DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

TARAWOOD, INC.

TARAWOOD, INC., a Florida corporation, hereinafter called Declarant, is the owner in fee simple of certain real property located in Citrus County, Florida, as described on Exhibit "A" attached hereto and known as Tarawood, an adult community, Phase I of which has been platted of record in Plat Book 14, Page 84-86 of the Public Records of CitrusCounty, Florida, and all of which, including Phase II and III, has been zoned as a Planned Development pursuant to the Zoning Ordinances of Citrus County, Florida, effective in 1988.

For purposes of enhancing and protecting the value, attractiveness and desirability of the lots or tracts constituting such Planned Development, Declarant hereby declares that all of the real property described above and each part whether presently platted or not, shall be held, sold and conveyed subject to the following easements, covenants, conditions and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title or interest in the above-described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I.

DEFINITIONS

Section 1. "Association shall mean and refer to Tarawood Homeowners' Association, Inc., a Florida not-for-profit corporation, its successors and assigns.

Section 2. "Commercial" shall mean all those uses permitted under the Citrus County Zoning Ordinances as in effect in 1988 pertaining to such use and as permitted by the Planned Development zoning, and as proposed and identified as Phase III of the Planned Development.

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AMERICAN TITLE SERVICES, INC.

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Section 3. "Commercial Parcel" shall mean a segment or a portion of the commercial property identified as Phase III of the approved plan of development as established by the Declarant or as subsequently platted of record; however, no segment or parcel shall be lass than 8,000 square feet.

Section 4. "Common Area" shall mean all real property owned by the Association by dedication, donation or purchase for the common use and enjoyment of the owners.

Section 5. "Declarant" shall mean Tarawood, Inc., a Florida corporation, its successors and assigns, provided such successors or assigns acquire more than one undeveloped lot from Declarant for the purpose of development.

Section 6. "Lot" shall mean any plot of land in Phase I and II as shown on a recorded subdivision plat of Tarawood with the exception of the common areas.

Section 7. "Maintenance" shall mean the exercise of reasonable care to keep buildings, roads, landscaping, lighting and other related improvements and fixtures in a condition comparable to their original condition, normal wear and tear excepted. Maintenance of landscaping shall further mean the exercise of generally accepted garden management practices necessary to promote a healthy, weed free environment for optimum plant growth.

Section 8. "Member" shall mean every person or entity who holds membership in the Association.

Section 9. "Mortgage" shall mean a conventional mortgage or a deed of trust.

Section 10. "Mortgagee" shall mean a holder of a conventional mortgage or a beneficiary under or holder of a deed of trust.

Section 11. "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any lot or parcel which is a part of the Tarawood subdivision, but

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shall not include those holding title merely as security for performance of an obligation.

Section 12. "Subdivision" shall mean Tarawood, a planned development included in the subdivided real property hereinbefore described and such further subdivisions thereof and such further additions as may be brought within the jurisdiction of the Association as hereinafter provided.

ARTICLE II.

MEMBERSHIP IN ASSOCIATION; VOTING RIGHTS

Section 1. Every owner of a lot shall be a member of the Association; membership shall be appurtenant to an may not be separated from ownership of a lot.

Section 2. The Association shall have one class of membership. A member shall be entitled to one vote for each recorded lot or commercial parcel owned. When more than one person holds an interest in a given lot or commercial parcel, all such persons shall be members and the single vote for such lot or commercial parcel shall be exercised as they may determine among themselves. In no event shall more than one vote be cast with respect to any lot or commercial parcel.

ARTICLE III.

ASSESSMENTS

Section 1. Lien and personal obligation of assessments. Declarant hereby covenants for each lot or commercial parcel within the Tarawood subdivision, and each owner of a lot or commercial parcel is hereby deemed to covenant by acceptance of his deed for such lot, whether or not it shall be so expressed in his deed, to pay to the Association (1) annual assessments and (2) special assessments for capital improvements. Such assessments will be established and collected as hereinafter provided. The annual and special assessments, together withinterest, costs, and reasonable attorneys' fees, shall be a charge on the lot or commercial parcel, and a continuing lien on

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each lot or commercial parcel against which such an assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees shall also be the personal obligation of the person or persons who owned the lot or commercial parcel at the time the assessment fell due, but such personal obligation shall not pass to the successors in title of such person or persons unless expressly assumed by them.

Section 2. Purpose of annual assessment. The annual assessments levied by the Association shall be used exclusively to promote the health, safety, welfare, and recreation of the residents in the Subdivision, and for the improvements and maintenance of the common areas situated within the Subdivision, as well as the ownership, operation and control of the utility system installed to exclusively serve the Tarawood subdivision and any additions thereof. Annual assessments shall include, and the Association shall acquire and pay for out of the funds derived from annual assessments, the following:

(a) Maintenance and repair of the common area.

(b) Water, sewer, garbage, electrical, lighting, telephone, gas, cable TV and other necessary utility service for the common area.

(c) Acquisition of furnishings and equipment for the common area as may be determined by the Association, including without limitation all equipment, furnishings, and personnel necessary or proper for use of the recreational facilities.

(d) Maintenance and repair of sewage treatment plant, water system, clubhouse, storm drains, sanitary sewers, and private streets within the confines of the Subdivision.

(e) Fire insurance covering the full insurable replacement value of the common area with extended coverage.

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(f) Liability insurance insuring the Association against any and all liability to the public, to any owner, or to the invitees or tenants of any owner arising out of their occupation and/or use of the common area. The policy limits shall be set by the Association and shall be reviewed at least annually and increased or decreased in the discretion of the Association.

(g) Workmen's compensation insurance to the extent necessary to comply with Section 440.38 of the Florida Statutes, and any other insurance deemed necessary by the Board of Directors of the Association.

(h) A standard fidelity bond covering all members of the Board of Directors of the Association and all other employees of the Association in an amount to be determined by the Board of Directors.

