and the Certificate of Incorporation and By-Laws of said Association. True and complete copies of the Certificate of Incorporation and By-Laws of the Association are annexed hereto as Exhibits "B" and "C", respectively, and such documents are expressly made a part hereof.

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

<u>Section 3.3.</u> No person or corporation or other business entity holding and liens, mortgage or other encumbrance upon any lot or dwelling unit shall be entitled, by virtue of such lien, mortgage or other encumbrance, to membership in the Association or to any of the rights and privileges, or be charged with any of the duties of such membership; provided, however, that nothing contained herein shall be construed as prohibiting membership in the Association of a person, corporation, or other business entity which acquires title to a lot or dwelling unit

either by foreclosure or by voluntary conveyance from its mortgagor or his successor or assign.

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

ARTICLE IV

COVENANTS FOR MAINTENANCE ASSESSMENTS

Section 4.1. Creation of Lien and Personal Obligation. The Developer covenants, and each owner or tenant of each and every lot or dwelling unit shall by acceptance of a deed or other instrument of conveyance therefore, whether or not it shall be so expressed in any such deed or instrument, be deemed to covenant and agree to all the terms, covenants, conditions, restrictions, and other provisions of this Declaration and to promptly pay to the Association or its successors or assigns the following:

- (a) All annual assessments or charges, and
- (b) All special assessments or charges for the purposes set forth in Section 4.2 of this article, such assessments or charges shall be fixed, established, levied, and collected from time to time as hereinafter provided. The annual and special assessments (together with such interest thereon and the cost of collection including reasonable attorneys' fees, both at trial and on appeal, as hereinafter provided) shall

be a charge and continuing lien on the real property and improvements thereon against which such assessment is made, whether or not claim of lien is filed. Each such assessment (together with such interest thereon and the cost of collection including reasonable attorneys' fees as above established) shall also be the personal obligation of the person who was the "owner" of such real property at the time when the assessment first became due and payable, and also the joint and several personal obligation of any subsequent grantees who take title without first obtaining a letter from the Association as herein provided, that there are no outstanding assessments against the lot being purchased. In the case of coownership or co-tenancy of a lot or dwelling unit each owner or tenant shall be jointly and severally liable for the entire amount of the assessment and the aforesaid interest, collection costs, and attorneys' fees. Prospective purchasers are hereby notified of the possible charge against the property in the Subdivision, and are directed to Section 4.5 herein below.

Section 4.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the improvement, maintenance, enhancement, enlargement, and operation of the Common Areas and Properties and to provide services which the Association is authorized to provide including, but not limited to, the payment of taxes, governmental assessments and insurance thereon, construction of improvements, repair, replacement, and to acquire additions to the Common Areas and Properties, payment of the cost to acquire labor, services including professional services of attorneys and accountant, etc., equipment, materials, management, and the supervision necessary to carry out the authorized functions of the Association, and for the payment of principal, interest and other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions, including the payment of mortgages covering

the Common Area and Property at the time of conveyance to the Association. In addition, the Association must keep in force liability insurance on the Common Area in amounts not less than \$100,000/\$300,000. No initiation fee may be charged to members of the Association as a pre-condition to use of such facilities. The Association shall not be bound in setting assessments in subsequent years by the amount of the assessments set in earlier years. Not withstanding any of the provisions of this article, in no event shall the assessments and other revenues collected by the Association exceed its expenses and reasonable reserves to an extent which would violate the Association's non-profit status.

Section 4.3. The initial regular monthly assessment is hereby set at the rate of \$15 per lot or dwelling unit. The Developer guarantees that this initial assessment shall not exceed \$20.00 and will remain in effect until 51 percent of the dwelling units or lots in the Subdivision, are sold or when turnover of control of the Homeowners Association is completed, but in no event, no later than December 31, 1985. Thereafter, regular monthly assessments shall be determined at any regular meeting of the directors of the Association. The regular assessment may be increased beyond that set at the annual meeting upon approval of two-thirds of the membership in attendance at any regular or special meeting of the Association, but only after notice of the recommendation is given to all members at least ten (10) days prior to the date of said meeting; provided, however, that nothing herein shall be construed to preclude the Board of Directors of the Association from fixing and levying an emergency assessment not to exceed one month's regular assessment, which emergency assessment may be levied without notice to the membership and without the holding of any special or regular meeting of said membership of the Association.

Anything in the preceding paragraph to the contrary

notwithstanding, a Purchaser from the Developer of a unit lot shall not be obligated to pay the regular monthly assessment until the earlier of one year from the date of his purchase, or the first month following the issuance of a building permit to construct a residence on said lot. The Developer shall not be obligated to pay any assessments on any unimproved (vacant) lots or lands which it may own. However, should the Developer construct any dwelling units, it shall be liable for the monthly and other assessments upon the issuance of a certificate of occupancy for the dwelling unit.

Section 4.4. Assessments which are not paid on or before the date the same shall become due shall be delinquent, and each delinquent assessment shall bear interest at eighteen percent (18%) per annum until it is paid in full. In addition to the accrual of interest, when an assessment becomes delinquent in payment, the Association may file a claim of lien to perfect the lien for such assessment as against third persons, against the dwelling unit and other property of the owner(s) who defaulted in the payment of such assessment. There shall be no exemption from the payment of any assessment or installment thereof by waiver of the use of the common areas by abandonment of the lot or dwelling unit, by extended absence from the subdivision, or by or for any other reason, except as provided in paragraph 4.3.

<u>Section 4.5.</u> The Association, upon written request of any owner, shall furnish to a prospective purchaser or prospective mortgagee or other authorized person a statement of the current status of the assessments on such owner's lot or dwelling unit. When executed by the Treasurer of the Association, the statement shall be binding on the Association, and any purchaser or mortgagee may rely upon such statement as an accurate statement of the status of assessments.

Section 4.6. All revenue collected by the Association

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

Section 4.7. Although all funds and other assets of the Association, and any profits derived therefrom, shall be held for the benefit of the members of the Association, no member of said Association shall have the right to assign, encumber, hypothecate, pledge, or in any manner transfer his membership or interest in or to said funds and assets, except as an appurtenance to his lot or dwelling unit. When an owner of a lot or dwelling unit shall cease to be a member of the Association by reason of the divestment by him of his ownership of said lot or dwelling unit, by whatever means that occurs, the Association shall not be required to account to said owner for any share of the funds or assets of the Association.

Section 4.8. In the event that any institutional first mortgagee (defined as any chartered Bank or Savings and Loan Association) shall acquire title to any lot or dwelling unit by virtue of any foreclosure or judicial sale, or in the event any such institutional first mortgagee shall acquire title by deed from the mortgagor or his personal representative, successors or assigns, then such institutional ffirst mortgagee who acquired title shall not be liable or obligated for the payment of any assessment or assessments which are in default and delinquent at the time they have acquired such title, except a pro-rate share as follows: In the event of the acquisition of title as aforesaid, any assessment

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

Section 4.9. Recognizing that proper management and operation of the common area and property (including improvements thereto) result in benefit to all members of the Association, the Association is hereby granted a lien upon all the real property within the Subdivision, (all present and future units), and the present and future interests of each member of the Association in the common area and property and improvements thereto, to secure the prompt payment of each and all assessments made and levied in accordance with this Declaration, each owner shall be liable for, and this lien shall secure, the full amount of said assessment, and the costs and expenses, including attorneys' fees at trial and on appeal which may be incurred by the Association in enforcing this lien or the provisions of this Declaration.

<u>Section 4.10.</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 may be required to be advanced by the Association in order to protect its interests, and the Association shall be entitled to interest computed on the basis of advances made from time to time at the highest legal rate of interest on all such advances.

Section 4.11. All persons, firms, corporations, and other business entities, which shall acquire, by whatever means, any interest in the ownership of any lot or dwelling unit, or who may be given or who may acquire a mortgage, lien or other encumbrance of a lot or dwelling unit are hereby placed on notice of the lien rights granted to the Association under this Declaration, and all of such persons, firms, corporations, and other business entities shall acquire their rights, title and interest in and to said lot or dwelling unit expressly subject to the lien rights provided herein.

Section 4.12. The lien created pursuant to this Declaration shall be perfected by the recording in the official public records of Volusia County, Florida, of a "claim of lien" stating the description of the property encumbered by the lien, the name of the record owner of the property, the amounts due and the date when the same became due. The lien shall continue in effect until all sums secured by the lien have been fully paid. The claim of lien may include assessments which are due and payable when the claim is made and recorded, plus interest, collection costs, attorneys' fees, and advances to pay taxes and prior encumbrances and interest thereon, all as provided herein. The claim of lien shall be signed and verified by the President or Vice President of the Association. When full payment of all sums secured by such lien is made, the claim of lien shall be satisfied of record by the President or Vice President of the Association. The claim of lien filed by the Association

shall be subordinate to the lien of any mortgage or any claim of lien if the said mortgage or claim of lien is recorded prior to the Association's claim of lien, and shall likewise be subordinate to any lien filed by the The Trails South Forty Homeowners Association, Inc. pursuant to prior restrictions.

