

**AMENDED DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS
AND RESTRICTIONS REGARDING HIDDEN PINES OF VOLUSIA COUNTY
HOMEOWNERS ASSOCIATION**

This Amended Declaration is made by Hidden Pines Homeowners Association of Volusia County, Inc., a not-for-profit Florida Corporation.

**ARTICLE I
NAME AND NATURE OF DEVELOPMENT**

Section 1. The name by which this complex shall be known is Hidden Pines. It is located within the city limits of New Smyrna Beach, Volusia County, Florida, south of State Road 44 at Hidden Pines Boulevard. Mailing address for the Corporation is 413 Shorewood Lane, New Smyrna Beach, FL 32168. The site plan of Hidden Pines is depicted on Exhibit 2.

Section 2. The complex shall consist of 144 townhouses and villas, the floor plans of which are depicted on Exhibits 3, 4, 5 and 6, recorded in Book 2559 at pages 1630-1633 of the Public Records of Volusia County, Florida. Each dwelling unit is contained within a platted lot and will be conveyed according to the plat of that particular phase of Hidden Pines as recorded on the Public Records of Volusia County, Florida.

**ARTICLE II
DEFINITIONS AND CONSTRUCTION**

The terms used in this Amended Declaration and in the Articles of Incorporation, the By-Laws, and any rules and regulations adopted by Hidden Pines of Volusia County Homeowners Association shall have the following meanings. Further, whenever the context so requires, the use of any gender shall be deemed to include all genders, the use of the plural shall include the singular and the singular shall include the plural.

- A. Association shall mean and refer to Hidden Pines of Volusia County Homeowners Association, Inc., a corporation not for profit, organized pursuant to Chapter 720 (formerly 617) Florida Statutes. Its duties and responsibilities are fully set forth in the Articles of Incorporation and in the By-Laws of Hidden Pines of Volusia County Homeowners Association.
- B. Assessment means a share of the funds required for the payment of the common expenses, which from time to time shall be assessed against each unit owner.
- C. Articles of Incorporation refers to the Articles of Incorporation of Hidden Pines of Volusia County Homeowners Association, Inc., a non-profit Florida corporation.
- D. By-Laws refers to the By-Laws of the association existing from time to time.
- E. Common Elements includes and refers to easements through units for conduits, ducts, plumbing, wiring and other facilities for the furnishing of utilities and other services to units and the common elements, together with property and installation required to

furnish utilities and other services, together with an easement of support in the portion of the unit contributing to the support of the building.

F. Common Area shall mean all property (including the improvements thereon) owned by the association for the common use and enjoyment of the owners/members. It shall not include any land or improvement located within any platted lot. It shall not include any land dedicated to the public, i.e., Hidden Pines Boulevard. It shall, however, include all other streets within the complex.

G. Declaration or Amended Declaration means this Amended Declaration of Easements, Covenants, Conditions and Restrictions regarding Hidden Pines which creates this form of property ownership.

H. Developer was the entity which created this townhouse/villa complex and offered parcels with improvements thereon for sale and lease in the ordinary course of business. The original developer of this complex was East Central Developers, Inc., a Florida corporation.

I. Development Plan. The complex is described and established and is to be developed as follows:

1. Legal Description, Plot Plans and Floor Plans. A legal description of the land with lot and site plans and floor plans showing the improvements that either have been or will be constructed thereon were attached as Exhibits 1, 3, 4, 5 and 6 to the Declaration. Depicted thereon are graphic descriptions of all units, including identification number of buildings and location. The legend and note contained thereon are made a part hereof by reference.

2. Identification of Units. For the purpose of identification, all units will be given identifying numbers of buildings and locations. Each unit will be identified by the use of numbers and/or letters. The building number designates the building in which the unit is located. The unit number or letter will identify the location of the unit within the building. These numbers and letters identify and locate only one unit even though units may differ in size and dimension from other units.

J. Lot means and refers to any plot of land by the recorded plat, or plats, of Hidden Pines, excluding common areas. It is this portion of the property that is subject to exclusive ownership. The term is synonymous with the term "unit" and either term may be in improvements, land, or land and improvements together.

K. Owner/Member means the owner of a lot or a unit. A member of the Hidden Pines Homeowners Association, Inc., means the same thing. The terms are synonymous.

L. Utilities Services shall include, but not be limited to, electric power, gas, water, garbage and sewage disposal and other services required or imposed by governmental authorities.

ARTICLE III

OBLIGATION AND COVENANT OF DEVELOPER

Article III has been deleted in its entirety in this Amended Declaration.

ARTICLE IV
UNIT OWNERS' RIGHTS AND RESPONSIBILITIES

Section 1. Each unit shall be conveyed as an individual property capable of independent use and fee simple ownership.

Section 2. Exclusive Possession. The owner of a unit is entitled to the exclusive possession of that unit. The owner shall be entitled to use the common areas in accordance with the purpose for which they are intended, but no such use shall hinder or encroach upon the lawful rights of owners of other units. There shall be a joint use of the common areas and a joint mutual easement for that purpose is hereby created.