(i) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, insurance, taxes, or assessments which the Association is required to secure or pay pursuant to the terms of the this declaration or by law, or which shall be necessary or proper in the opinion of the Board of Directors of the Association for the operation of the common areas, for the benefit of lot owners, or for the enforcement of these restrictions.

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Section 3. Maximum annual assessment.

(a) Until January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment shall be $ 780.00.

(b) From and after January 1 of the year immediately following the conveyance of the first lot by Declarant to an owner, the maximum annual assessment may only be increased above 10% by the vote or written assent of a majority of the membership.

(c) The Board of Directors of the Association shall fix the annual assessment which amount shall not exceed the amounts permitted by this section.

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Section 4. Special assessments for capital improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement on the common area, including fixtures and personal property related to the utility system or for the purpose of establishing reserve accounts for same. Any such special assessment shall be approved by a two-third (2/3rd) vote of the Board of Directors. The board may, at its option, submit the proposed special assessment to the members for approval which will require a vote by a majority of the total membership.

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Section 5. Notice and quorum for action authorized under Sections 3 and 4. Written notice of any meeting of the membership or the Board of Directors called for the purpose of taking any action authorized by Section 3 or 4 shall be sent to all members not less than ten (10) nor more than thirty (30) days in advance of such meeting.

Section 6. Uniform rate of assessment. Both annual and special assessments must be fixed at a uniform rate for all lots and commercial parcels except those owned by the Declarant during the time of Declarant's obligation to maintain as set forth in Section 10.

Basis for Assessment. Residential Lots. Each residential lot, whether improved or unimproved, which has been conveyed to an owner shall be assessed at a uniform rate. For purpose of assessment, the term "owner" shall exclude developer, builder, contractor or other entity who purchased the lot for the purpose of constructing improvements thereon for resale to an owner.

Basis for Assessment. Commercial Parcels. Each 8,000 square feet which is certified for occupancy and each unimproved parcel which has been conveyed to an owner who is not a developer shall be assessed at 60% of the residential lot rate. Until or unless the commercial area is so divided, the assessment on the commercial area shall be determined at 10% of the total assessment for the residential lots.

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Section 7. Commencement and collection of annual assessments. The annual assessments provided for herein shall commence as to all lots shown on recorded plats and commercial parcels (except those owned by the Declarant) on the first day of the month following the conveyance of the common area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot and commercial parcel at least sixty (60) days in advance of the due date thereof and shall fix the dates such amounts become due. Assessments shall be paid quarterly, in advance. Notice of the annual assessments shall be sent to every owner subject thereto. The Association shall, on demand and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the assessments against a specific lot have been paid, and may cause to be recorded in the Public Records of Citrus County, a list of delinquent assessments as of a date certain.

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Section 8. Effect of nonpayment of assessments; remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall be deemed in default and shall bear interest from the due date at the rate of twelve (12%) percent per annum. The Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the common area or abandonment of his lot.

Section 9. Subordination of assessment lien to mortgages. The assessment lien provided for herein shall be subordinate to the lien of any first mortgage. A sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to a mortgage foreclosure (or any proceeding in lieu thereof) shall extinguish the assessment lien as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. The Declarant shall maintain the subdivision and all common areas, exclusive of any right of action by the Association, from the time of recording this declaration until Jun 1, 1992. The Declarant shall be exclusively entitled to retain all monthly assessments during this time period to defray the costs of maintenance. The Declarant further retains the exclusive right to delegate maintenance to the Association at any time it shall deem necessary to do so.

ARTICLE IV.

PROPERTY RIGHTS.

Section 1. Owner's Easements of Enjoyment. Every owner of a lot or commercial parcel shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title to such lot, subject to the following rights of the Association:

(a) The right to suspend the right of use of recreational facilities and the voting rights of any owner for periods during which assessments against his lot or commercial parcel remain unpaid, and the right, after hearing by the Board of Directors, to suspend such rights for a period not exceeding thirty (30) days for any infraction of the published rules and regulations of the Association.

(b) The right to dedicate or transfer all or any partof the common area to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the membership. No such dedication or transfer shall be effective unless an instrument executed by two-thirds (2/3rd) of the members agreeing to such dedication or transfer has been duly recorded.

Section 2. Delegation of Use. Subject to such limitations as may be imposed by the By-Laws, each owner may

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delegate his reasonable right to enjoyment in and to the common areas and facilities to the members of his family, his guests, tenants, and invitees. No guests shall make use of any of the common areas so that such use interferes with the rightful use of other members of the Association. No large parties, as same shall be defined by the Board of Directors, shall be allowed.

Section 3. Easements of Encroachment. There shall exist reciprocal appurtenant easements as between adjacent lots and between each lot and any portion or portions of the common area adjacent thereto for any encroachment due to the unwillful placement, settling or shifting of the improvements constructed, reconstructed, or altered thereon, provided such construction, reconstruction, or alteration is in accordance with the terms of this declaration. Such easement shall exist to a distance of not more than one foot as measured from any point on the common boundary between adjacent lots, and between each lot and any adjacent portion of the common area, along a line perpendicular to such boundary at such point. No easement for encroachment shall exist as to any encroachment occurring due to the willful conduct of an owner. All other easements shown on the recorded plats of Tarawood, are recorded in the Public Records of Citrus County, Florida, and are hereby incorporated by reference in this declaration.

Section 4. Other Easements.

(a) Easements for installation and maintenance of utilities and drainage facilities are shown on the recorded subdivision plat. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each lot and all improvements therein shall be continuously maintained by the owner of such residential lot, except for improvmeents for maintenance of which a public authority or utility company is responsible.

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(b) No dwelling unit or other structure of any kind shall be built, erected, or maintained on any such easement, reservation, or right of way, and such easements, reservations, and rights of way shall at all times be open and accessible to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Declarant, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations, and rights of way are reserved.