ARTICVLE V

AMENDMENT TERMINATION AND ENFORCEMENT

Section 5.1. The Developer hereby reserves for itself and its assigns the right to amend, modify or rescind such parts of these restrictions as it in its sole discretion deems necessary or desirable so long as it is (a) the sole owner or the property to which these restrictions apply, or in the alternative, (b) such amendment or modification does not substantially change the character, nature, or general scheme of development of the Subdivision. This right of amendment specifically includes without limitation the right to add more units to the property covered hereunder.

In addition to the rights of the Developer reserved in the preceding paragraph, seventy-five percent (75%) of the record owners of lots in the Subdivision, may amend or modify such provisions of this Declaration as the deem necessary or desirable except that the provision relating to the powers and duties of the Architectural Control Committee may not be amended for a period of 30 years without consent of Developer.

<u>Section 5.2.</u> These Covenants and Restrictions may be enforced by an action at law for damages, or a proceeding in equity for an injunction. All costs of enforcement, including reasonable attorneys' fees at trial and on appeal, shall be borne by the violating party.

ARTICLE VI

USE OF COMMON PROPERTY

<u>Section 6.1.</u> The common areas, as hereinabove specifically described, or hereafter designated by developer,

Shall be, and the same are hereby declared to be, subject to (a) the developer's right to grant and convey utility easements; and (b) a perpetual non-exclusive easement in favor of all of the owners of lots and dwelling units lying within the Subdivision, as hereinabove described, for the use of such owners and the use of their immediate families, guests, lessees, invitees, and other similarly situated, for all proper and normal residential purposes, for the furnishing of services and facilities for which the same are reasonably intended, and for the quiet enjoyment of said owners. The Association is hereby required to maintain in force public liability insurance in an amount not less than \$100,000/\$300,000 with respect to the common areas under its jurisdiction and control.

ARTICLE VII

COVENANTS AGAINST PARTITION

AND

SEPARATE TRANSFER OF COMMON AREA

It is recognized the full use and enjoyment of any lot or dwelling unit within the Subdivision is dependent upon the use and enjoyment of the common areas and the improvements made thereto, and that it is in the interests of all of the owners that the ownership of the common areas be retained by the Association. As such, there shall exist no right to transfer the owner's interest in the Association in any other manner than as an appurtenance to and in the same transaction with, a transfer of title to the lot or dwelling unit in the Subdivision, provided, however, that nothing herein shall: (a) preclude a conveyance by the Developer herein of any undivided interest in the common areas to the Association for the purpose of effectuating the intent of this declaration; or (b) preclude a conveyance by the Developer herein of any utility easements across or upon the common areas.

ARTICLE VIII

COVENANTS TO RUN WITH LAND

The restrictions and burdens imposed by the provisions and covenants of this Declaration shall constitute covenants running with the said land, and each Declaration shall constitute

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an equitable servitude upon the heirs, personal representatives, successors and assigns of each owner, and the same shall likewise be binding upon the Developer and its successors and assigns. This DECLARATION shall be binding and in full force and effect for a period of 30 years from the date this DECLARATION is recorded, after which time this DECLARATION shall be automatically extended for successive 10 year periods, unless an instrument, signed by seventy-five percent (75%) of the then recorded owners of the lots or dwelling units in the The Trails South Forty Subdivision, is recorded containing an agreement of the said owners with respect to the alteration, change, modification, or repeal, in whole or in part, of the provisions of this DECLARATION.

year first above written,	eveloper has hereunto set its hand and seal the day and
WITNESSES:	THE TRAILS, INC.
	BY:
	ATTEST:
	(CORP. SEAL)
STATE OF FLORIDA	
COUNTY OF VOLUSIA	
THE TRAILS, INC., a Florida Corporat	illiam G. Heath, President and Secretary, respectively, of ion, on behalf of the Corporation.
	Notary Public
	My Commission Expires:
	JOINDER IN DECLARATION
	Loan Association, being the owner of mortgage liens on the property ition of the foregoing Declaration for the purposes of subjecting its
Dated this <u>4</u> day of <u>June</u>	, 1982.
	SECURITY FIRST FEDERAL SAVINGS
	AND LOAN ASSOCIATION
	BY:
	Assistant Vice President
	ATTEST:
	Assistant Secretary
STATE OF FLORIDA	
COUNTY OF VOLUSA	
	nowledged before me this <u>4</u> day of <u>June</u> , 1982, by <u>Linda F</u> ice President and Assistant Secretary of SECURITY FIRST FEDERAL

Notary Public

SAVINGS AND LOAN ASSOCIATION, on behalf of the Corporation.

DEDICATION

KNOW ALL MEN BY THESE PRESENTS, that THE TRAILS, INC. incorporated under the laws of the State of Florida being the owner in fee simple of the lands described in the attached Plat entitled The Trails South Forty Subdivision, located in Volusia County, Florida, hereby dedicates said lands and plat for the uses and purposes therin expressed. Roads, streets, and thoroughfares shown on said plat are hereby dedicated as common areas are intended for use by the residents of the THE TRAILS SOUTH FORTY SUBDIVISION, and are not dedicated hereby for use by the general public, but are to conveyed to The Trails South Forty Homeowners Association, Inc.

	THE TRAILS, INC.	
	Ву:	
	C.W. Singletary, Jr. Pres.	
	Attest:	
	William G. Heath, Secretary	
STATE OF FLORIDA		
COUNTY OF VOLUSIA		
	nowledged before me this <u>4</u> day of <u>May</u> , 1982 as President and Secretary of THE TRAILS, INC., a poration.	by
il.		
Dated this <u>4th day of May</u> , 1982.		
Dated this <u>4th day of May</u> , 1982.		

AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS

OF THE TRAILS SOUTH FORTY

THIS AMENDMENT is made this $\underline{15}^{th}$ day of April, 1983, by The Trails, Inc., a Florida Corporation, with its principal place of business at 1001 Old Tomoka Road, Ormond Beach, Volusia Country, Florida (hereinafter sometimes referred to as the "Developer").

WHEREAS, the Developer has previously caused a Declaration of Covenants and Restrictions of the The Trails South Forty Subdivison, Volusia County, Florida, and Notice of Provisions of The Trails South Forty Homeowners Association, Inc. to be placed of record in Official Records Book 2363, Pages 1705-1726, Public Records of Volusia County, Florida; and

WHEREAS, pursuant to Article V, s5.1 the Developer reserved the right to amend, modify or rescind such parts of said Declaration of Covenants and Restrictions as it, in its sole discretion, deems necessary or desirable; and

WHEREAS, the Developer deems it necessary and desirable to amend said Declarations of Covenants and Restrictions as set forth below; and

WHEREAS, such Amendment as hereinbelow set forth will not substantially change the character, nature or general scheme of development of The Trails South Forty Subdivision,

NOW, THEREFORE, the Developer hereby amends the Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida, and Notice of Provisions of The Trails South Forty Homeowners Association, Inc. as follows:

1. The Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida, and Notice of Provisions of The Trails South Forty Homeowners Association, Inc. is hereby amended by deleting the first two sentences from Section 4.3 and replacing them with the following sentences:

"Section 4.3. The initial regular monthly assessment is hereby set at the rate of \$40.00 per lot or dwelling unit. The Developer guarantees that this monthly assessment shall not exceed \$45.00 per lot or dwelling unit until such time as 51% of the dwelling units or lots in the Subdivision are sold or when turnover of control of the Homeowners Association is completed, whichever occurs first. If the Developer has not turned over the Association on or before12/31/85, then the Association shall have the right to require Developer to turn over the Association. Out of each \$40.00 of each monthly assessment received by the Association \$20.00 shall be placed in a separate interest bearing account in the name of the Association, which account shall be known as the "Repair and Maintenance Account". The funds placed in the Repair and Maintenance Account shall only be used for the purposes of maintenance and repairs of the common areas of those dwelling units in The Trails South Forty Subdivision whose owners are members of this Association. Such repair and maintenance shall be limited to repair and maintenance of the common areas of the buildings themselves, including but not limited to the painting, repair and maintenance of exterior trim, exterior walls and roofs. The funds in the Repair and Maintenance Account shall not be available for landscaping

or repair and maintenance of other amenities. The funds of the
Repair and Maintenance Account shall only be spent for the purposes
set forth herein, and then only upon resolution adopted by the
Association's Board of Directors."