Section 3. Membership in Association. Automatic membership in Hidden Pines of Volusia County Homeowners Association, Inc. shall inure to the owners of each unit.

Section 4. Perpetual Nonexclusive Easement in Common Area. The common area shall be, and the same is hereby declared to be subject to a perpetual nonexclusive easement in favor of all the owners of units in the complex for their use and for the use of their immediate family, guests and invitees, for all practical and normal purposes, and for the furnishing of services and facilities for which the same are reasonably intended for the enjoyment of such owners.

Section 5. Pedestrian and Vehicular Traffic. An easement exists for pedestrian traffic, over, through and across sidewalks, paths, lanes and walks as the same may from time to time exist upon the common areas, and for vehicular traffic, over, through and across such portions of the common area as may be from time to time paved and intended for such purposes.

Section 6. Subdivision of Units. The space within a unit may not be subdivided by the owner thereof.

Section 7. Liability for Common Expenses/Ownership of Common Surplus. Each unit owner shall be liable for a proportionate share of the common expenses and shall be entitled to a proportionate undivided credit in any common surplus.

ARTICLE V
SPECIFIC EASEMENTS

Section 1. All unit owners and the association hereby give and grant the County of Volusia and/or the City of New Smyrna Beach, and/or the Utilities Commission of the City of New Smyrna Beach, and/or any private utility company furnishing utilities to the complex, their respective licenses, agents, successors and assigns, necessary easements

and right-of-ways, and rights of ingress and egress for the purpose of providing utilities and other municipal services, including but not limited to the following: fire protection, police protection, health-related services, trash and refuse collection, inspections by inspectors and officials, and the provision, maintenance, and installing, servicing and repairing of electrical, water and sewer services, and gas services, if any. Such easements are reserved throughout the complex property, including all common areas, as may be required for utilities services needed to service the complex adequately; however, such easements through a unit shall be only in accordance with the plans and specifications for the building containing said unit, or as the building is actually constructed.

Section 2. Drainage Retention. All drainage retention areas in the complex designed for drainage retention on site plans approved by the County of Volusia shall, as nearly as possible, be preserved in their natural state. Any such drainage retention areas shall not be filled, altered, changed or modified by the association or any unit owner, without the express prior written consent of the County of Volusia, the City of New Smyrna Beach and the Saint Johns Water Management District.

ARTICLE VI

RESTRICTIONS RELATING TO USE OF PROPERTY

Section 1. Antennas. No television or radio masts, towers, poles, antenna, dishes, aerials, wires, or appurtenances thereto, shall be erected on any lot without review and recommendation by the Architectural Standards Committee and the approval of the Board of Directors.

Section 2. Garage Doors. Garage doors shall not be left open in such a manner that the interior of the garage will be exposed to the general public or to other lot owners for any more time than is necessary to enter or exit.

Section 3. Use of Unit. Each unit shall be used for single family purposes only and no trade or business of any kind shall be carried on therein except upon the written consent of the association and under such conditions as the association shall determine. The lease or rental of a unit must be for a period of not less than one year.

Section 4. Use of Common Area. There shall be no obstruction of the common area, nor shall anything be kept or stored on any part of the common area without prior consent of the association. Nothing shall be altered on, constructed in, or removed from the common area except upon the prior written consent of the association. It is the intent of this Section to prohibit storage in the common area of boats, trailers, campers, recreational vehicles and other like articles.

Section 5. Prohibition of Damage and Certain Activities. Nothing shall be done or kept on any lot or within any unit that would result in the increase in the rate of insurance over that which would normally be charged, but for such activity, without the prior written consent of the association. Likewise, nothing shall be done or kept within any unit which

would be in violation of any state statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental body. No damage to, or waste of, the common area, or any part thereof, or of the exterior of any lot or unit thereon shall be committed by any owner, or anyone claiming by, through or under the owner, and each owner shall indemnify and hold the association and other owners harmless against all loss resulting from such waste or damage. No noxious, destructive, or offensive activity shall be permitted on any lot or within any unit or in the common area or any part thereof.

Section 6. Signs Prohibited. No sign of any kind shall be displayed to the public view on any lot or the common area without the prior written consent of the association, except customary name and address signs. A single sign advertising the property for sale is allowed in accordance with the rules and regulations.

Section 7. Clotheslines Prohibited. No owner shall permit any clothesline upon which articles of clothing are to be hung in the common area.

Section 8. Parking. No owner, family, guest or invitee shall park, store, keep, repair or restore any boat or trailer anywhere within the complex except in an enclosed garage. An automobile, motorcycle or truck, not exceeding one half ton capacity, may be parked in the driveway portion of a lot. Commercial trucks and commercial vans are not permitted. The use of all guest parking areas in the common areas shall be subject to such rules and regulations as may, from time to time, be adopted by the association.