Section 5. Right of Entry. The Association, through its duly authority employees and contractors, shall have the right after reasonable notice to the owner thereof, to enter any lot at any reasonable hour on any day to perform such maintenance as may be authorized herein.

Section 6. No Partition. There shall be no judicial partition of the common area, nor shall Declarant, or any owner or any other person acquiring any interest in the subdivision or any part thereof, seek judicial partition thereof.

ARTICLE V.

USE RESTRICTIONS

The subdivision shall be occupied and used only as follows:

A. Residential areas as platted of record:

Section 1. Each lot shall be used for residential purposes only, limited to single family occupancy and for no other purpose.

Section 2. No business of any kind shall be conducted in any residence with the exception of the business of Declarant and the transferees of Declarant in developing and selling the lots as provided in Article VI below.

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Section 3. No noxious or offensive activity shall be carried on or in any lot with the exception of the business of Declarant and the transferees of Declarant in developing all of the lots as provided in Article VI below.

Section 4. No platted lot shall be subdivided or partitioned, and each owner hereby waives said right in the event any lot is owned in co-tenancy.

Section 5. No junk cars, trucks, or boats shall be maintained on any of the common areas or upon any lot of any unit owner. No vehicles may be repaired, painted, or overhauled on any lot, or on the street in front of any lot, or on any of the common areas, with the exception of minor repairs and maintenance. No lot owner should allow any vehicle owned or controlled by them to be in a state of disrepair for a period greater than five (5) days on any lots or adjacent streets.

Section 6. No unit owner shall have the right to erect any satellite dish or exterior TV antenna, or any other radio antenna or towers and each lot owner, by accepting a deed to his lot, waives any right to construct or possess any satellite dish, exterior TV antenna or any other radio antenna or tower, on his lot.

Section 7. Lighting exterior to any unit shall be placed so as not to create a nuisance to other unit owners, and shall be subject to the approval of the architectural committee.

Section 8. No sign of any kind shall be displayed to public view on a lot or the common area without the prior written consent of the Association, except customary name and address signs. The advertising of homes for sale or rent shall be posted on the billboard in the clubhouse and the Association shall establish a prominent place on said billboard for said postings of information on availability of homes for sale or rent, and the Association may prescribe rules and regulations regarding the size and manner of posting this information on the billboard. The placing of lawn signs advertising the availability of homes for sale or rent is expressly prohibited, although signs may be allowed in the windows of the residences announcing the availability of the property for sale or rent.

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Section 9. Nothing shall be done or kept on a lot or on the common area which would increase the rate of insurance relating thereto without the prior written consent of the Association, and no owner shall permit anything to be done or kept on his lot or the common area which would result in the cancellation of insurance on any residence or on any part of the common area, or which would be in violation of any law.

Section 10. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any lot or on the common area. A maximum of two domestic dogs or cats or any combination thereof shall be allowed any unit owner. Said animals shall be maintained so as to create no nuisance to any other unit owner, and each animal owner is expressly responsible for the removal of any wastes created by said animal. In no event shall any animal be maintained that exceeds thirty (30) pounds in weight. All animals must be kept on a leash at all times when outside the unit owner's residence.

Section 11. No owner shall cause or permit any unreasonable or obnoxious noises or odors, nor any nuisance of any other type. No immoral or illegal activity shall be permitted on any of the common area or unit owner's property.

Section 12. The Board of Directors of the Association of unit owners known as the Tarawood Homeowners' Association, Inc. shall have the full right and authority to develop reasonable rules and regulations for use of the recreational areas, common property, and other matters regarding the occupancy and use of their subdivision. Any such rules shall be effective upon posting on the community bulletin board.

Section 13. Tarawood Subdivision is planned as an adult residential community. It is intended that at least one Owner/Occupant at the residence will be fifty-five (55) years of age or older. No children below the age of nineteen (19) years shall be permitted to occupy any improvement on any lot, except as a guest, and then only for periods of time aggregating no more than sixty (60) days (or such lesser number of days as may be

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regulations hereafter adopted by the Board of Directors of the Association) within any calendar year.

Section 14. Absolutely no clothes lines of any shape or form shall be allowed except as permitted by the rules of the Association.

Section 15. No sod, topsoil, muck, trees, grass, or shrubbery shall be removed from the common area or right-of-way.

Section 16. If any unit owner desires to rent or lease his or her unit, said unit owner must have a written lease agreement with the tenant, containing specific language whereby the tenant will agree to abide by the restrictions contained in these documents, the By-Laws of Tarawood Homeowners' Association, Inc., and the rules promulgated by said Association.

Section 17. No rubbish, trash, garbage, or other waste material shall be kept or permitted on any lot or on the common area except in sanitary containers located in appropriate areas concealed from public view.

Section 18. No fence, wall, or other dividing instrumentality shall be constructed or maintained on any lot, except hedges or similar shrubbery or plantings which are maintained in a neat condition and are no more than three (3) feet in height.

Section 19. No outbuilding, basement, tent, shack, garage, trailer, shed, or temporary building of any kind shall be used as a residence, either temporarily or permanently, nor shall any such structure be erected on any lot for any purpose whatsoever, except for the construction purposes of the Declarant.

Section 20. Nothing shall be altered in, constructed on, or removed from the common area except on the written consent of the Association.

B. Commercial. The commercial property which is identified in the Plan of Development of Tarawood Adult Community, Phase III and is adjacent to U. S. Highway 41, shall be used for those

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commercial purposes as allowed under the Citrus County Zoning Ordinance 86-12, as amended through 1988, and shall be further subject to the following restrictions:

Section 1. No junk cars, trailers or boats shall be maintained on any of the commercial property.

Section 2. The exterior lighting on any commercial unit shall be placed or directed in such a manner so as not to create a nuisance to the residential owners and shall be subject to the approval of the architectural committee.