IN WITNESS V	VHEREOF, the Deve	loper has	hereunto	set its	hand	and	seal
on the day an	d year first above w	ritten.					

WITNESSES:	THE TRAILS, INC.
	BY:
	ATTEST:

STATE OF FLORIDA

COUNTY OF VOLUSA

On this day, before me, the undersigned authority, personally appeared C.W. Singletary, Jr. and William G. Heath, well know to me to be the President and Secretary, respectively, of the Corporation who executed the foregoing Amendment to Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, who being by me first duly sworn, deposes and says that they executed said Amendment for the purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid, this 13th day of

April, 1983. **Notary Public** JOINDER IN AMENDMENT TO **DECLARATION OF COVENANTS AND RESTRICTIONS** OF THE TRAILS SOUTH FORTY Security First Federal Savings and Loan Association, being the owner of mortgage liens on this property described herein, hereby joins in the execution of the foregoing Amendment to Declaration for the purpose of subjecting its mortgage liens to such Amendment. Dated this 13th day of April, 1983. SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION Vice President Attest: **Assistant Secretary** STATE OF FLORIDA **COUNTY OF VOLUSIA** The foregoing "Joinder" was acknowledged before me by LINDA F. ALEXON and ROSEMARIE K. ANDERSON as Vice President and Assistant Secretary, respectively, of Security First Federal Savings and Loan Association on behalf of said Corporation. Dated this 13th day of April, 1983.

Notary Public

JOINDER IN AMENDMENT TO DECLARATION OF COVENANTS AND RESTRICTIONS OF THE TRAILS SOUTH FORTY

Walters/Clark/Pedigo Corporation f/k/a Walters/Clark Development Corporation, a Florida Corporation, being the Buyer of the property described herein by reason of a Contract for Sale and Purchase between The Trails, Inc. and Walters/Clark/Perdigo Corporation dated June 1, 1982, hereby joins in the execution of the foregoing Amendment to Declaration of Covenants and Restrictions for the purpose of subjecting its purchase to such Amendment.

restrictions for the purpose of subj	ecting its parenase to sacriffine nament.
Dated this <u>14th</u> day of April, 1	983.
	WALTERS/CLARK/PEDIGO CORPORATON
	f/k/a WALTERS/CLARK DEVELOPMENT
	CORPORATION
	By:
	Attest:
STATE OF FLORIDA	
COUNTY OF VOLUSIA	
5 5	acknowledged before me by <u>Rodney N.</u> as <u>President</u> and,
Respectively, of Walters/Clark/Pedi	go Corporaton on behalf of said Corporation
Dated this <u>14th</u> day of April, 1	983.
	Notary Public

AMENDMENT TO

DECLARATION OF COVENANTS

AND RESTRICTIONS OF

SOUTH FORTY

THIS AMENDMENT is made this <u>27th</u> day of <u>July</u>, 1983, by The Trails, Inc. A Florida Corporation, with its place of business at 1001 Old Tomoka Road, Ormond Beach, Volusia County, Florida (hereinafter sometimes referred to as "Developer").

WHERAS, the Developer has previously caused a Declaration of Covenants and Restrictions of South Forty to be placed on record in Official Records Book 2363, Pages 1705 through 1726, Public Records of Volusia County, Florida; and

WHEREAS, pursuant to Article V thereof, the Developer reserved the right to amend, modify or rescind such parts of the restrictions as it, in sole discretion, deems necessary or desirable; and

WHEREAS, the Developer in its sole discretion deems it necessary and desirable to amend the Declaration of Covenants and Restrictions of South Forty as set forth below; and

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

NOW, THEREFORE, the Developer hereby amends the Declaration of Covenants and Restrictions of South Forty as follows:

1. The Declaration of Covenants and Restrictions of South Forty are hereby amended by the following paragraphs:

"WHEREAS, The Trails, Inc., A Florida Corporation, with its principal place of business in Volusia County, Florida, hereinafter referred to as "Developer" is the owner of all of South Forty Subdivision, Phase I, in Volusia County, Florida, as per the map in Map Book 38, Pages 134-135, Public Records of Volusia County, Florida; and is also the owner of all of South Forty, Phase II, in Volusia County, Florida as per map in Map Book 39, Page 107, Public Records of Volusia County, Florida (hereinafter Phase I and Phase II are jointly referred to as the "Development"); and

WHEREAS, Developer intends to construct one dwelling unit on each of the lots contained in the Development, such units to be constructed as single family residences."

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

WITNESSES:	THE TRAILS, INC.
	Executive Vice President
	Attest:
	Assistant Secretary

7-27-83

STATE OF FLORIDA

COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared Gerald E. Upson and Janet T. Kunz well know to me to be the Executive Vice President and Assistant Secretary respectively of the Corporation ng ed.

	laration of Covenants and Restrictions of South Forty, who being ey executed said Amendment for the purposes therein expressor
WITNESS my hand and official seal in the	e County and State last aforesaid, this <u>27</u> day of <u>July</u> , 1983.
	Notary Public
JOIN	NDER IN AMENDMENT TO
DECLARATION	N OF COVENANTS AND RESTRICTIONS
	OF SOUTH FORTY
	Association, being the owner of mortgage liens on the property of the foregoing Amendment to Declaration for the purpose of out.
Dated this 1^{st} day of August, 1983.	
	SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOC.
	BY:
	Vice President
	ATTEST:
	Secretary
STATE OF FLORIDA	
COUNTY OF VOLUSIA	
	ged before me by <u>Linda F. Alexon</u> and <u>Rosemary K. Anderson</u> as ely, or Security First Federal Savings and Loan Association on
Dated this 1st day of August,, 1983.	
	Notary Public

THIS DOCUMENT PREPARED BY:
HAROLD C. HUBKA, ESQUIRE
POST OFFICE BOX 5488
DAYTONA BEACH, FLORIDA 32018

SECOND AMENDMENT TO DECLARATION OF COVENANTS AND

RESTRICTONS OF THE TRAILS SOUTH FORTY

THIS AMENDMENT is made this <u>19th</u> day of January, 1984, by THE TRAILS, INC., a Florida Corporation, with its principal place of business at 1001 Old Tomoka Road, Ormond Beach, Volusia County, Florida (hereinafter sometimes referred to as "Developer").

WHEREAS, the Developer has previously caused a Declaration of Covenants and Restrictions of the Trails South Forty Subdivision, Volusia County, Florida and Notice of Provisions of The Trails South Forty Homeowners Association, Inc., to be placed of record in Official Records Book 2363, Pages 1705-1726, Public Records of Volusia County, Florida; and

WHEREAS, pursuant to Article V, the Developer caused an Amendment to Declaration of Covenants and Restrictions of The Trails South Forty to be placed of record in Official Records Book 2443, Pages 1089-1092, Public Records of Volusia County, Florida; and

WHEREAS, pursuant to Article V, the Developer has the right to amend the Declaration of Covenants and Restrictions of The Trails South Forty as it deems necessary or desirable; and

WHEREAS, the Developer deems it necessary and desirable to amend said Declaration of Covenants and Restrictions as set forty below, and such amendments will not substantially change the character, nature or general scheme of development of The Trails South Forty Subdivision,

NOW, THEREFORE, the Developer hereby amends the Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida, and Notice of Provisions of The Trails South Forty Homeowners Association, Inc. as follows:

1. The third "WHEREAS" paragraph on page 1 of said Declaration of Covenants and Restrictions is hereby deleted and replaced with the following language:

1-19-84

"WHEREAS, it is the intention of the Developer to develop the subdivision, with the exception of Phase III(A), as high quality medium low-density, zero lot line dwellings, with common areas and recreational amenities as shown on the above referenced plat, but not including those areas shown on the plat which are reserved for commercial development; and

WHEREAS, it is the intention of the Developer to develop Phase III(A) of The Trails South Forty as high quality one and two story attached single family residences with common areas as shown on the plat for said Phase III(A), as recorded in Map Book _____, Page _____, Public Records of Volusia County, Florida; and"

2. The "NOW, THEREFORE" clause on page 2 of said Declaration of Covenants and Restrictions is hereby amended by adding the following language:

"That real property described in Exhibits "1" and "2" attached to the Second Amendment to Declaration of Covenants and Restrictions of The Trails South Forty, is and shall be held, transferred, leased, occupied and used subject to the Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida and Notice of Provisions of The Trails South Forty Homeowners Association, Inc. recorded in Official Records Book 2363, Pages 1705-1726, Public Records of Volusia County, Florida, as amended in Amendment to Declaration of Covenants and Restrictions of The Trails South Forty as recorded in Official Records Book 2443, Pages 1089-1092, Public Records of Volusia County, Florida, as amended pursuant to this Second Amendment to Declaration of Covenants and Restrictions, and as may be amended in the future. This Declaration shall become effective with respect to The Trails South Forty Phases II and III(A) at the time this Second Amendment to Declaration of Covenants and Restrictions is filed and recorded in the Public Records of Volusia County, Florida."

