

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR EAGLE TRACE

KNOW ALL MEN BY THESE PRESENTS:

THIS DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR EAGLE TRACE, (hereinafter referred to as the "Declaration"), is made as of this 16th day of July, 2003 by NATIONAL RESIDENTIAL PROPERTIES, INC., formerly known as NATIONAL REHAB PROPERTIES, INC., a Nevada corporation, authorized to do business in Florida (said party being hereinafter referred to as either the "Developer" or the "Declarant").

COPY

WITNESSETH:

WHEREAS, Declarant is the owner in fee simple of that real property more particularly described on EXHIBIT "A" attached hereto and incorporated herein by reference, located in Indian River County, Florida (hereinafter referred to as the "Property"); and

WHEREAS, Declarant desires to subject said Property to the provisions of this Declaration and to create on the Property a residential community on all or part of the Property described in EXHIBIT "A"; and

WHEREAS, Declarant desires to create a harmonious and attractive development on the Property; and the Declarant desires to provide a flexible and reasonable method for the administration, operation, maintenance, and development of such Property.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for the purposes of protecting the value, attractiveness, and desirability of the Property the Declarant hereby declares that all of said Property shall be held, sold, and conveyed subject to the following easements, covenants, conditions, restrictions, and limitations, which shall run with the Property submitted to this Declaration and which shall be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each Owner thereof, as hereinafter defined, and to the Declarant, as more particularly provided hereunder.

ARTICLE I DEFINITIONS

Section 1. "Developer" or "Declarant" shall mean and refer to the parties named above, and their successors and assigns.

Section 2. "Association" shall mean and refer to the Eagle Trace Property Owners' Association of Vero Beach, Inc., a Florida corporation not-for-profit, its successors and assigns.

Section 3. "Property" shall mean and refer to the real property described on EXHIBIT "A" attached hereto and incorporated herein by reference. The property shall also be deemed to include the area where the surface water management system is located.

Section 4. "Owner" or "owner" shall mean and refer to the record owner, whether one (1) or more persons or entities, of any one (1) of the which constitute part of the Property but excluding any party holding the fee simple title merely as security for the performance of an obligation. Owner shall include Declarant as to each and every lot owned by Declarant.

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Section 5. "Common Area" shall mean all of the portions of the Property now or hereafter owned by the Association for the common use and enjoyment of each Owner, including but not limited to the Stormwater Management Tract, as depicted on the Plat. The Roadways, as hereinafter defined, shall be deemed part of the Common Area for purposes of this Declaration.

Section 6. "Lot" or "lot" shall mean a portion of the Property intended for any type of separate, independent ownership, exclusively for residential and agricultural use. The lots are graphically depicted on the plat of Eagle Trace Property Owners' Association of Vero Beach, Inc.

Section 7. "Easements" shall mean that portion of the Property including lots or portions thereof, which have heretofore or which may hereafter be set aside by the Declarant for the limited or common use of the Declarant, Owners, their invitees, guests, successors or assigns for ingress, egress, utilities, water sewer, lighting, drainage, or otherwise and for all purposes related to the Eagle Trace Property Owners' Association of Vero Beach, Inc. or as may be indicated on any plat filed among the Public Records of Indian River County.

Section 8. "Eagle Trace Property Owners' Association of Vero Beach, Inc." or "Association" shall mean and refer to the Eagle Trace Property Owners' Association of Vero Beach, Inc., a Florida corporation not-for-profit, which corporation has been formed for the primary purpose of enforcing the covenants, conditions, restrictions and limitations contained herein and whose membership shall be comprised of all Owners of the lots in Eagle Trace Property Owners' Association of Vero Beach, Inc.

Section 9. "Architectural Review Board" (hereinafter referred to as "ARB") shall mean and refer to a board of members appointed by the Board of Directors of the Association for the primary purpose of assuring that all Owners of lots improve and maintain the said lots and all structures located thereon in conformity with restrictions, covenants and architectural requirements described herein and in any related documents created by Declarant.

Section 10. "Structure" shall mean any thing or object (other than trees, shrubbery and other landscaping) the placement of which upon any lot may affect the appearance of such lot including but not limited to any building or part thereof, garage, porch, balcony, shed, greenhouse, bathhouse, barbecue pit, patio, swimming pool, television or radio antenna, clotheslines, fence, curbing, paving, wall, recreational facilities, lawn decorative objects including but not limited to statues and tables, living quarters of any nature or any other temporary or permanent improvements to such lot and any excavation, fill, ditch, dune or other thing or device which affects or alters the natural flow of surface water from or across any lot or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any lot.