ARTICLE VI.

RIGHTS OF DECLARANT

Declarant or the transferees of Declarant shall undertake the work of developing all lots or commercial parcels included within the Tarawood Subdivision. The completion of that work, and the sale, rental, or other disposition of residential units is essential to the establishment and welfare of the Tarawood Subdivision as an ongoing adult residential community. In order that such work may be completed and the subdivision be established as a fully occupied adult residential community as soon as possible, nothing in this declaration shall be understood or construed to:

(a) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from doing on any part or parts of the Tarawood Subdivision owned or controlled by Declarant or Declarant's transferees or their representatives, whatever they determine may be reasonably necessary or advisable in connection with the completion of such work;

(b) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from constructing or maintaining on any part or parts of the subdivision property owned or controlled by

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Declarant, Declarant's transferees, or their representatives, such structures as may be reasonably necessary for the completion of such work, the establishment of the subdivision as an adult residential community, and the disposition of lots by sale, lease or otherwise;

(c) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from conducting on any part or parts of the subdivision property owned or controlled by Declarant or Declarant's transferees or their representatives, the business of completing such work, of establishing the subdivision as an adult residential community, and of disposing of lots by sale, lease, or otherwise; or

(d) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant or Declarant's transferees from maintaining such sign or signs on any of the lots owned or controlled by any of them as may be necessary in connection with the sale, lease, or other disposition of subdivision lots.

(e) As used in this section, the words "its transferees" specifically excludes purchasers of lots improved with completed residences.

(f) The Declarant expressly reserves the right to establish any reasonable rules and regulations binding on the lots herein described in order to maintain the aesthetic qualities of this development project. Said rule should take effect upon posting upon the community bulletin board to the same extent as if adopted by the Board of Directors.

(g) Any purchaser of any property covered by this Declaration of Covenants, Conditions and Restrictions agrees to be bound by this Declaration, but further, said purchaser realizes that this property is governed by the land use rules and regulations of Citrus County. If a conflict occur between any

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County regulations and these restrictions, the most restrictive clauses shall govern.

(h) In the event that any portion of this Declaration of Covenants, Conditions and Restrictions is found invalid, the remainder of said declarations shall continue in full force and effect.

(i) So long as Declarant makes up any deficits in the Association's budget, all unsold lots and commercial parcels owned by Declarant, including lots containing model homes or other lots or parcels used by the Declarant for any purpose shall be exempt from any assessments. Declarant, at its option, can at any time, commence paying assessments on its lots or commercial parcels which shall then terminate Declarant's obligation to fund deficits.

(j) So long as Declarant owns five (5%) percent or more of the residential lots or commercial parcels, Declarant shall have the right to appoint one member to the Board of Directors.

ARTICLE VII.

OWNERS' OBLIGATION TO REPAIR

Each owner shall, at his sole cost and expense, repair his residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting normal wear and tear.

ARTICLE VIII.

OWNERS' OBLIGATION TO REBUILD

If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the owner thereof, with all due diligence, to rebuild, repair, or reconstruct such residence in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be completed within three (3) months after the damage occurs, unless prevented by causes beyond the control of the owner or owners.

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ARTICLE IX.

ANNEXATION OF ADDITIONAL PROPERTY

Additional residential property, commercial property, and common areas not presently a part of Tarawood as identified on Exhibit "A" hereto, may be annexed to the subdivision with the consent of a majority of members along with the consent of the Declarant.

ARTICLE X.

ARCHITECTURAL CONTROL

Section 1. Creation of architectural committee. The Board of Directors of Tarawood Homeowners' Association, Inc. shall appoint a committee to be known as the Architectural Committee. Such committee shall consist of three (3) or more members of the Association who shall serve at the pleasure of the Board.

Section 2. Alterations, additions, and improvements of residences. No owner shall make any structural alteration, or shall undertake any exterior repainting or repair of, or addition to his residence which would substantially alter the exterior appearance thereof, without the prior written approval of the plans and specifications therefor by the Architectural Committee. The committee shall grant its approval only in the event the proposed work will benefit and enhance the entire subdivision in a manner generally consistent with the plan of development thereof.

Section 3. Miscellaneous additions and alterations. No exterior addition, including replanting, or external attachments shall be made to any residence, until the plans and specifications showing the nature, kind, shape, height, materials, colors and locations of the same have been submitted to and approved in writing by the Architectural Committee as to the harmony of external design and location in relation to surrounding structures and topography.

Section 4. Damage and destruction of residences; approval of structural variances. Any owner who has suffered damage to his residence by reason of fire or any other casualty may apply to the Architectural Committee for reconstruction,

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rebuilding, or repair of his residence in a manner which will provide for an exterior appearance and design different from that which existed prior to the date of the casualty. Application for such approval shall be made in writing together with full and complete plans, specifications, working drawings, and elevations showing the proposed reconstruction and the end result thereof. The Architectural Committee shall grant approval only if the design proposed by the owner would result in a finished residence of exterior design harmonious with other residences in the subdivision.

Section 5. Approval of committee; how evidenced. Whenever in this article approval of the Architectural Committee is required, such approval shall be in writing. In the event the Architectural Committee fails to approve or disapprove within thirty (30) days after receipt of a request to do so, approval will be deemed to have been given, and compliance with the terms of this article conclusively presumed.

Section 6. Exemption of Declarant. So long as Declarant is the owner of lots or commercial parcels in the subdivision, the Declarant shall be exempt from the provisions of this article relating to architectural control, and shall not be required to seek the approval of either the Board of Directors or the Architectural Committee for any construction, alteration, addition, improvement, or any other purpose whatsoever.

ARTICLE XI.