Section 9. No animals, livestock or poultry of any kind shall be raised, bred or kept anywhere within the complex, except that cats, dogs and other customary household pets, not exceeding forty pounds, and limited to two pets per household, may be kept within the units subject to rules and regulations as may, from time to time, be adopted by the association. No animal shall be kept, bred or maintained for any commercial purpose. The association may prohibit the keeping of any pet anywhere within the complex which the association reasonably determines may constitute a threat to the safety or health or well-being of persons lawfully upon any property comprising the complex. All owners at all times shall comply with all rules, regulations, ordinances, statutes and laws adopted, promulgated or enforced by any public agency having jurisdiction over the property within the complex, relating to animals.

Section 10. Waste Management. No rubbish, trash, garbage or other waste materials shall be permitted upon any lot except within the unit on such lot. All rubbish, trash, garbage or other waste materials shall be put in sanitary containers and placed at the curb for pickup.

Section 11. Mailboxes. Mailboxes shall be placed only in designated areas.

Section 12. Alterations on Exteriors of Buildings Prohibited. No exterior alteration of any building, including painting, or of any lot shall be permitted without prior written consent of the board.

Section 13. Rules and Regulations. No owner or tenant shall violate the rules and regulations for the use of the common area, as the same are from time to time adopted by the association. The prohibitions and restrictions contained in this Article shall be self-executing without implementation by rules and regulations; but the foregoing shall not be construed as an implied prohibition against the association extending the scope of such prohibitions and restrictions by, from time to time, adopting rules and regulations consistent with this Amended Declaration.

ARTICLE VII
PARTY WALL

Section 1. General Rules to Apply. Each wall such as is built as part of the original construction of the buildings within the complex and placed on the dividing line between the lots, shall constitute a party wall, and the general rules of law regarding party walls and liability for property damage through negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of the party wall shall be shared by the owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed by a fire or other casualty and is not covered by insurance, any owner who has used the wall may restore it; and, if the owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to their use, without prejudice however to the right of any such owner to call for larger contribution from the others under any rule or law regarding liability for negligence or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this article, an owner who, by negligent or willful act, causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against the elements.

Section 5. Right of Contribution to Run with the Land. The right of any owner under this article shall be appurtenant to the land and shall pass to such owner's successors in title.

ARTICLE VIII
ADMINISTRATION OF HIDDEN PINES

Section 1. Management. The management and operations of the common areas and all improvements thereon shall be by Hidden Pines of Volusia County Homeowners Association, Inc.

Section 2. Governing Documents. The association and its members shall be governed

by the provisions of its Amended Declaration, Articles of Incorporation and By-Laws as they exist from time to time.

Section 3. Membership. As set forth above, membership in the association is appurtenant to each of the units and may not be separated from the ownership of the respective unit to which it appertains. All persons hereafter having of record a vested ownership interest to a unit within the complex, whether acquired by purchase, gift, inheritance, devise, judicial order, transfer by operation of law or otherwise, shall be and become members of the association upon the record acquisition of such ownership interest. Such membership shall automatically cease and terminate when the member no longer owns an interest.

Section 4. Voting. On all matters to which the membership shall be entitled to vote, there shall be one vote for each unit. Voting rights are as set forth in the Articles of Incorporation and By-Laws. When the association owns a unit, no vote shall be allowed for such unit nor shall such unit be considered in determining a quorum or percentage of votes. In the case of a property owned as a tenancy by the entirety or jointly, only one owner may exercise the vote.

Section 5. Board of Directors. The business affairs of the association shall be managed, controlled and governed by a board of at least five directors who shall be elected by the members in accordance with and as more particularly set forth in the Articles of Incorporation and the By-Laws of the association as lawfully exist from time to time.

Section 6. Financial Responsibility. The association shall pay all taxes, licenses or other governmental charges levied or assessed against the common property, the association or its property. Further, the association shall pay all insurance premiums required of the common area and improvements thereon. Further, the association shall assume the financial responsibility for mutually incurred, or common expenses of its members which are for maintenance, repair or replacement of the common area or improvements thereon, or in furtherance of the common health, safety and welfare of the members of the association, and in general are as deemed necessary or desirable for the complex as a whole. Pursuant to the power and authority granted to the association in the Amended Declaration, the association shall have the responsibility for the levy, collection and enforcement of assessments and payment of common expenses as hereinafter provided.

Section 7. Limitations Upon Liability of the Association. Notwithstanding the obligation of the association to maintain and repair the common area, the association shall not be liable to unit owners for injury or damage, other than the cost of maintenance and repair, caused by the latent condition of the property maintained and repaired by the association, or caused by the elements or other owners or persons.

Section 8. Restraint Upon Assignment of Shares and Assets. The shares of members and the funds and assets of the association cannot be assigned, hypothecated or transferred in any matter except as appurtenant to the unit.