3. The first paragraph of Section 4.3 which appears on page 13 of said Declaration of Covenants and Restrictions, as amended, is hereby deleted and replaced in toto with the following language:

"SECTION 4.3. The initial regular monthly assessment is hereby set at the rate of \$40.00 per lot or dwelling unit. The Developer guarantees that this initial monthly assessment shall not exceed \$45.00 per lot or dwelling unit until such time as 50% of the dwelling units or lots in the subdivision are sold or when turnover of control of the Homeowners Association is completed, whichever occurs first. If the Developer has not turned over the Association on or before 12/31/86, then the Association shall have the right to require Developer to turn over the Association. Out of each \$40.00 of each monthly assessment received by the Association from members other

than those residing in Phase III(A), \$20.00 shall be placed in a separate interest bearing account in the name of the Association, which account shall be known as the "Repair and Maintenance Account". The funds placed in the Repair and Maintenance Account shall only be used for the purpose of maintenance and repairs of the common areas of those dwelling units in The Trails South Forty Subdivision other than those dwelling units in Phase III(A). Out of each \$40.00 of each monthly assessment received by the Association from owners of dwelling units in Phase III(A), \$20.00 shall be place in a separate interest bearing account which account shall be known as the "Phase III(A) Repair and Maintenance Account". The funds placed in the Phase III(A) Repair and Maintenance Account shall only be used for the purposes of maintenance and repairs of the common areas of those dwelling units in Phase III(A).

Any repair and maintenance funded by either of the above referenced Repair and Maintenance Accounts shall be limited to repair and maintenance of the common areas of the buildings themselves, including but not limited to the painting, repair and maintenance of exterior trim, exterior walls, and roofs. No funds in either of the above referenced Repair and Maintenance Accounts shall be available for landscaping or repair and maintenance of other amenities. The funds in either of the above referenced Repair and Maintenance Accounts shall only be spent for the purposes set forth herein, and then only upon resolution adopted by the Association's Board of Directors.

Thereafter, regular monthly assessments shall be determined at any regular meeting of the directors of the Association. The regular assessment may be increased beyond that set at the annual meeting upon approval of two-thirds of the membership in attendance at any regular or special meeting of the Association, but only after notice of the recommendation is given to all members at least ten (10) days prior to the date of said meeting; provided, however, that nothing herein shall be construed to preclude the Board of Directors of the Association from fixing and levying an emergency one month's regular assessment, which emergency assessment may be levied without notice to the membership and without the holding of any special or regular meeting of said membership of the Association."

Attest:

WITNESSES:	THE TRAILS, INC.
	BY:

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

STATE OF FLORIDA

COUNTY OF VOLUSIA

On this day, before me, the undersigned authority, personally appeared <u>C.W. SINGLETARY, JR.</u> and <u>WILLIAM C. HEATH</u> well known to me to be the <u>President</u> and <u>Secretary</u> respectively, of the Corporation who executed the foregoing Second Amendment to Declaration of Covenants and Restrictions or The Trails South Forty Subdivision, who being by me first duly sworn, deposes and says that they executed said Second Amedment for the purposes therein expressed.

WITNESS my hand and official seal in the County and	State aforesaid, this 19 th day of January 1984.
	NOTARY PUBLIC, STATE OF FLORIDA
JOINDER IN SECOND AMEN	NDMENT TO DECLARATION OF
COVENANTS AND RESTRICTIONS OF	THE TRAILS SOUTH FORTY
Security First Federal Savings and Loan Association, being the owner of mortgage liens on the property described herein, hereby joins in the execution of the foregoing Second Amendment to Declaration for the purpose of subjecting its mortgage liens to such Second Amendment.	
DATED this 19 th day of January, 1984.	
	SECURITY FIRST FEDERAL SAVINGS AND
	LOAN ASSOICATION
	BY:
	Attest:
STATE OF FLORIDA	
COUNTY OF VOLUSIA	
The foregoing "Joinder" was acknowledged before me by <u>LINDA F. ALEXON</u> AND <u>ROSEMARIE K.</u> <u>ANDERSON</u> as <u>Vice President</u> and <u>Assistant Secretary</u> , respectively, of Security First Federal Savings and Loan Association on behalf of said Corporation.	
DATED this <u>19th</u> day of January, 1984.	
	NOTARY PUBLIC, STATE OF FLORIDA

EXHIBIT "1"

LEGAL DESCRIPTION OF PHASE III(A)

EXHIBIT "2"

LEGAL DESCRIPTION PHASE II

THIRD AMENDMENT AND

CLARIFICATION TO DECLARATION OF COVENANTS AND

RESTRICTIONS OF THE TRIALS SOUTH FORTY

SUBDIVISION, AS AMENDED

THIS AMENDMENT, is made this _____day of March, 1984, by THE TRAILS, INC., a Florida Corporation, with its principal place of business at 1001 Old Tomoka Road, Ormond Beach, Volusia County, Florida (thereinafter sometimes referred to as "Developer").

WHEREAS, the Developer has previously caused a Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida and Notice of Provisions of The Trails South Forty Homeowners Association, Inc., to be placed of record in Official Records Book 2363, Pages 1705 through 1726, Public Records of Volusia County, Florida; and

WHEREAS, pursuant to Article V the Developer has caused an Amendment to Declaration of Covenants and Restrictions to be recorded in Official Records Book 2433, Pages 1089-through 1092, Public Records of Volusia County, Florida, as well as Second Amendment to Declaration of Covenants and Restrictions of The Trails South Forty recorded in Official Records Book 2529, Page 2529, Page 1263, Public Records of Volusia County, Florida, and subsequent to the recording of the original Declaration of Covenants and Restrictions at Official Records Book 2363, Pages 1705 through 1726, Public Records of Volusia County, Florida, Developer has determined to develop certain newly acquired property and portions of Tract "D", Tract "E" and Tract "B" all as shown on the plat of Trails South Forty Subdivision as recorded in Map Book 38, Pages 134 and 135, of the Public Records of Volusia County, Florida, into multiple family residential dwelling units which are to be subject to the Declaration and Restrictions of The Trails South Forty Subdivision, as amended; and

WHEREAS, certain portions of Tract "B" and Tract "E" as shown on the plat of The Trails South Forty Subdivision per Map Book 38, Pages 134 and 135, Public Records of Volusia County, Florida are to

be developed as a professional office park and not subject to the Declaration of Covenants and Restrictions, The Trails South Forty Subdivision, as amended.

NOW THEREFORE, for the purpose of clarifying the Legal Description of all real property which is subject to the Declaration of Covenants and Restrictions of The Trails South Forty, as amended, and for the purpose of amending any prior indications to the contrary, said Declaration of Covenants and Restrictions The Trails South Forty Subdivision as recorded in Official Records Book 2363, Pages 1705 through 1726 as amended in Official Records Book 2443, Pages 1089 through 1092 and amended in Official Records Book 2529, Pages 1263 through 1268, all in the Public Records of Volusia County, Florida, is amended as follows:

- The Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida, and Notice of and Provisions of the Trails South Forty Homeowners Association, Inc., as amended, is hereby amended and clarified by deleting the "NOW, THEREFORE", clause and replacing it with the following language:
 - "NOW, THEREFORE, this Declaration is made, filed and recorded by the Developer so that from the effective date of said original declaration, June the 15th 1982, the real property described in Composite Exhibit "A" attached hereto and incorporated herein (excluding any commercial development upon such property) 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") as are hereinafter set forth. This Declaration shall become effective and applicable as to all real property described in Composite Exhibit "A" of and from the original recording of this Declaration, Being June 15, 1982"
- 2. The Declaration of Covenants and Restrictions of The Trails South Forty Subdivision as recorded in Official Records Book 2361, Pages 1705 through 726, as amended, is further amended by adding the following language to Section 4.3:

"Twenty (\$20.00) Dollars out of each monthly assessment received By the Association from the residents of Unit 3A shall be placed in a "Repair and Maintenance Account" which is separate from the Repair and Maintenance Account established previously for other members of the Association. This is in recognition of the fact the dwelling units in Unit 3A will not need maintenance work until substantially after the date maintenance must first be performed on the other residential dwelling units within the South Forty Subdivision. The funds placed in the separate Repair and Maintenance Account for the residents of Unit 3A shall only be used for the same purposes as specified for the previously established Repair and Maintenance Account, except such repairs and maintenance shall be limited to the residential dwelling units in Unit 3A."