GENERAL PROVISION

Section 1. Enforcement. Declarant, the Association, or any owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this declaration. Failure by Declarant, the Association, or by any owner to enforce any

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covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3. Amendments. Covenants and restrictions of this declaration may be amended by duly recording an instrument executed and acknowledged by not less than two-thirds of the members and the Declarant. However, notwithstanding anything to the contrary herein, the Declarant shall have unqualified right to amend this declaration at any time by duly recording an instrument as referenced hereunder. Said right to amend as referenced by the Declarant shall be limited to corrections or errors contained in this Declaration to clarify any ambiguity or to make such changes as necessary to implement the original plan of development or conform to any government imposed change to the plan of development, which right shall be retained so long as the Declarant is funding the deficit of the Association budget as provided in Article VI, Section 2. Any such amendment shall <u>not</u> require the consent or signature of any unit owners but must be in the form that evidences compliance with Section 3.

Section 4. Subordination. No breach of any of the conditions herein contained or reentry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for value as to the subdivision or any lot therein; provided, however, that such conditions shall be binding on any owner whose title is acquired by foreclosure, trutee's sale or otherwise.

Section 5. Duration. The covenants and restrictions of this declaration shall run with the bind the land, and shall inure to the benefit of and be enforceable by the Association or any member thereof for a period of twenty-five (25) years from the date hereof. Thereafter, they shall be automatically extended for additional periods of five (5) years unless otherwise agreed to in writing by the then owners of at least three-quarters of the

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subdivision lots. The extension created herein and the obligation of membership in the Homeowners' Association as set forth in Article I and the assessment obligation as set forth in Article III shall be deemed to be covenants running with the land until the expiration date.

ARTICLE XII.

LAND SUBJECT TO ARTICLES OF INCORPORATION AND BYLAWS

The Association, Tarawood Homeowners' Association, Inc., is a Florida non-profit corporation. Its Articles of Incorporation are attached hereto as Exhibit "B", and the terms and provisions of same are hereby incorporated in this Declaration of Covenants, Conditions and Restrictions. The By-Laws of said corporation are appended hereto as Exhibit "C", and the provisions of same are hereby incorporated in this Declaration of Covenants, Conditions and Restrictions.

Executed at Inverness, Florida, this 23rd day of March, 1990.

TARAWOOD, INC.

By Robert H. Zablocki
Robert H. Zablocki,
President

STATE OF FLORIDA)
COUNTY OF CITRUS)

Before me, the undersigned authority, this day personally appeared ROBERT H. ZABLOCKI, President of TARAWOOD, INC., who acknowledged to and before me, the execution of the foregoing document for the purposes therein expressed.

WITNESS my hand and official seal in the County and State last aforesaid this 23rd day of March, 1990.

Notary Public

My Commission Expires: DIANNA TAFFEE State of Florida My Comm. Expires Sept. 7, 1992

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EXHIBIT A

LEGAL DESCRIPTION

All that part of the Southeast 1/4 of the Southwest 1/4 AND the Southwest 1/4 of the Southeast 1/4 of Section 28, Township 20 South, Range 20 East, lying Westerly of the right-of-way of U.S. Highway No. 41 and the West 1/2 of the Northeast 1/4 of the Northwest 1/4 AND that part of the East 1/2 of the Northeast 1/4 of the Northwest 1/4 of Section 33, Township 20 South, Range 20 East, lying Westerly of the right-of-way of U.S. Highway No. 41.

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EXHIBIT B

State of Florida

Department of State

I certify that the attached is a true and correct copy of the Articles of Amendment, filed on May 8, 1989, to Articles of Incorporation for TARAWOOD HOMEOWNERS' ASSOCIATION, INC., a Florida corporation, as shown by the records of this office.

The document number of this corporation is N31540.

BK0852PG0141

Given under my hand and the Great Seal of the State of Florida, at Tallahassee, the Capital, this the 8th day of May, 1989.

Jim Smith
Secretary of State

CR2EO22 (6-88)

FILED
1989 MAY -8 PM 2:41
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF AMENDMENT

TO

ARTICLES OF INCORPORATION

Pursuant to the provisions of Chapter 617, Florida Statutes, the undersigned corporation adopts the following Articles of Amendment to the Articles of Incorporation:

FIRST: The name of the corporation is: TARAWOOD HOMEOWNERS' ASSOCIATION, INC.

SECOND: The following amendments to the Articles of Incorporation were adopted by the corporation:

(A) ARTICLE II.

Subparagraph (g) shall be amended to read as follows:

"(g) Have and exercise any and all powers, rights, and privileges that a non-profit corporation organized under Chapter 617 of the Florida Statutes by law may now or hereafter have or exercise, including the right to own, operate and manage a water and sewer utility system for the benefit of its member."

(B) ARTICLE X.

"The Association shall have one class of voting members who shall be all owners as such term is defined in the Declaration, and shall be entitled to one vote for each lot owned or commercial parcel owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as such members may determine among themselves, but in no event shall more than one vote be cast with respect to any lot."

THIRD: The amendment was adopted by the Board of Directors on the 28th day of April, 1989.

FOURTH: This being a newly formed non-profit corporation and not having engaged in any activities nor issued any memberships, the Board of Directors therefore approved the foregoing Amendments.

BK0852PG0112

Dated: April 28, 1989.

TARAWOOD HOMEOWNERS' ASSOCIATION, INC.

By Robert H. Zablocki
Robert H. Zablocki, President

By Joyce T. Zablocki
Joyce T. Zablocki, Secretary

STATE OF FLORIDA)
)
COUNTY OF CITRUS)

Before me, the undersigned authority, personally appeared ROBERT H. ZABLOCKI and JOYCE T. ZABLOCKI, to me well known to be the persons who executed the foregoing Articles of Amendment to Articles of Incorporation, and acknowledged before me, according to law that they made and subscribed the same for the purposes therein mentioned and set forth.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 28th day of April, 1989.