Section 9. Maintenance of Units. The association shall maintain, repair and replace at the association's expense:

A. All portions of a unit contributing to the support of a housing unit, which shall include, but not be limited to, roofs, outside walls of unit buildings, those portions of boundary walls not a part of the unit, floor and ceiling slabs, load-bearing columns and load-bearing walls.

B. All conduits, ducts, plumbing and wiring and other facilities for the furnishing of utility services contained in the portion of the unit maintained by the association, and all other facilities contained within a unit that services part or parts of the building other than the unit within which it is contained.

C. All incidental damages caused to a unit by the work described in Section 9 shall be repaired promptly at the expense of the association.

Section 10. Non-responsibility of the Association. The association does not assume responsibility for any of the following which shall be the sole responsibility of each unit owner:

A. To keep and maintain the unit, its equipment and appurtenances in good order, condition and repair and to perform promptly all maintenance and repair work within the unit which, if omitted, would affect the remainder of the building. Notwithstanding anything contained in the Amended Declaration, the owner of each unit shall be liable and responsible for maintenance, repair and replacement, as the case may be, of all windows, screens, and all exterior doors, including sliding glass doors, and all air-conditioning, including compressors and heating equipment, stoves, refrigerators, fans, and other appliances and equipment, including pipes, wiring, ducts, fixtures and/or their connections required to provide water, lights, power, air-conditioning and heating, telephone, cable, sewage and sanitary service, which may not or hereafter be situated in the unit.

B. To maintain, repair and replace any and all walls, ceilings and floor interior surfaces, painting and decorating and furnishings, and all other accessories that such owner may desire to place and maintain in the unit.

C. Where applicable, to maintain and keep in a neat and trim condition the floors, ceiling, interior walls, screening and railings of patios, porches and decks.

D. To promptly report to the association any defects or need for repairs for which the association is responsible.

E. Plumbing and electrical repairs to fixtures and equipment located within a unit and exclusively serving a unit shall be paid for and be a financial obligation of the owner.

F. Any officer of the association or any agent of the board shall have the irrevocable right to have access to each unit from time to time during reasonable hours as may be necessary for inspection, maintenance, repair or replacement of any common element, or for making emergency repairs necessary to prevent damage to any common element or to other units.

G. Not to paint, stain, or otherwise decorate or change the appearance of any portion of the exterior of the unit or building unless authorized by the Board of Directors of the association.

ARTICLE IX
ASSESSMENT PROGRAM

Section 1. Assessments. To perform and carry out the duties and obligations of the association, the association is granted the power to levy and enforce the collection of such assessments as are necessary to perform those duties and obligations as are contained in this Amended Declaration and elsewhere expressly or impliedly imposed upon it. Each unit owner within the complex, regardless of how title is acquired, shall be deemed to covenant and agree to pay the association such annual assessments or charges, and such special assessments as from time to time may be required, in such manner and in such increments as the association shall determine. The establishment, collection, and enforceability of such assessment shall be pursuant to the By-Laws of the association and subject to the provisions set forth herein. Each unit owner shall be liable for a proportionate share of the common expenses and shall be entitled to a proportionate undivided credit in any common surplus.

Section 2. Use of Assessment Funds. The assessments levied by the association shall be collected in installments as set forth by the By-Laws and shall be used exclusively to fulfill the duties and obligations expressly or impliedly imposed by or upon the association, including promotion of the recreation, health, safety and welfare of the owners of units within the complex, for taxes and insurance upon, and maintenance, repair, replacement and improvement of any common elements, and improvements within and upon the common area and appurtenant equipment and facilities.

Section 3. Special Assessment. In addition to the 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 to, of, or on common elements, including fixtures and personal property related thereto, provided that any such assessment first be approved by an affirmative vote of the majority (51%) of the association membership at a meeting duly called for this purpose. Notice of any meeting of members of the association called to consider a special assessment shall be given as provided in the By-Laws for a special meeting.

Section 4. Uniform Rate of Assessment. Both regular and special assessments must be fixed at a uniform rate and in such a manner that each unit and owner or owners thereof shall be liable for a proportionate share of the common expenses.

Section 5. Budgets. The Board of Directors of the association shall determine and approve an annual budget.

Section 6. Amount of Assessment. The amount of the assessment in any one particular year shall be established in accordance with the By-Laws by the Board of Directors. If the Board of Directors shall fail to make an assessment in any particular year, an assessment shall be presumed to be the amount of the assessment made for the immediately preceding year.

Section 7. Assessment Notification. After the adoption of the budget and the determination of the assessment, the association shall assess such sums by promptly notifying all owners by delivering or mailing notice thereof to the unit owner at such member's most recent address as shown by the books and records of the association.

Section 8. Interest on Delinquent Assessments. Each unit owner shall promptly pay the assessment levied by the association. Any assessment not paid within ten days after the due date established by the Board of Directors shall bear interest rate of eighteen percent (18%) per annum, or such other lawful rate of interest as may be established by the Board of Directors. All payments upon accounts shall be applied first to interest and then to the assessment payment.