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

WITNESSES:		THE TRAILS, INC.	
		BY:	_
		Attest:	
STATE OF FLORIDA			
COUNTY OF VOLUSIA	A		
Before me,	the undersigned No	tary Public, personally appeared	
	and	as the	
	_ of THE TRAILS, INC	C., on behalf of said Corporation.	
		NOTARY PUBLIC STATE OF	FI ORIDA

JOINDER IN THIRD AMENDMENT AND CLARIFICATON OF DECLARATION OF COVENANTS AND RESTRICTION OF THE TRAILS SOUTH FORTY SUBDIVISION, AS <u>AMENDED</u>

e liens &

on the property described herein, herek Clarification of Declaration of Covenants	Association, being the owner of mortgage lier by joins in the execution of Third Amendment s and Restrictions of The Trails South Forty se of subjecting its mortgage liens to such
DATED this day of March, 1984.	
	SECURITY FIRST FEDERAL SAVINGS AND LOAN ASSOCIATION
	BY:
	Attest:
STATE OF FLORIDA COUNTY OF VOLUSIA	
The foregoing "Joinder" was ack	knowledged before me by
	on as <u>Vice President</u> and <u>Assistant Secretary</u> , vings and Loan Association on behalf of said
DATED this <u>15th</u> day of March, 1	984.
	NOTARY PUBLIC, State of Florida

LEGAL DESCRIPTION SOUTH FORTY PHASE 1

COMPOSITE EXHIBIT "1"

THE TRAILS SOUTH FORTY PHASE II

LEGAL DESCRIPTION

COMPOSITE EXHIBIT "1" CONTINUED

THE TRAILS SOUTH FORTH PHASE III

LEGAL DESCRIPTION

COMPOSIT EXHIBIT "1" CONTINUED

THE TRAILS SOUTH FORTY UNIT 3A

LEGAL DESCRIPTION

NOTE – ONLY RESIDENTIAL PORTIONS OF PHASE III(A) ARE SUBJECT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS

COMPOSITE EXHIBIT "1" CONTINUED

FOURTH AMENDMENT TO THE DECLARATION OF COVENANTS AND RESTRICTIONS OF THE TRAILS SOUTH FORTY SUBDIVISION

This amendment is made this $\underline{8}^{th}$ day of <u>February</u>, <u>2021</u> by THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATION, INC. with its principal place of business at 75 SOUTH FORTH TRAIL, ORMOND BEACH, and VOLUSIA COUNTY, FLORIDA (hereinafter sometimes referred to as the ASSOCIATION).

WHEREAS, the Association deems it necessary and desirable to amend said Declaration of Covenants and Restrictions as set forth below, and such amendments will not substantially change the character, nature or general scheme of the development of The Trails South Forty Subdivision.

NOW, THEREFORE, the Association hereby amends the Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, Volusia County, Florida, and Notice of Provisions of The Trails South Forty Homeowners Association, Inc., as follows:

ARTICLE II

- 1. Section 2.3 No recreational vehicle, boat, boat and trailer, or trailer alone shall be parked (for any period of time in excess of ten twenty-four consecutive hours) or stored or otherwise permitted to remain on any lot except in an approved boathouse, garage, and carport the attached garage. No automobile, truck or other commercial vehicle which has commercial advertising on it shall be parked (for any period of time in excess of TEN consecutive hours) or be stored or otherwise permitted to remain on any lot except in attached garage or carport attached to the residence.
- 2. Section 2.20(a) No garage or screen porches shall be converted to other then its original purpose.
- 3. Section 4.3 the initial regular monthly assessment is hereby set at the rate of \$40.00 per lot or dwelling unit. The Developer guarantees that this initial monthly assessment shall not exceed \$45.00 per lot or dwelling unit until such time as 51% of the dwelling units or lots in the subdivision are sold or when turnover of control of the homeowners association is completed, whichever occurs first. If the Developer has not turned over the Association on or before 12/31/85, then the Association shall have the right to require Developer to turn over the Association. Out of each \$40.00 of monthly assessment received by the Association \$20.00 shall be placed in a separate interest bearing account in the name of the Association, which account shall be know as the Repair and Maintenance Account. The funds placed in the Repair and Maintenance Account shall only be used for the purposes of maintenance and repairs of the common areas some exterior areas of those dwelling units in The Trails South Forty Subdivision whose owners are members of this Association. Such repair and maintenance shall be limited to repair and maintenance of the common area some exterior areas of the buildings themselves, including but not limited to the painting, repair and maintenance of exterior trim, exterior walls and roofs. The funds in repair and maintenance account shall not be available for landscaping.

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BY-LAWS

OF

THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATON, INC.

a corporation not-for-profit

1. GENERAL,

- 1.1 These are the By-Laws of THE TRAILS SOUTH FORTY HOMEOWNERS ASSOCIATION, INC., a Florida non-profit corporation, (hereinafter "the Association").
- 1.2 The fiscal year of the Association shall be the calendar year.
- 1.3 The seal of the corporation shall bear the name of the corporation, the word "Florida", and the words "corporation not-for-profit", and the year of incorporation.
- 1.4 The Trails South Forty subdivision shall herein-after be referred to as the "Subdivision".

2. MEMBERSHIP, VOTING QUORUM, PROXIES.

- 2.1 The shall be one vote for each lot. In no event, shall the total units exceed the number of lots in the Subdivision. One vote shall pass automatically with the title to each lot. The Trails, Inc. reserves for itself and designated successor Developers, the right to exercise all votes not so automatically conveyed, As used herein, the term "majority of owners" or similar phrase means the owners of lots, including The Trails, Inc. who owns 51% or more of the votes.
- 2.2 A <u>quorum</u> at members' meetings shall consist of the owners of a majority of the lots, and decisions shall be made by the owners of a majority of the lots represented at a meeting at which a quorum is present, except where approval by a greater number is required by the Articles of Incorporation, the By-Laws or restriction.
- 2.3 <u>Proxies.</u> At meetings of the membership, votes may be cast in person or proxy. Proxies shall be valid only for the particular meeting designated thereon and must be filed with the Secretary before the appointed time of the meetings. A member may withdraw his proxy at any time before it is voted.

3. ANNUAL AND SPECIAL MEETINGS OF MEMBERSHIP.

- 3.1 The first Annual Members' Meeting shall be held within ninety (90) days after the total number of subdivision lots held in the name of either The Trails, Inc. or in the name of any other builder who has purchased lots with the intent to construct dwelling units thereon for purposes of resale, constitutes less than 75% of the total lots in the subdivision. The purpose of the first annual meeting shall be for electing Directors and transacting any other business authorized to be transacted by the members. Thereafter, the Annual Members' Meeting shall be held annually on the same day of the same month as the first Annual Members' Meeting, for the purpose of electing Directors and transacting any other business authorized to be transacted by the members; provided, however, if that date is a legal holiday, the meeting shall be held at the same hour on the next day that is not a holiday.
- 3.2 <u>Special Members' Meeting</u> shall be held whenever called by the President or Vice-President or by a majority of the Board of Directors and must be called by such Officers upon

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

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

1.2 Voting.

- a. In case a lot is owned by more than one person or by a coporation or other entity, its vote may be cast by any person designated in writing by all owners of the lot, or by the President in the case of a corporation, and filed with the Secretary. Such designation shall be valid until revoked in writing.
- 1.3 <u>Adjourned Meetings.</u> In the absence of a quorum at any meeting, the members present may adjourn the meeting from time to time until a quorum is present.
- 1.4 <u>The Order of Business.</u> At Annual Members' Meetings and as far as practical at other members' meetings, the order of business shall be:
 - a. Calling of the roll and certifying proxies.
 - b. Proof of notice of meeting.
 - c. Reading and approval of minutes.
 - <u>d.</u> Reports of Officers and Committees.
 - e. Election of inspectors of election.
 - <u>f.</u> Election of Directors.
 - g. Unfinished business.
 - h. New business.
- 1.5 Written minutes of all meetings of the lot owners shall be kept and be available for inspection by owners and board members at all reasonable times.

2. BOARD OF DIRECTORS.

- 2.1 The Board of Directors of the Association shall consist of not less than three nor more than nine directors, the exact number to be determined at the time of election.
- 2.2 Election of Directors shall be conducted in the following manner:
 - a. Election of Directors shall be conducted at the Annual Members' Meeting.
 - b. A Nominating Committee of five (5) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the Annual Members' Meeting. The Committee shall nominate one person for each Director to be elected. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.
 - c. The elections shall be by ballot (unless dispensed by unanimous consent) and by a plurality of the votes.