Linda A. Smith
Notary Public

My commission expires:

Notary Public, State of Florida
My Commission Expires Aug. 4, 1989
Bonded Thru [illegible]

BK0852PG0143

State of Florida

Department of State

I certify that the attached is a true and correct copy of the Articles of Incorporation of TARAWOOD HOMEOWNERS' ASSOCIATION, INC., a corporation organized under the Laws of the State of Florida, filed on April 5, 1989, as shown by the records of this office.

The document number of this corporation is N31540.

BK0852PG0144

Given under my hand and the
Great Seal of the State of Florida,
at Tallahassee, the Capital, this the
5th day of April, 1989.

Jim Smith
Secretary of State

CR2EO22 (6-88)

FILED
93 NOV -5 PM 3:55
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLES OF INCORPORATION
OF
TARAWOOD HOMEOWNERS' ASSOCIATION, INC.

The undersigned subscribers, desiring to form a corporation not-for-profit under Chapter 617, Florida Statutes, as amended, hereby adopt the following Articles of Incorporation.

ARTICLE I.

The name of the corporation (hereinafter called the Association) is TARAWOOD HOMEOWNERS' ASSOCIATION, INC.

ARTICLE II.

The specific primary purposes for which the Association is formed are to provide for the maintenance, preservation, and architectural control of the residential lots and common areas within a certain subdivided tract of real property, known as Tarawood, and located in Citrus County, Florida, and more particularly described in Exhibit "A" attached hereto and by reference made a part hereof, as well as to promote the health, safety and welfare of the residents within the Tarawood subdivision and such additions thereto as may hereafter be brought within the jurisdiction of the Association for such purpose.

In furtherance of such purposes, the Association shall have power to:

(a) Perform all of the duties and obligations of the Association as set forth in a certain Declaration of Covenants, Conditions and Restrictions (the Declaration) applicable to the subdivision and to be recorded in the Public Records of Citrus County, Florida.

(b) Affix, levy, and collect, and enforce payment by any lawful means of all charges and assessments pursuant to the terms of the Declaration; and pay all expenses in connection therewith, and all office and other expenses incidental to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied on or imposed against the property of the Association.

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

(d) Borrow money and, subject to the consent by vote or written instrument of two-thirds of such class of members, mortgage, pledge, convey by deed of trust, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(e) Dedicate, sell or transfer all or any part of the common areas to any municipality, public agency, authority, or utility for such purposes and subject to such conditions as may be agreed upon by the members. No such dedication or transfer shall be effective unless an instrument has been signed by two-thirds of each class of members, agreeing to such dedication, sale or transfer.

(f) Participate in mergers and consolidations with other non-profit corporations organized for the same purposes, or annex additional residential property or common areas, provided that any merger, consolidation, or annexation shall have the assent by vote or written instrument of two-thirds of each class of members.

(g) Have and exercise any and all powers, rights, and privileges that a non-profit corporation organized under Chapter 617 of the Florida Statutes by law may now or hereafter have or exercise.

The Association is organized and shall be operated exclusively for the purposes set forth above. The activities of the Association will be financed by assessments against members as provided in the Declaration, and no part of any net earnings of the Association will inure to the benefit of any member.

ARTICLE III.

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenants of record to assessment by the Association, but excluding persons or entities holding title merely as security for performance of an

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obligation, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a lot which is subject to assessment by the Association.

ARTICLE IV.

The period of duration of the Association shall be perpetual.

ARTICLE V.

The name and residence address of each subscriber is:

Robert H. Zablocki, 10770 S. Florida Ave., Floral City, FL 32642

Joyce T. Zablocki, 10770 S. Florida Ave., Floral City, FL 32642

Carl A. Bertoch, 8935 N. Basswood Ave., Crystal River, FL 32629

ARTICLE VI.

The affairs of the Association shall be governed by a board of directors which shall initially consist of three. Thereafter, the Association may amend its bylaws to increase the number of directors; however, in no event shall it exceed nine, nor be less than three. Directors shall be members of the Association as such member is defined in the Declaration of Covenants, Conditions and Restrictions imposed or to be imposed upon Tarawood subdivision as recorded in the Official Records of Citrus County, Florida.

ARTICLE VII.

The affairs of the Association shall be managed by the following officers: President, Vice President, Secretary and Treasurer, who do not have to be members of the board of directors. The number of officers may be increased by the board of directors as determined necessary and appropriate by such board. The names of the initial officers who are to serve until the first election are:

President & Director	Robert H. Zablocki
Vice President & Director	Carl A. Bertoch
Secretary & Director	Joyce T. Zablocki
Treasurer:	Joyce T. Zablocki

All officers and directors shall serve until such time as they resign or until such time as their successors are elected or appointed.

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ARTICLE VIII.

The bylaws of the Association may be made, altered or rescinded at any annual meeting of the Association, or at any special meeting duly called for such purpose, on the affirmative vote of two-thirds of each class of members existing at the time of and present at such meeting, except that the initial bylaws of the Association shall be made and adopted by the board of directors.

ARTICLE IX.

Amendments to these articles of incorporation may be proposed by any member of the Association. These articles may be amended at any annual meeting of the Association, or at any special meeting duly called and held for such purpose, on the affirmative vote of a majority of each class of members existing at the time of and present at such meeting.

ARTICLE X.

The Association shall have ~~two classes~~ of voting members as follows:

Class A. Class A members shall be all owners with the exception of Declarant, as such term is defined in the Declaration, and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as such members may determine among themselves, but in no event shall more than one vote be cast with respect to any lot owned ~~by Class A members~~.

Class B. Class B member shall be the Declarant, as such term is defined in the Declaration, who shall be entitled to five votes for each lot owned. The Class B membership shall cease and be converted to Class A membership as provided in the Declaration.

ARTICLE XI.

The initial resident agent of said corporation shall be Robert H. Zablocki.

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ARTICLE XII.