Section 11. "Member" or "member" shall mean any Owner who is a member of the Association. All Owners are and shall be required to be Members of the Association.

Section 12. "Roadways" shall mean those private Roadways depicted on the Plat of the subdivision, including 56th Court, 57th Court, 56th Avenue, 61st Court, and 62nd Place. Said Roadways shall be maintained and preserved collectively by all of the Owners pursuant to Article V, Section 2 hereof.

Section 13. "Surface Water or Stormwater Management System" means a system which is designated and constructed or implemented to control discharges which are necessitated by rainfall events, incorporating methods to collect, convey, store, absorb, inhibit, treat, use, or reuse water to prevent or reduce flooding, overdrainage, environmental degradation, and water pollution or otherwise affect the quantity and quality of discharges.

Section 14. "Plat" means the Plat of Eagle Trace Subdivision, as recorded in the Public Records of Indian River County, Florida.

Section 15. "Subdivision" or "community" means Eagle Trace Subdivision, as described in the Plat.

Section 16. "Lift Station" or "Pumping Station" means that certain structure housing (Wet Well, as defined below), pumps, piping, valves, and auxiliary equipment to collect waste water sewage from the community's sanitary collection system.

Section 17. "Wet Well" means the below grade compartments of a pumping station into which the liquid flows and from which the pumps draw suction.

**ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION**

The Property, which is owned by the Declarant and shall henceforth be held, transferred, sold, conveyed and occupied subject to this Declaration, is located in Indian River County, Florida, and is legally described on EXHIBIT "A" attached hereto and incorporated herein by reference.

**ARTICLE III
PROPERTY RIGHTS**

The Property, which is owned by the Declarant and shall henceforth be held, transferred, sold, conveyed and occupied subject to this Declaration, is located in Indian River County, Florida, and is legally described on EXHIBIT "A" attached hereto and incorporated herein by reference.

Section 1. Owner's Easement of Enjoyment. Every Owner 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 every lot, subject to:

(a) the right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, for acquiring additional property to be added to the Common Area, or for constructing, repairing, or improving any facilities located or to be located thereon, and to give as security for the payment of any loan a mortgage pledging and encumbering all or any portion of the Common Area; provided, however, that the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements, and privileges herein reserved or established for the benefit of Declarant or any Owner, or the holder of any mortgage, irrespective of when executed, given by Declarant or any Owner encumbering any lot located within Eagle Trace Property Owners' Association of Vero Beach, Inc.

(b) the Articles of Incorporation and By-Laws of the Association and any Rules and Regulations adopted by the Association, as the same may be altered or amended from time to time; and the requirements of the Site Plan as imposed by Indian River County, Florida.

(c) each Owner of a lot shall have a nonexclusive right of ingress and egress over and upon the Roadways for access to and from said Owner's lot.

Section 2. Delegation of Use. Any Owner may delegate in accordance with the By-Laws of the Association said Owner's right of enjoyment to the Common Area and facilities to the members of said Owner's family, tenants, other social invitees and contract purchasers who reside on the Property.

Section 3. Owner's Right of Ingress, Egress, and Support. Each Owner in addition to the other rights specified herein shall have the right of ingress and egress over, upon and across the Common Area necessary for access to said Owner's lot and shall have the right to lateral support for said Owner's lot and such rights shall be appurtenant to and pass with the title to each lot.

Section 4. Regulation of and Use of lots. Except as provided hereinbelow, each lot shall be used for residential and agricultural purposes only. Lease or rental of a lot or any building thereon for residential purposes shall not be considered to be a violation of this covenant for so long as the lease is in compliance with the rules and regulations as may be promulgated by the Board of Directors. Any lessee or tenant is and shall be in all respects subject to the terms and conditions of this Declaration and the rules and regulations adopted hereunder. No specific lease provision to this effect is required, and any such lessee or tenant is charged with notice of this provision and the Declaration, generally. Without the prior written consent of the Association's Board of Directors, nothing shall be done or kept in any lot or in the Common Area or any part thereof to increase the rate of insurance on the Property or any part thereof over what the Association, but for such activity, would pay. Noxious, destructive or offensive activity, or any activity constituting a nuisance shall not be carried on in any lot or in the Common Area or any part thereof, and the Association shall have standing to initiate legal proceedings at law and/or in equity to abate such activity. Each Owner shall refrain from any act or use of said Owner's lot which could reasonably cause embarrassment, discomfort, or annoyance to any other Owner. The Board of Directors of the Association is hereby granted and shall have the power to make and to enforce reasonable rules and regulations in furtherance of this provision.