- 2.3 Except for those Directors having a one year term per Article VI(b) of the Articles of Incorporation, the term of each Director's service shall extend until the second annual meeting of the members following the election of said Director and shall continue subsequently until a successor is duly executed and qualified, or until said Director is removed in the manner elsewhere provided herein or in the Articles of Incorporation.
- 2.4 The Organizational Meeting of a newly elected Board of Directors shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected, and no further notice of the organizational meeting shall be necessary.
- 2.5 <u>Regular Meetings</u> of the Board of Directors may be held at such time and place as shall be determined, from time to time by a majority of the directors. Not less than three (3) days' written notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.
- 2.6 Special Meeting of the directors may be called by the President, and must be called by the Secretary at the written request of one-third of the directors. Not less than three (3) days' written notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting.
- 2.7 Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.
- 2.8 A <u>quorum</u> at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting in which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of directors is required by the Articles of Incorporation or by those By-Laws.
- 2.9 The <u>Presiding Officer</u> of directors meetings shall be the President. In the absence of the Presiding Officer, the Directors present shall designate one of their number to preside.
- 5.0 Meetings of the Board of Directors shall be open to all lot owners and notice of meeting shall be posted conspicuously, forty eight (48) hours in advance for the attention of owners except in an emergency. Minutes of all Board meetings shall be kept in a businesslike manner and available for inspection by lot owners at all reasonable times.

5. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

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

- a. To make, levy and collect assessments against members and member's lots to defray the costs of the Association and to use the proceeds of said assessments in the exercise of the powers and duties of the Association.
- b. To make and amend regulations governing the use of the property, real and personal, of the Association so long as its regulations do not conflict with the restrictions, the Certificate of Incorporation and these By-Laws.
- c. To employ such personnel as may be required for proper operation of the Association.

6 OFFICERS

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

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

6,3 The <u>Vice-President</u> shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

6.4 The <u>Secretary</u> shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and other notices required by law. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the Office of Secretary of an association required by the Directors of the Assistant Secretary when the Secretary is absent.

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

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

7,2 <u>Budget</u>. The Board of Directors shall adopt a budget for each calendar year which shall include the estimated funds required to defray the common expense and to provide and maintain funds for the foregoing accounts and reserves according to good accounting practices. Copies of the proposed annual budget, together with a notice of the meeting at which such budget will be considered, shall be transmitted to each member not less than thirty (30) days prior to the meeting. Failure to do so shall not affect the liability of any member for payment of his proportionate share of the budget.

7.3 Assessments. Assessments against the lot owners of their share of the items of the budget

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

7.4 Acceleration of Assessment Installments Upon Default.

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

7,5 <u>Assessments for Emergencies</u>. Assessments for common expenses for emergencies that cannot be paid from annual assessments for common expense shall be made only after notice of the need for such is given to the owners. After such notice and upon approval in writing by persons entitled to cast more than one-half (1/2) of the votes of the owners, the assessment shall become effective, and it shall be due after thirty (30) days notice in such manner as the Board of Directors may require.

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

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

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

8.	DADI	IAMEN ^T	LV DV DI	II FC
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8.1 Roberts' Rules of Order (latest edition) shall govern the conduct of Association meeings when not in conflict with the Articles of Incorporation or these By-Laws.

- 9. <u>AMENDMENTS.</u> These By-Laws may be amended in the following manner:
- 9.1 <u>Notice</u> of subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
- 9.2 A <u>resolution</u> adopting a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meeting considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approval must be either by:
- a. Not less than sixty-five percent (65%) of the entire membership of the Board of Directors and by not less than sixty-five (65%) percent of the votes of the entire membership of the Association or:
- b. By not less than seventy-five percent (75%) of the votes of the entire membership of the Association.
- 9.3 <u>Proviso.</u> Provided, however, that no amendment shall discriminate against any owner nor against any class or group of owners unless the owner so affected shall consent. No amendment shall be made that is in conflict with the Articles of Incorporation or restrictions.

10. RECORDS OF ASSOCIATION.

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

The foregoing were adopted as the By-Laws of THE TINC., a corporation not for profit under the laws of t		١
Directors and/or by written action the day	,	
	Secretary	_

This amendment to By-Laws of the Trails South Forty Homeowners Association, Inc., a corporation not for profit (hereinafter "Association") being duly and lawfully executed in accordance with paragraph 9 of the By-Laws as further delineated on attached Certificate; WITNESSETH:

WHEREAS, The Trails Inc., A Florida corporation, was the Developer of The Trails South Forty Subdivision (hereinafter "The Subdivision") the legal description f which is duly recorded on subdivision plats filed in the office of the Clerk of the Circuit Court, Volusia County, Florida, on June 15, 1982, and recorded in Map Book 38, Pages 134 through 135 of the Public Records of Volusia County, Florida; and further supplemented by additions to said Subdivision recorded at Map Book 39, Page 107, Public Records of Volusia County, Florida; and

WHEREAS, The Trails Inc. (hereinafter "Developer") caused to be recorded that certain Declaration of Covenants and Restrictions The Trails South Forty Subdivision Volusia County, Florida and Notice of Provisions of The Trails South Forty Homeowners Association, Inc., dated May 4, 1982, and recorded at Official Record Book 2363, Page 1705, Public Records of Volusia County, Florida; having been amended as follows:

A: By Amendment to Declaration of Covenants and Restrictions of the The Trails South Forty dated April 15, 1983 and recorded at Official Record Book 2443, Page 1089, Public Records of Volusia County, Florida;

B: By Amendment to Declaration of Covenants and Restrictions of South Forty date July 27, 1983, and recorded at Official Record Book 2536, Page 1615, Public Records of Volusia County, Florida; and

C. By Second Amendment to Declaration of Covenants and Restrictions of The Trails South Forty dated January 19, 1984., and

Recorded at Official Record Book 2529, page 1263, Public Records of Volusia County, Florida; and

D. By Third Amendment and Clarification to Declaration of Covenants and Restrictions of The Trails South Forty Subdivision, as amended dated March 15, 1984, and recorded at Official Record Book 2548, Page 1402, Public Records of Volusia County, Florida; and

WHEREAS, the Developer further caused to be incorporated The Trails South Forty Homeowners Association, Inc. Bearing Corporate Charter Number 761146; and WHEREAS, the Developer further promulgated By-Laws incident to said corporation; and

WHEREAS the Developer has completed all construction fo single family residential units contemplated by the subdivision plats referenced above and has sold all units and a majority of the lots to third party purchasers; and

WHEREAS, turnover of association control from the developer to the unit owners has subsequently occurred; and

WHEREAS, certain provisions of the Declaration of Covenants and Restrictions having been subsequently amended require clarification due to multiple amendments referenced above; and

WHEREAS, other provisions of the Declaration of Covenants and Restrictions authorizing further Association rules and regulations now require implementation; and

WHEREAS, the Association desires to clarify certain sections of the existing ownership documents and further desires to promulgate certain rules and regulations all as permitted pursuant to the Declaration of Covenants and Restrictions; and

WHEREAS, the Association has determined that an amendment to the By-Laws of the Association is the most expeditious method of accomplishing the hoals of the Association as set forth above; and

WHEREAS, the parties have completed said amendment and wish to reduce these recitals to writing.

NOW THEREFORE, for good and valuable consideration, the

Association hereby adopts, confirms, ratifies and approves the following addition to the existing By-Laws by adopting paragraph 11, entitled Declaration of Use Restrictions in compliance with Declaration of Covenants and Restrictions, as amended, originally recorded at Official Record Book 2363, Page 1705, Public Records of Volusia County, Florida, more particularly detailed below:

- 11, Declaration of Use Restrictions.
- 11.1 Definitions and Preamble.
- a. The subdivision is now complete and all single family homes and a majority of the lots have been sold to third party purchasers. References to the Developer are now moot excepting all occasions where there may be continued developer liabilities or responsibilities as provided by Florida Law.
- b. The Architectural Control Committee referenced in the Declaration of Covenants and Restrictions shall be appointed by the Board of Directors of the Association. Members of the Board of Directors may also serve on said Committee.
- c. Property subject to the Covenants and Restrictions, Articles of Incorporation and By-Laws are deemed to include all property originally encumbered by said Declaration of Covenants and Restrictions described in the subdivision plats referenced above.
 - 11.2 Clarification of Restrictive Covenants.
- a. Lots may be used for residential purposes only, each with a one family dwelling and attached garage.
- b. The Architectural Control Committee may prohibit and structure or plantings from being erected and/or planted or maintained on common property. Such structures or plantings impede access, maintenance and the proper functioning of the sprinkler system.
- C, A Recreational vehicle is defined as any coach, motor coach or other such vehicle containing sleeping, and/or cooking, and/or kitchen or food preparation facilities. No separate boathouse, carport, or other structure may be erected to store any vehicle, trailer, boat, or boat trailer or other

prohibited vehicle. Recreational vehicles (coaches with sleeping and/or cooking and/or bathroom facilities) boat and boat trailer, boat alone, or trailer alone shall not be parked or stored or otherwise permitted to remain on any lot except for period of time not to exceed twenty four (24) consecutive hours. The purpose for the exception is to allow the owners of such vehicles, trailers, or boats to load and/or unload after trips and/or outings. Any recreational vehicle, boat alone, trailer alone, or boat and boat trailer which can be permanently housed in an attached garage, with the garage door closed is permitted. No discharge of any waste or other material shall be permitted from a recreational vehicle while it is located within the Subdivision. Abuse of this restriction may be reported by any resident to the Board of Directors who may initiate corrective action with offending party(ies) .