On dissolution, the assets of the Association shall be distributed to an appropriate public agency to be used for purposes similar to those for which the Association was created. In the event such distribution is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization organized and operated for such similar purposes.

Robert H. Zablocki
ROBERT H. ZABLOCKI

Joyce T. Zablocki
JOYCE T. ZABLOCKI

CARL A. BERTOCH

FILED
89 MAR 23 PM 3:55
CLERK CIRCUIT COURT
CITRUS COUNTY, FLA.

STATE OF FLORIDA

COUNTY OF CITRUS

Before me, the undersigned authority, this day personally appeared ROBERT H. ZABLOCKI, JOYCE T. ZABLOCKI, and CARL A. BERTOCH, who acknowledged to and before me the execution of the foregoing articles of incorporation for the purposes therein stated.

Witness my hand and official seal in the County and State last aforesaid this 22nddday of March, 1989.

Brenda Buckner
Notary Public

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP JULY 31,1991
BONDED THRU GENERAL INS. UND.

ACKNOWLEDGMENT AND ACCEPTANCE OF RESIDENT AGENT

I, ROBERT H. ZABLOCKI, accept and agree to serve as Resident Agent for Tarawood Homeowners' Association, Inc.

Robert H. Zablocki
ROBERT H. ZABLOCKI

EXHIBIT "A"

All of the SW 1/4 of the NW 1/4, AND that part of the E 1/2 of the NW 1/4 of Section 33, lying Westerly of the right-of-way of U.S. Highway No. 41, AND also that part of the SE 1/4 of the SW 1/4, AND the SW 1/4 of the SE 1/4 of Section 28, lying Westerly of the right-of-way of U.S. Highway No. 41, ALL located in Township 20 South, Range 20 East, Citrus County, Florida, LESS AND EXCEPT the following described lands: Commence at the SW corner of the NW 1/4 of Section 33, Township 20 South, Range 20 East, thence S 89°57'20" E along the South line of said NW 1/4 a distance of 636.44 feet to the Point of Beginning, thence continue S 89°57'20" E along said South line a distance of 810.64 feet to a point on the West right-of-way line of U.S. Highway No. 41, said point being 50 feet from, measured at right angles to, the centerline of said U.S. Highway No. 41, thence N 17°43'45" E along said West right-of-way line a distance of 1370.87 feet, thence N 89°57'45" W parallel to the North line of the SW 1/4 of the NW 1/4 of said Section 33 a distance of 1241.26 feet, thence S 0°34'40" E parallel to the West line of said Section 33 a distance of 1306.01 feet to the Point of Beginning.

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

IN COMPLIANCE WITH SECTION 48.091, F.S., THE FOLLOWING IS SUBMITTED:

FIRST, that TARAWOOD HOMEOWNERS' ASSOCIATION, INC., desiring to organize or qualify under the laws of the State of Florida, with its principal place of business at 10770 South Florida Avenue, Floral City, in the State of Florida, has named as its agent to accept service of process within Florida, Robert H. Zablocki, located at 10770 South Florida Avenue, Floral City, FL 32636.

Having been named to accept service of process for the above-stated corporation, at the place designated in this certificate, I hereby agree to act in this capacity, and I further agree to comply with the provisions of all statutes relative to the proper and complete performance of my duties.

Robert H. Zablocki

ROBERT H. ZABLOCKI

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EXHIBIT C

BYLAWS

OF

TARAWOOD HOMEOWNERS' ASSOCIATION, INC.

A Not-for-Profit Corporation

ARTICLE I.

NAME AND LOCATION

The name of the corporation is TARAWOOD HOMEOWNERS' ASSOCIATION, INC. The principal office of the corporation shall be located at 10770 South Florida Avenue, Floral City, FL 32636, but meetings of members and directors may be held at such places within the State of Florida as may be designated by the board of directors.

ARTICLE II.

DEFINITIONS

Section 1. "Association" shall mean and refer to Tarawood Homeowners' Association, Inc., its successors and assigns.

Section 2. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners.

Section 3. "Declarant" shall mean and refer to Tarawood, Inc., a Florida corporation, its successors and assigns if such successors and assigns should acquire more than one undeveloped lot from Declarant for purposes of development.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the subdivision and recorded on APRIL 19, 1990 (~~1989~~), in Official Records Book 852, Page 120, Public Records of Citrus County, Florida.

Section 5. "Lot" shall mean and refer to any plot of land shown on the recorded subdivision plat with the exception of the common area.

Section 6. "Member" shall mean and refer to any person entitled to membership in the Association as provided in the Declaration.

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Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the subdivision, including contract sellers, but excluding those holding title merely as security for the performance of an obligation.

Section 8. "Subdivision" shall mean and refer to that certain tract of real property described in the Declaration and such additions thereto as may be brought within the jurisdiction of the Association pursuant to the provisions of the Declaration.

ARTICLE III.

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of members shall be held within one year from the date of incorporation of the Association or not later than 30 days after 75% of the lots have been sold, whichever first occurs. Subsequent annual meetings of members shall be held on the same day of the same month of each year thereafter at the hour of 10:00 a.m. If the day for the annual meeting of members is a Saturday, Sunday, or a legal holiday, the meeting will be held at the same hour on the next following day which is not a legal holiday.

Section 2. Special meetings. Special meetings of members may be called at any time by the president or by the board of directors, or on written request of members who are entitled to vote one-fourth of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of members shall be given by, or at the direction of, the secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten, but not more than 30 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of receiving notice. Such notice shall specify the day, hour, and place of the meeting, and in the case of a special meeting, the purpose of the meeting.

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Section 4. Quorum. The presence at the meeting of members entitled to cast 35% of the votes shall constitute a quorum for any action governed by these bylaws. If the required quorum is not present, another meeting may be called and the required quorum shall be 17.5% of the members.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Proxies shall be revocable, and the proxy of any owner shall automatically terminate on conveyance by him of his lot.