Notwithstanding the above, the following supplemental and additional covenants, conditions, and restrictions, also enforceable by the Board of Directors of the Association, shall apply, as follows:

(a) Each of the lots making up a portion of the Property subject to these Covenants and Restrictions may be used for the residential living units of one (1) family and for no other purpose. No business or commercial building may be erected on any lot and no business of any kind or variety, including garage sales, may be conducted on any part thereof. No building, structure, or other improvement shall be erected upon any lot without prior ARB written consent and approval thereof as elsewhere herein provided. In the event that one or more lots are developed as a unit, the provisions of these Covenants and Restrictions shall apply thereto as a single lot. No further subdividing of any lot shall be permitted and is expressly prohibited. No dwelling or other structure or improvement shall be erected, altered, placed or permitted to remain on any site not including at least one (1) full platted lot according to the recorded plat of Eagle Trace Property Owners' Association of Vero Beach, Inc.

(b) No tents, trailers, mobile homes or shacks shall be erected or permitted to remain on any lot without prior written approval and consent of the ARB.

(c) A detailed landscaping plan for each residence must be submitted to and be approved by the ARB, as hereinafter provided.

(d) Nothing shall be done or maintained on any lot which may be or become an annoyance or nuisance to any other Owner or to the Association. In the event of a dispute or question as to what may be or become a nuisance, such dispute or question shall be submitted to the Board of Directors, which shall render a decision in writing, which decision shall be dispositive of such dispute or question.

(e) No sign of any kind shall be displayed to the public view on any lot except for the following:

(1) Real estate signs complying with Indian River County, Florida ordinance.

(2) Signs having received prior written approval and consent of the Board of Directors.

(f) No animals, birds, or fowl shall be kept or maintained on any part of the Property except dogs, cats, horses, and pet birds, which must be kept thereon in reasonable numbers as pets for the pleasure and use of the occupants, but not for any commercial use or purposes. All pets must be kept under control, and under leash or fenced at all times if off the lot of the Owner, and must not become a nuisance.

(g) No window or wall air conditioning units shall be permitted. As to the primary dwelling unit, all exterior pumps, motors, compressors, tanks, or similar mechanical devices shall be screened from view, such that the same are not visible from any neighboring property owner's residence.

(h) No time sharing, interval ownership, or other similar division of the fee simple ownership of any lot or any single family dwelling erected thereon shall be permitted. However, this provision shall not prevent the leasing of any single family dwelling to a tenant for normal single family residential purposes.

(i) ~~Garbage and rubbish receptacles shall be in complete conformity with sanitary regulations and shall not be visible from the street nor from adjoining lots.~~

(j) ~~No unsightly material or growths shall be permitted to remain or grow upon any lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon; and in the event that any Owner shall fail or refuse to keep said Owner's lot free of unsightly materials or refuse piles or unsightly growths or objects, then the Association without prior notice being required may enter upon said lot and remove the same at the expense of the Owner, and such entry shall not be deemed a trespass. The annual budget of the Association shall include the cost of necessary lot clearance.~~

Furthermore, each and every lot during any construction period shall be maintained in an orderly condition. In the event the Association determines that a lot during any period of construction on the said lot is not being maintained in an orderly condition, the Association may enter upon the lot and remove any object or correct any condition that the Association in its discretion believes has created a disorderly condition on the lot.

(k) ~~An Owner of a respective lot shall be directly financially responsible to the Declarant, and to the Owner of any abutting lot, and to the Association for damage to the utilities, sewer, water, landscape materials, sod and drainage systems installed by the Declarant resulting from the actions of said Owner or contractors furnishing labor or materials to or for said Owner. In the event the Declarant or the abutting Owner or Association must repair or replace any utilities, including sewer, water, drainage system, electrical, telephone lines, sod, landscaping materials, sidewalks, paving, shrubbery, trees, fences, or other improvements as a result of the actions of any Owner or contractor furnishing labor or materials to or for the benefit of said Owner, then in that event, said Owner shall pay for the cost of said repair or replacement including labor and materials; and such cost shall bear interest at the maximum legal rate allowed by the law in the State of Florida from the date of the expenditure for said replacement or repair. In the event the Association advances funds on behalf of said Owner for repair and replacement of said damaged property, said amount together with interest, court costs and attorneys' fees shall be included in the lien rights as set forth in this Declaration.~~

Section 5. Easement for Access and Drainage. The Association shall have a perpetual non-exclusive easement over all areas of the surface water or stormwater management system for access to operate, maintain, or repair the system. By this easement, the Association shall have the right to enter upon any portion of any lot which is part of the surface water or stormwater management system, at a reasonable time and in a reasonable manner, to operate, maintain, or repair the surface water or stormwater management system as required by the St. Johns River Water Management District and Indian River County permits. Additionally, the Association shall have a perpetual, non-exclusive easement for drainage over the entire surface water or stormwater management system, including buffer areas or swales, without the prior written approval of the St. Johns River Water Management District.