Section 9. Lien for Assessment. The association shall have a lien on each unit for any unpaid assessments, together with interest thereon, against the unit itself, and all tangible property located within the unit, except that such lien upon the aforesaid tangible personal property shall be subordinate to prior bona fide liens of record. Reasonable attorney's fees incurred by the association incident to the collection of such assessments for the enforcement of such lien, together with all sums advanced and paid for by the association for taxes and payment on account of superior mortgages, liens or encumbrances which may be required in advance by the association in order to preserve and protect its lien, shall be payable by the unit owner and secured by such lien. The association's lien shall also include those sums advanced on behalf of each unit owner in payment of his obligation for use charges and operation cost likewise referred to as common expenses. Said liens shall be effective from and after the time of recording in the Public Records of Volusia County, Florida, of the claim of lien stating the description of the unit, the name of the owner of record, the amount due and the date when due, and the lien shall continue in effect until all sums secured by the lien have been fully paid. Such claims of lien shall be signed and verified by an officer of the association. On full payment, the party making the payment shall be entitled to a recordable satisfaction of the lien. Any and all such liens herein provided for shall be junior, inferior and subordinate to the lien of the mortgage, including an institutional mortgage, and purchase money mortgage, or other valid lien recorded prior to the time of recording the aforesaid claim of lien.

Section 10. Extinguishment of Lien by Foreclosure of Mortgage. Upon recording of the certificate of title issued by the court pursuant to the foreclosure of a mortgage held by an institutional mortgagee or a purchase money mortgage or of a mortgage superior in time and right to the lien, or upon the recording of a deed in lieu of such foreclosure, any lien for assessments due and payable prior to such recordation shall be deemed extinguished, void, and of no further force and effect except for a properly recorded notice of assessment lien recorded prior to the subject mortgage, but the unpaid assessment shall be deemed to be a common expense collectable from all unit owners. Nothing contained herein shall be construed as releasing the party liable for such assessments from payment of the personal obligation or the enforcement or collection by a means other than foreclosure. Any assessment becoming due and payable subsequent to the filing of such

certificate of title or deed shall be effective as to the grantee of such certificate of title or deed or the grantee's successors in title.

Section 11. Assessment Constitutes Personal Obligation. Each regular or special assessment, together with interest, costs, and expenses of collection, including a reasonable attorney's fee, shall be the personal obligation of the person or persons (jointly or severally) who was or were the owner of record of the unit assessed at the time when the assessment fell due. In a voluntary conveyance, the grantee shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his share of the common expenses up to the date of such voluntary conveyance, without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee.

Section 12. Collection and Foreclosure. The Board of Directors shall take such action as it deems necessary to collect assessments of the association by personal action or by enforcing and foreclosing said lien, and may settle and compromise the same if it is in the best interest of the association to do so. Said lien shall be effective as and in the same manner provided for by law and shall have the priorities established by law. The association shall be entitled to bid at any sales held pursuant to a suit to foreclose an assessment lien, and to apply as a cash credit against its bid all sums due the association covered by the lien enforced. In case of such foreclosure, and if the former unit owner remains in possession, the unit owner shall be required to pay reasonable rent for the unit and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same from the unit owner and/or the occupant.

Section 13. Certification of Outstanding Assessments. Any person purchasing or encumbering a unit shall have the right to rely upon any written certification by the President and Secretary or Treasurer of the association regarding the current status of an assessment against each unit. Such certification shall be binding upon the association and its members. Unit owners and mortgage holders shall have the right to request from the association such a certificate.

Section 14. Assignment of Claim and Lien Right. The association, acting through its Board of Directors, shall have the right to assign its claim and lien right for the recovery of any unpaid assessment to any unit owner or group of unit owners, or any third party.

Section 15. Non-Waiver. The liability for assessments may not be avoided by waiver of the use or enjoyment of any common area or by abandonment of the unit for which the assessment is made.

ARTICLE X
MAINTENANCE, ALTERATIONS AND IMPROVEMENTS OF
UNITS AND COMMON ELEMENTS

Section 1. Units.

A. By the Association. The association shall maintain, repair and replace at the

association's expense:

1. All portions of a unit contributing to the support of the building, which portion shall include, but not be limited to, roofs, outside wall of the building and those portions of boundary walls not a part of any unit, floor and ceiling slabs, load-bearing columns and load-bearing walls.

2. All conduits, ducts, plumbing, wiring and other facilities for the furnishing of utilities services contained in the portion of the unit maintained by the association, and all such facilities contained within a unit that service part or parts of the building and other units other than the unit within which it is contained.

3. All incidental damages caused to a unit by the work described above shall be repaired promptly at the expense of the association.