ARTICLE IV.

BOARD OF DIRECTORS - TERM OF OFFICE;

FIRST ELECTION; REMOVAL

Section 1. Number. The affairs of the Association shall be managed by a board of three directors who shall be members of the Association.

Section 2. Term of Office. At the first annual meeting, the members shall elect one director for a term of one year, one director for a term of two years, and one director for a term of three years; at each annual meeting thereafter, the members shall elect directors to serve for a term of three years.

Section 3. Removal. Any director may be removed from the board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the board and shall serve for the unexpired term of his predeessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

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ARTICLE V.

BOARD OF DIRECTORS - NOMINATION AND ELECTION

Section 1. Nomination. Nomination for election to the board of directors shall be by nominating committee. However,

nominations may also be made from the floor at any annual meeting of members. The nominating committee shall consist of a chairman who shall be a member of the board of directors and two or more members of the Association. The committee shall be appointed by the board of directors prior to each annual meeting to serve from the close of such meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the board of directors as it shall in its discretion determine, but in no event shall it nominate less than the number of vacancies to be filled.

Section 2. Election. Election to the board of directors shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Persons receiving the largest number of votes shall be elected.

ARTICLE VI.

BOARD OF DIRECTORS - MEETINGS

Section 1. Regular Meetings. Regular meetings of the board of directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the board. In the event the regular date for a meeting falls on a legal holiday, such meeting shall be held at the same time on the next following day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the board of directors shall be held when called by the president of the Association, or by any two directors, after not less than three days' notice to each director.

Section 3. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at a duly held meeting in which a quorum is present shall constitute the act or decision of the board.

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ARTICLE VII.

BOARD OF DIRECTORS - POWERS AND DUTIES

Section 1. Powers. The board of directors shall have power to:

(a) Adopt and publish rules and regulations governing the use of the common areas and facilities, including the personal conduct of the members and their guests thereon; and to establish penalties for infractions of such rules and regulations;

(b) Suspend the voting rights and right to use of the recreational facilities of any member during any period in which such member is in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing for a period not to exceed 30 days for infraction of published rules and regulations;

(c) Exercise on behalf of the Association all powers, duties and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these Bylaws;

(d) Declare the office of a member of the board of directors to be vacant in the event that such member is absent from three consecutive regular meetings of the board of directors; and

(e) Employ a manager, independent contractors, and such other employees as they may deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the board of directors to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at each annual meeting, or at any special meeting at which such a statement is requested in writing by one-fourth of the members entitled to vote thereat;

(b) Supervise all officers, agents, and employees of the Association and see to it that their duties are properly performed;

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(c) As more fully provided in the Declaration, to:

(1) Fix the amount of the annual assessment against each lot at least 60 days in advance of each annual assessment period;

(2) Send written notice of each assessment to every owner subject thereto at least 60 days in advance of each annual assessment period; and

(3) Foreclose the lien against any property for which assessments are not paid within 30 days after the due date, or to bring an action at law against the owner personally obligated to pay the same.

(d) Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of such payment. The board may impose a reasonable charge for the issuance of these certificates;

(e) Procure and maintain adequate liability and hazard insurance on all property owned by the Association;

(f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(g) Cause the common area to be maintained.

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ARTICLE VIII.

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a president and vice president, who shall at all times be members of the board of directors, and a secretary and treasurer, and such other officers as the board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the board of directors following each annual meeting of members.

Section 3. Term. The officers of the Association shall be elected annually by the board. Each shall hold office for a term of one year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The board may elect such other officers as the affairs in the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office by the board at any time with or without cause. Any officer may resign at any time by giving written notice to the board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment of the board. The officer appointed to such vacancy shall serve for the unexpired term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

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Section 8. Duties. The duties of the officers are as follows:

(a) President. The president shall preside at all meetings of the board of directors; shall see that orders and resolutions of the board are carried out; shall sign all leases, mortgages, deeds and other instruments, and shall co-sign all checks and promissory notes.

(b) Vice President. The vice president shall act in the place of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the board.

(c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the board and of the members; keep the corporate seal of the Association and

affix it to all papers so requiring; serve notice of meetings of the board and of members; keep appropriate current records showing the members of the Association, together with their addresses; and perform such other duties as may be required by the board or by law.

(d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association, and shall disburse such funds as directed by resolution of the board of directors; shall sign all checks and promissory notes of the Association; shall keep proper books of account; shall cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each member, and a report on which shall be give at the regular annual meeting of members.

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ARTICLE IX.

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien on the property against which such assessments are made. Any assessments not paid when due are considered delinquent. If an assessment is not paid within 30 days after the due date, the assessment bears interest from the date of delinquency at the rate of 12% per annum, and the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against his property. Interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of any assessment due. No owner may waive or otherwise escape liability for assessments by nonuse of the common area or abandonment of his lot.

ARTICLE X.

BOOKS AND RECORDS; INSPECTION

The books, records and papers of the Association shall be subject to inspection by any member during ordinary business

hours. The Declaration, Articles of Incorporation, and Bylaws of the Association shall be availble for inspection by any member at the principal office of the Association, where copies shall be made available for sale at a reasonable price.

ARTICLE XI.

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the name of the corporation.

ARTICLE XII.

FISCAL YEAR

The fiscal year of the Association shall be the calendar year, except that the first fiscal period shall begin on the date of incorporation and shall end on December 31st of the year of incorporation.

ARTICLE XIII.

AMENDMENTS

These bylaws may be amended, at a regular or special meeting of members, by vote of two-thirds of a quorum of members present in person or by proxy.

ARTICLE XIV.

CONFLICTS

In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control, in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

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FILED & RECORDED
CITRUS COUNTY, FLORIDA
BETTY STRIFLER, CLERK

'90 APR 19 AM 11 00

VERIFIED BY:

_____ D.C.