- d, No vehicle or trailer may be parked on grass.
- e, Any proposed change to the original exterior appearance of a unit or its attached garage must be submitted in writing to the Architectural Control Committee and the Board of Directors of the Association. Such proposal must include sufficient plans and specifications and other details as may be required by the Committee and/or Board such tat a fair and accurate determination of the effect of the change to the original exterior appearance can be determined. Any such change must be approved by both the Architectural Control Committee and the Board of Directors of the Association and absent the approval of both, said change may not be implemented.
 - f. The maintenance of grounds, landscaping and grass mowing is clarified as follows:
 - 1. The Association shall (a) maintain all original contractor or developer plantings on common property except ground plantings and/or shrubs adjacent to any residence or attached garage (defined as being within 5 feet), (b) mow all grass in the subdivision, (c) maintain all trees in the subdivision, (d) remove all diseased or damaged trees on common property.

- 2. Individual unit owners shall be responsible for (a) all ground plantings and/or shrubs within 5 feet of their residence or attached garage (b) all foliage or other plantings (except grass) on either owner's property or planted by the owner on common property after original developer and/or contractor plantings, (c) remove all diseased trees from owner's property.
- g. Owners shall be required to furnish to the Board of Directors proof of any insurance which owners may be required to procure as further delineated in the Declaration of Covenants and Restrictions, Articles of Incorporation and/or By-Laws. Any requirement to furnish proof of insurance must be uniformly applied to all owners. In the event of a fire or other casualty loss, repairs to said unit shall be commenced within thirty (30) days of the destruction. If repairs are not commenced with thirty (30) days after the destruction, the Association may undertake said repairs and collect any expenses from the owner. After any destruction, plans and specifications for repair and/or reconstruction must be submitted to the Architectural Control Committee and the Board of Directors. Said plans and specifications must show that the unit and or attached garage will be restored to its same exterior architectural appearance that existed prior to the destruction. The Architectural Control Committee and Board of Directors shall forthwith approve said plans and specifications provided they exhibit a plan of reconstruction substantially identical to the exterior architectural appearance of the unit or attached garage prior to the destruction.
- h. No permanent of temporary dog runs or other fenced in areas or enclosures shall be permitted on common property. Pet fences must be removed by the owner from all common property and/or property of other owner owners and disposed of.
- i. Neither the Architectural Control Committee nor the Board of Directors shall approve any additions or modifications to existing units which would result in an encroachment on an adjoining owner's property or common element property. At the

discretion of the Board of Directors, the Board may appoint either three (3) Board members or alternatively, the entire Board to act as the Architectural Control Committee. If the entire Board is deemed to act as the Architectural Control Committee, then the number of members of said Architectural Control Committee shall be deemed to have increased from three (3) to the actual number of members of the Board of Directors. At the first Board of Directors meeting held after the annual meeting each year, the Board shall be required to appoint the Architectural Control Committee and publish in the minutes the members of said committee. Thereafter, any and all actions fo either the Architectural Control Committee and/or the Board of Directors acting as said Committee must only take place after notice to the applicant and all adjoining property owners. The notice must be given at least fine (5) days prior to the date of the meeting.

- j. The number of four legged domesticated pets which an owner may have at any one time is limited to a maximum of two.
- k. The only signs to be displayed on common property are to be Real Estate and/or Garage Sale signs placed directly in front of the unit. Signs shall not exceed four (4) square feet. The Board of Directors may place reasonable restrictions on the length of time a sign may remain. The unit owner is responsible for moving and discarding the sign when its use is complete.
- I. No trash, garbage or other items may be burned in the subdivision. All open burning of any form of debris is prohibited. This Section shall not effect the use of customary residential ouddoor or gas grills.
- m. No fence, sign, hedge or other planting or any other item whatsoever may bbe kept or maintained, either temporarily or permanently, within the subdivision, that obscures the view regarding vehiclular or bicycle traffic in and about the subdivision.
 - n. No additions or modification to a driveway

shall be permitted without first obtaining the approval of the Architectural Control Committee and Board of Directors as otherwise provided for herein and in the Declaration of Covenants and Restrictions.

- o. Any previously defined recreational vehicle, boat and boat trailer, boat alone or trailer alone cannot be parked either on the streets or off street parking areas at any time. These vehicle, boats or trailers may only be parked in an owner's driveway and only for the time period specified in paragraph 11.2(c) above. (Unless permanently stored in a garage as further provided in paragraph 11.2(c) above).
- p. Passenger car parking is restricted to driveways, garages and off street parking plots. No parking is permitted in any other portion of the subdivision.

11.3 <u>Association.</u>

- a. The Association is responsible for the maintenance and management of common areas located within the subdivision only, and no other property. True and accurate copies of the Articles of Incorporation and By-Laws for the Association are on file with the County and the Homeowner's Association office.
- b. In the event a lot or dwelling unit is owned by more than one individual, the Board of Directors may require a voting certificate designating the owner which is authorized to vote at all annual or special owner's meetings.
 - 11.4 Maintenance Assessments, Fiscal Management and Budgeting.
- a. Section 4.3 of Article IV, Covenants for Maintenance Assessments originally recorded at Official Record Book 2363, Pages 1717 and 1718, Public Records of Volusia County, Florida, have been amended several times. As revised, the consolidated, presently enacted section reads as follows:
- SECTION 4.3. The initial regular monthly assessment was originally set at the rate of \$40.00 per lot or dwelling unit. A monthly charge of \$40.00 per lot or dwelling unit is hereby established as the minimum monthly amount. Out of each monthly

assessment received by the association from members, at least \$20,00 shall be placed in a separate interest bearing account in the name of the Association, which account shall be known as the "Repair and Maintenance Account". The funds placed in the Repair and Maintenance Account shall only be used for the purpose of maintenance and repairs of the common areas of dwelling units in The Trails South Forty Subdivision.

Any repair and maintenance funded by the above referenced Repair and Maintenance Account shall be limited to the painting, repair and maintenance of exterior trim, exterior walls, and roofs. No funds in the above referenced Repair and Maintenance Accounts shall be available for landscaping or repair and maintenance of other amenities. The funds in the above referenced Repair and Maintenance Account shall only be spent for the purpose set forth herein, and then only upon resolution by the Association's Board of Directors.

Thereafter, regular monthly assessments shall be determined at any regular meeting of the directors of the Association. The regular assessment may be increased beyond that set at the annual meeting upon approval of two-thirds of the membership in attendance at any regular or special meeting of the Association, but only after notice of the recommendation is given to all members at least ten (10) days prior to the date of said meeting; provided; however' that nothing herein shall be construed to preclude the Board of Directors of the Association from fixing and levying an emergency assessment not to exceed \$300.00, which emergency assessment may be levied without notice to the membership and without the holding of any special or regular meeting of said membership or the Association.

b. Any distinction or differentiation between repair and maintenance accounts originally established by the Developer among lots or dwellings in the Subdivision is eliminated. All fiscal and/or budgetary matters are hereby consolidated and each unit owner and/or unit and/or dwelling in the subdivision is,

and with no exceptions, treated identically,

c. The Association, through its Board of Directors, shall have the power to fix and determine from time to time the sum or sums necessary and adequate to provide for all common expenses as provided in the Declaration of Covenants and Restrictions. Specifically, and not by way of limitation, the Board may budget for items as follows: (A) Repair and maintenance for amenities shared by all residential owners in the subdivision which include the clubhouse, swimming pool and tennis courts, (B) Maintenance and repair for landscaping and other similar items of common expense. (C) Professional expenses, including attorneys fees and accountants. (D) Repair and maintenance of offsite parking. (F) Capital reserves for roof replacements, building painting, club house parking areas, walkaways, pool expenses, tennis court expenses, and clubhouse expenses.

d. Capital Reserve Expenses:

The Board of Directors shall determine items requiring capital reserves and shall compute the estimated remaining useful life and the estimated replacement costs. Thereafter, a per unit capital reserve fee will be assessed to insure that funds are available for capital expenditures as and when needed.

e. Association funds shall be held in a commercial bank or savings and loan association insured by an agency of the Federal Government. Funds collected may be maintained in one association account with separate journal entries. At the option of the Board of Directors, separate accounts may be maintained for purposes of maximizing interest collected on Association funds or as the Board may otherwise decide. The Board of Directors shall at all times adopt and follow prudent accounting standards and shall properly distinguish between funds collected for repair and maintenance of units, repair and maintenance of amenities, capital reserves, operational expenses, and such other line item categories as the Board of Directors may deem appropriate.