B. By the Unit Owner. The responsibility of the unit owner with regard to the unit shall be as follows:

1. To keep and maintain the unit, its equipment and appurtenances in good order, condition, and repair and to perform promptly all maintenance and repair work within the walls of the unit which, if omitted, would affect the building in its entirety, or a part belonging to others, being expressly responsible for the damages and liability which failure to do may engender. Notwithstanding anything contained in this Amended Declaration, the owner of each unit shall be liable and responsible for the maintenance, repair and replacement, as the case may be, of all windows, screens, and all exterior doors, including sliding glass doors, and all air-conditioning, including compressors and heating equipment, stoves, refrigerators, fans, and other appliances and equipment, including pipes, wiring ducts, fixtures and/or their connection to provide water, lights, power, air-conditioning and heating, telephone, cable, sewage and sanitary service to the unit which may now or hereafter be situated in the unit.

2. To maintain, repair and replace any and all wall, ceiling and floor interior surfaces, painting, decoration and furnishings, and all other accessories which owner may desire to place and maintain in the unit.

3. To maintain, repair and replace the unit's existing walkways, driveways and patios.

4. To promptly report to the association any defect or need for which the association is responsible.

Section 2. Common Elements.

A. By the Association. The maintenance and operation of the common elements including the repair, maintenance and replacement of the landscaping, parking areas, walkways, and other improvements and facilities shall be the responsibility of the association as common expense.

B. Alterations and Improvements. After completion of the improvements included in the common elements contemplated in the Amended Declaration, there shall be no alteration or further improvement of the real property constituting the common elements without the approval of the members of the association as established by the By-Laws.

Section 3. Enforcement of Maintenance. In the event a unit owner fails to maintain a unit as required above, the association or other unit owner shall have the right to proceed to any appropriate court to seek compliance with the foregoing provisions, or the

association shall have the right to assess the unit owner and the unit for the necessary sums to put the improvements within the unit in good condition. After such assessment, the association shall have the right to have its employees or representatives enter the unit and do the necessary work to enforce compliance with above provisions. Further, in the event a unit owner violates any of the provisions of this section, the association shall have the right to take all steps necessary to remedy such violation, including, but not limited to, entry of the unit, with or without the consent of the unit owner, and the repair or maintenance of any item requiring the same, all at the expense of the unit owner.

Section 4. Limitation Upon Liability of the Association. Notwithstanding the duty of the association to undertake the maintenance, repair and replacement of the above-described portions of the property, the association shall not be responsible for injury or damage, other than the cost of the maintenance or repair caused by any latent condition of the property to be maintained or repaired by the association of which the association does not have knowledge, or caused by the elements or by their owners, their tenants, guests, invitees, or by any other persons. It is expressly provided that in the event that the maintenance, repair or replacement of any item is undertaken by the association and the same results in incidental damage to an individual unit such damage shall promptly be repaired by the association at the expense of the association.

ARTICLE XI **INSURANCE PROVISIONS**

The insurance which shall be carried on the property of the unit owners and the property of the association shall be governed by the provisions contained in this Article.

Section 1. Authority to Purchase. All insurance policies upon the property within the complex shall be purchased by the association for the benefit of the association and the unit owners. Such policies shall be deposited with the Board of Directors and/or the management company. Unit owners may obtain insurance coverage at their own expense upon their personal property and for their personal liability and living expenses. All policies purchased by the association must be written by insurance companies authorized to do business in the State of Florida, and with offices or agents in Florida.

Section 2. Casualty. All buildings and improvements upon the land, including units and all personal property of the association included in the complex property are to be insured in an amount equal to the maximum insurable replacement value, excluding foundations and excavation costs, as determined annually by the Board of Directors of the association, and all such insurance must be obtained, if possible, from the same company. Such coverage shall provide protection against:

A. Loss or damage by fire and other hazards covered by a standard extended coverage endorsement and flood insurance if required by an institutional mortgagee.

B. Such risk as from time to time shall be customarily covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism and malicious mischief.

Section 3. Public Liability. Liability shall be in such amounts and with such coverage as shall be required by the Board of Directors with cross liability endorsements to cover liability of the unit owners as a group to a unit owner.

Section 4. Worker's Compensation. Worker's Compensation shall be required to meet the requirements of the law.

Section 5. Association Insurance. Other insurance may be purchased as the Board of Directors, at its discretion, may determine from time to time, to be in the best interest of the association and the unit owners, including directors' liability insurance or other insurance that an institutional mortgagee may reasonably require, so long as it is the owner of a mortgage on a unit.

Section 6. Premiums. Premiums for insurance policies purchased by the association shall be paid for by the association.

Section 7. Assured. All insurance policies purchased by the association shall be for the benefit of the association and the unit owners and the mortgagees as their interest may appear, and shall provide that all insurance proceeds covering casualty losses shall be paid to an association account in any financial institution having offices in Volusia County, Florida. All insurance policies shall require written notification to each institutional mortgagee not less than ten (10) days in advance of cancellation of any insurance policy insuring the complex. The duty of the Board of Directors shall be to receive such proceeds as are paid and hold the same in trust for the purposes stated herein for the benefit of the unit owners and their mortgagees in the following shares:

A. Common Elements. Proceeds on account of common elements shall be held in as many shares as there are units in each building, and the share represented by the percentage of each unit owner in the building shall represent the owner's percentage in the common elements.

B. Units. Proceeds on account of unit shall be held in the following undivided shares:

1. Partial Destruction. When the building is to be restored, proceeds for the owners of damaged units shall be in proportion to the cost of repairing the damage suffered by each unit.

2. Total Destruction. When the building is to be restored, proceeds for the owners of all units in the building shall be in proportion to their share of the common elements appurtenant to their unit.

3. Mortgagee. In the event a mortgagee endorsement has been issued for a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interests appear. In no event shall any mortgagee have the right to demand the application of the insurance proceeds to any mortgage or mortgages which it may hold against the units, except to such extent as said insurance proceeds may exceed the actual cost to repair or reconstruct the damaged building or buildings. No mortgagee shall have the right to participate in the determination as to whether or not improvements will be restored after casualty.

Section 8. Distribution of Proceeds. Proceeds of insurance policies received by the association shall be distributed to or for the benefit of the beneficial owners in the following manner:

A. Reconstruction or Repair. If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to unit owners and their mortgages being paid jointly to them.

B. Failure to Reconstruct or Repair. If it is determined in the manner elsewhere provided that the damage for which the proceeds are paid shall not be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to unit owners and their mortgagees being paid jointly to them.

C. Certificate. In making a distribution to unit owners and their mortgagees, the Board of Directors and/or the management company may rely upon a certificate of the association signed by a duly authorized officer as to the names of the unit owners and their respective shares in the distribution.

Section 9. Association as Agent. The association is irrevocably appointed agent for each unit owner, for each owner or holder of a mortgage or other lien upon any unit, and for each owner of any other interest in the complex, to adjust any claims arising under insurance policies purchased by the association and to execute and deliver releases upon the payment of such claims.

Section 10. Benefit of Mortgagee. Provisions regarding insurance are for the benefit of any mortgagee of a unit. All of these provisions are covenants for the benefit of any mortgagee of a unit and may be enforced by such mortgagee.

Section 11. Reconstruction or Repair After Casualty. If any part of the complex shall be damaged by casualty, whether or not it can be reconstructed or repaired shall be determined in the following manner:

A. Common Elements. If the damaged improvement is a common element, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the complex shall be terminated.

B. Residential Buildings. If one or more residential buildings shall be damaged or destroyed, repair or reconstruction thereof, or termination of the complex, shall be in accordance with the following

1. Total Destruction of All Buildings. If all the residential buildings within the complex are totally destroyed or so damaged that no unit therein is habitable, none of the buildings and none of the improvements comprising the common elements or the common areas shall be reconstructed unless the owners of units to which 75% of the common elements are appurtenant agree in writing within sixty days after the date of such destruction to reconstruct the same and unless the then applicable zoning and other regulatory laws and ordinances shall allow the same to be reconstructed, or unless any policy of policies of casualty insurance covering the same shall require reconstruction thereof as a condition precedent to the payment of proceeds thereunder.

2. Damage to and Destruction of Some Buildings. If some, but not all of the

residential buildings are damaged and/or destroyed and one or more of the units and one or more of the buildings remain habitable, the damaged or destroyed common elements and/or units shall be repaired and reconstructed so that each building and/or unit shall be restored to substantially the same condition as existed prior to such damage or destruction, unless within sixty days after the casualty it is determined in the manner elsewhere provided that the complex shall be terminated.

Section 12. Plans and Specifications. Any reconstruction or repair must be substantially in accordance with the plans and specifications of the original buildings and improvements; or if not, then according to plans and specifications approved by the Board of Directors and by all holders of institutional mortgages on the complex property, and if the damaged property is a building of housing units, by the owners of not less than 75% of the common elements and by the owners of all damaged units therein, which approval shall not be unreasonably withheld.

Section 13. Estimate of Cost. Immediately after a casualty causing damage to the property for which the association has the responsibility of maintenance and repair, the association shall obtain reliable and detailed estimates of the cost to repair or rebuild.

Section 14. Assessments. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the association, or if at any time during the reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all unit owners in the case of damage to common elements, in sufficient amounts to provide funds to pay the estimated costs. Such assessments against the unit owners for damage to units shall be in proportion to the cost of reconstruction and repair of their respective units. Such assessments on account of damage to the common elements shall be in proportion to the owner's share of the common elements.

Section 15. Deductible Provision. The funds necessary to cover any deductible amount under an insurance policy against which a claim is made shall be a common expense.

Section 16. Reconstruction Funds. The funds for the payment of costs for reconstruction and repair after casualty shall consist of proceeds of insurance held by the association and funds collected by the association from assessments against unit owners. These funds shall be disbursed in payment of such costs by the Board of Directors of the association in accordance with these documents, legal requirements and current building codes.

ARTICLE XII

AMENDMENTS AND MODIFICATIONS TO AMENDED DECLARATION

This Amended Declaration may be amended or modified only in accordance with this article.