11.5 Enforcement

a. The Association, through its Board of Directors,

may enforce the Declaration of Covenants and Restrictions, Articles of Incorporation and By-Laws by:

(1) Appl nonconforming unit owne	ication for relief and assistance by any governmental agency having jurisdiction over the er or other individual.
	lication for assistance by any governmental agency having jurisdiction over zoning in any noncompliance.
	g a written complaint with the Ormond Beach Police Department and/or Volusia County nent where applicable.
	g suit in a court of competent jurisdiction for declaratory relief, injunction, accounting, , damages or such other relief as may be available to the Association provided by Florida
nand and seals this	EREOF, the undersigned President and Secretary of the Association have affixed their day of, 1989, acknowledging that said Amendment to By_Laws was duly the Association as more particularly described on Certificate attached hereto and
WITNESSES:	TRAILS SOUTH FORTY HOMEOWNERS
	ASSOCIATION, INC.
	President
	Secretary
STATE OF FLORIDA	
COUNTY OF VOLUSIA	
espectively of The Trails	nally appeared <u>Arthur L. Nustad</u> and <u>Annette Sirkin</u> as the President and Secretary South Forty Homeowners Association, Inc., and they acknowledge to and before me that ment for the purpose therein expressed.
WITNESS my har	nd and official seal, this <u>31st</u> day of <u>October</u> , A.D., <u>1989</u>
	Notary Public, State of Florida at Large
	My Commission Expires:

Notice is hereby given that at a duly called meeting of the member on 17 July 1989, by a vote of not less than two-thirds of the voting interest of the Association and after the unanimous adoption of a resolution proposing said Amendments by the Board of Directors, the By-Laws of the Trails South Forty Homeowners Association, Inc. a corporation not for profit, as originally promulgated and attached as an exhibit to the Declaration of Covenants and Restrictions originally recorded in Official Record Book 2363, Page 1705, Public Records of Volusia County, Florida, be and the same is hereby amended as follows:

1, The By-Laws of the Trails South Forty Homeowners Association, a corporation not for profit, is hereby amended in accordance with the amendment attached hereto and expressly incorporated herein.

IN WITNESS WHEREOF, The Trails South Forty Homeowners Association, Inc. has caused this Certificate of Amendment to be executed in accordance with the authority hereinabove expressed this <u>31</u> day of <u>October</u>, 1989.

	THE TRAILS SOUTH FORTH HOMEOWNERS ASSOCIATION, INC
	Ву:
	President
STATE OF FLORIDA	
COUNTY OF VOLUSIA	

Before me personally appeared <u>Arthur L. Nustad</u> as the President of The Trails South Forty Homeowners Association, Inc., and he acknowledged to and before me that he executed said instrument for the purpose therein expressed.

Notary Public, State of Florida at Large

My Commission expires:

WITNESS my hand and official seal, this 31st day of October, A.D., 1989.

SECOND AMENDMENT TO BY-LAWS OF THE TRAILS SOUTH FORTY

HOMEOWNERS ASSOCIATION, INC.

A CORPORATION NOT FOR PROFIT

This amendment is made this $\underline{8}^{th}$ day of <u>February</u>, 2021 by THE TRAILS SOUTH FORTY HOMOWNERS ASSOCIATION, INC. with its principal place of business at 75 SOUTH FORTY TRAIL, ORMOND BEACH, AND VOLUSIA COUNTY, FLORIDA (herein sometimes referred to as the ASSOCIATION).

WHEREAS, the Association deems it necessary and desirable to amend said BY-LAWS as set forth below, and such amendments will not substantially change the character, nature or general scheme of the development of The Trails South Forty Subdivision.

NOW, THEREFORE, The Association hereby amends the BY-LAWS of The Trails South Forty Subdivision, Volusia County, Florida and Notice of Provisions of the Trails South Forty Homeowners Association, Inc. as follows:

- 1. SECTIION 4.2(B) A nominating committee of five (5) three (3) members shall be appointed by the Board of Directors not less than thirty (30) days prior to the annual members meeting. The committee shall nominate one person for each director to be elected. Nominations for additional directorships created at the meeting shall be made from the floor, and other nominations may be made from the floor.
- 2. SECTION 6.1 The EXECUTIVE OFFICERS of the Association shall be a PRESIDENT, a VICE-PRESIDENT, a TREASURER, a SECRETARY and an ASSISTANT SECRETARY, all of whom shall be elected annually by the Board of Directors at its organizational meeting and who may be peremptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary, an Assistant Secretary or Vice-President. The Board of Directors may from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.
- 3. SECTION 7.3 ASSESSMENTS, Assessments against the lot owners of their share of the items of the budget shall be made for the calendar year annually in advance on or before December 1 preceding the year for which the assessments are made. Such assessments shall be due in in twelve (12) equal installments four (4) equal installments on the first day of each month quarter of the year for which the assessments are made.
 - Assessments are due quarterly on January 1, April 1, July 1, and October 1. Assessment notices shall be sent out fifteen (15) days prior to each quarter.
 - If an assessment is not made as required, assessments shall be presumed to have been made in the amount of the last prior assessment and monthly installments on such assessment shall be due until changed by an amended assessment. In the event the annual assessment proves to be insufficient, the budget and assessments may be amended at any time by the Board of Directors and the unpaid assessments for the remaining portion of the calendar year for which the amended assessment is made shall be due and payable in equal installments on the first day of each month remaining in the calendar year.
- 4. SECTION 11.2(B) The architectural control committee may prohibit any structures or plantings from being erected and/or planted and /or maintained on the exterior of the units on common ground-within the subdivision. Such structures or plantings impede access, maintenance and the proper functioning of the sprinkler system.

SECTION 11.2 (F) (1) The Association shall (a) maintain all original contractor or developer plantings on common ground within the subdivision except ground plantings and/or shrubs adjacent to any residence

- 1. or attached garage (defined as being within 5 feet), (b) mow all grass in the subdivision, (c) maintain all trees in the subdivision, (d) remove all diseased or damaged trees on common ground within the subdivision.
- 2. SECTION 11.2 (F) (2) Individual unit owners shall be responsible for (a) all ground plantings and/or shrubs within fine (5) feet of their residence or attached garage (b) all foliage or other plantings (except grass) on either owners property or planted by the owner on common property after original developer and/or contractor plantings (c) remove all diseased trees from owner property. (d) If owner does not maintain plantings or shrubs within fine(5) feet of their residence, within policies set by the board, the board may have the plantings or shrubs maintained as policy dictates and charge the owner for cost to do so.
- 3. SECTION 11.2 (H) No permanent or temporary dog runs or other fenced in areas or enclosures shall be permitted on common ground within the subdivision. Current fences are grandfathered in, but oncethe fence deteriorates it cannot be replaced. Pet feces must be removed by the Pet owner from all common property and/or property of other owner's areas of the subdivision immediately and disposed of in a proper manner.
- 4. SECTION 11.2 (P) Passenger Car Vehicle parking is restricted to driveways, garages and off street parking lots. No parking is permitted in any other portion or street of the subdivision. Use of VISITOR STREET PARKING LOTS restricted to VISITOR ONLY, unless permission to use such lots as been granted by the board.
- 5. SECTION 11.4 (SEC. 4.3)(C) The Association, through its Board of Directors shall have the power to fix and determine from time to time the sum or sums necessary and adequate to provide for all common expenses as provided in the Declaration of Covenants and Restrictions. Specifically, and not by way of limitation, the Board may budget for items as follows: (a) repair and maintenance for amenities shared by all residential owners in the subdivision includes the clubhouse, swimming pool and tennis courts. (b) Maintenance and repair for landscaping and other similar items of common expense. (c) Professional expenses, including attorney's fees and accountants. (d) Repair and maintenance of offsite parking. (f) Capital reserves for roof replacements, for building painting and repair, clubhouse parking area, walkways, pool expenses, tennis court expenses and clubhouse expenses.