Section 1. Notice. Notice of the subject matter of a proposed amendment or modification shall be included in the notice of any meeting at which a proposed amendment is to be considered.

Section 2. Resolution. A resolution for any amendment to this Amended Declaration may be proposed by the Board of Directors of the association acting upon a vote of the majority of the members of the Board of Directors, or by twenty five percent (25%) of the voting membership of the association, whether meeting as members or by an instrument in writing signed by them. Upon any amendment to this Amended Declaration being proposed in either manner specified herein, such proposed amendment shall be transmitted to the President of the association or officer of the association in the absence of the President, who shall thereupon call a special meeting of the members of the association for a date not sooner than fourteen (14) days, nor later than sixty (60) days from the receipt by him/her of the proposed amendment. If proposed by the membership, the President or designate shall also call, prior to the members' meeting, a special meeting of the Board of Directors according to the By-Laws. The Secretary shall give notice to each member according to the By-Laws for special meetings of the members. 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.

Section 3. Approval of Amendment. Except as elsewhere provided, such approval must be either:

- A. By not less than a majority of the entire membership of the Board of Directors and an affirmative vote of the majority (51%) of the association membership.
- B. By an affirmative vote of eighty percent (80%) of the association membership.
- C. In the alternative, an amendment may be made by an agreement signed and acknowledged by all unit owners in the manner required for the execution of a deed.

ARTICLE XIII **DEVELOPERS' UNITS AND PRIVILEGES**

Article XII has been deleted in its entirety in this Amended Declaration.

ARTICLE XIV **ENFORCEMENT OF AMENDED DECLARATION, COMPLIANCE AND** **DEFAULT**

Section 1. Each unit owner and family, guest, tenants and any other person using the unit by, through, or under the owner, shall be governed by, and agrees to abide by, and shall comply with the terms and provisions of this Amended Declaration, Articles of Incorporation, By-Laws and the Rules and Regulations. For violations or breach of any of the provisions of this Amended Declaration or such other document by a person

claiming by virtue of any judicial proceeding, the association, the unit owners or an institutional mortgagee, or any of them severally, shall have the right to proceed at law for damages or in equity to compel compliance with the terms thereof, or such relief as may be appropriate. Such actions may be maintained by or against a unit owner, or the association, or in the proper case, by or against one or more unit owners. Such relief shall not be exclusive of other remedies provided by law.

Section 2. Fines. Rules and regulations have been agreed upon for the common good of homeowners and for the continued maintenance and appearance of the Hidden Pines community. Noncompliance of rules by members, tenants, guests or invitees using common areas will have consequences. Those consequences will include, but not be limited to, the following:

A. First offense may result in a letter of warning from the Board of Directors or their representative.

B. Rights of a member to use common areas may be suspended for a period of time to be determined by the Board of Directors.

C. A fine, not to exceed \$100 per day, may be levied by the Board of Directors, not to exceed \$1,000 in aggregate.

D. A fine or suspension may not be imposed without a notice of at least 14 days and an opportunity for a hearing before a committee of three members appointed by the board. These three cannot be board members or employees or relatives of the individual who did not abide by the rules. In the case of a criminal action, privileges may be revoked immediately.

E. Past-due fines will be subject to legal action.

Section 3. Owner's Negligence. A unit owner shall be liable for the cost and expense of any maintenance, repair or replacement of the common property or common elements rendered necessary or caused by or through the unit owner's willful or negligent act, neglect or carelessness or by that of any member of the family, their guests, invitees, employees or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the association or by the unit owner. A unit owner shall pay such liability hereunder upon demand of the association within ninety days. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of the unit or its appurtenances, or the common elements. In such event, payment for such costs and expenses shall be treated as an assessment and shall be enforced in the same manner as any other assessment.

Section 4. Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of a unit owner to comply with the terms of this Article of the Amended Declaration, the Articles of Incorporation and the By-Laws or the Rules and Regulations adopted pursuant thereto, the prevailing party shall be entitled to recover the cost of the proceedings and such reasonable attorney's fees as may be awarded by the court.

ARTICLE XV
MISCELLANEOUS

Section 1. Severability and Invalidity. The invalidity in whole or in part of any covenant or restriction in any section, subsection, clause, phrase or word, or other provisions of this Amended Declaration, the Articles of Incorporation, the By-Laws or the Rules and Regulations of the association shall not affect the validity of the remaining portions which shall remain in full force and effect.

Section 2. Captions and Gender. The captions herein are inserted only as a matter of convenience and for reference, and in no way define the limit or describe the scope of this Amended Declaration or the intent of the provisions therein.

This Amended Declaration is amended pursuant to Article XII, Amendments and Modifications to Amended Declaration.

Dated this ____ day of _____, 2009

HIDDEN PINES OF VOLUSIA COUNTY
HOMEOWNERS ASSOCIATION, INC.

Frederick J. Altrui, President

Attest:

(Corporate Seal)

Christopher R. Bell, Secretary

Witness:

Notary Public, State of Florida