ARTICLE IV

MEMBERSHIP IN ASSOCIATION; VOTING RIGHTS; COMPENSATION

Section 1. Membership. Every person who is the record Owner of a fee or undivided fee interest in any single Lot within the Property that is subject to this Declaration shall be deemed to have a membership in the Association. The foregoing is not intended

to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more persons, shall have more than one (1) membership per lot. With the exception of the Declarant, as specified below, the Owner of more than one (1) lot shall have one (1) vote per lot owned by said Owner. In the event that a lot is owned by more than one (1) party, votes and rights of use and enjoyment may not be separated from ownership of any lot. Ownership of a lot shall be the sole qualification for membership. The rights and privileges of membership, including the right to vote and to hold office may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor office held for each lot (subject to Section 2 below).

Section 2. Voting Rights. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all Owners, other than the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any single Lot.

Class B. The Class B member shall be the Declarant, as defined herein, and shall be entitled to four (4) votes for each Lot owned.

The provisions of this Article are subject to Section 617.3075(1)(c), *Florida Statutes*.

Section 3. Board of Directors Compensation. No member of the Board of Directors of the Association shall receive any compensation for services rendered in such capacity.

ARTICLE V MAINTENANCE

Section 1. Owner's Responsibility. All maintenance of any particular lot unless specifically identified as being the responsibility of the Association shall be the responsibility of the Owner of such lot. No Owner shall (i) decorate or change the appearance of any portion of the exterior of a residence or the exterior appearance of a lot unless such decoration or change is first approved, in writing, by the ARB, or (ii) do any work which, in the reasonable opinion of the ARB would jeopardize the soundness and safety of the Property, reduce the value thereof, or impair any easement or hereditament thereto, without in every such case the unanimous, prior written consent of all the other Owners.

Further, each Owner shall maintain in good repair all above ground improvements and landscaping after lot development and construction within the lot and any easement areas located thereon. All landscaping shall be consistent with surrounding landscaping on the lots within the subdivision.

Section 2. Association's Responsibility. Except as may be otherwise provided herein, the Association shall maintain and keep in good repair the Common Area, including the Roadways, which responsibility shall be deemed to include, but not be limited to, (1) the maintenance and repair of such utility lines, pipes, wires, glass, conduits, and systems which are a part of the Common Area and (2) maintenance, repair or otherwise of all the Common Area. The maintenance of the Common Area shall be deemed to include, but not be limited to, maintenance, repair, and replacement, subject to the insurance and casualty loss provisions contained herein, at the Association's sole cost and expense of all trees, fences, shrubs, grass, streets, parking spaces, walks and other improvements situated upon the Common Area, if any, and (3) insurance provided for herein.

Section 3. Owner's Responsibility. In the event that the Board of Directors of the Association determines that : (1) any Owner has failed or refused to discharge properly said Owner's obligations with regard to the maintenance, repair, or replacement of items

for which said Owner is responsible hereunder; or (ii) that the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of any Owner, said Owner's family, guests, lessees or invitees, and is not covered or paid for by insurance in whole or in part. In that event the Association, except in the event of an emergency situation, shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair or replacement at the Owner's sole cost and expense, and setting forth with reasonable particularity the maintenance, repairs or replacement deemed necessary. The Owner shall have fifteen (15) days within which to complete said maintenance, repair or replacement. If any Owner does not comply with the foregoing provisions of this Section 3, hereof, the Association may provide any such maintenance, repair, or replacement at Owner's sole cost and expense, and said cost shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the lot owned by such Owner. Such lien shall be enforceable by the Association, as set forth herein.

ARTICLE VI
INSURANCE AND CASUALTY LOSSES

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain and maintain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief, in an amount sufficient to cover the full replacement cost less any deductible of any repair or reconstruction in the event of damage or destruction from any such hazard, and shall also obtain a public liability policy covering all the Common Area, including the Roadways, and all damage or injury caused by the negligence of the Association or any of its agents, which public liability policy shall have personal injury and property damage combination single limit coverage in an amount determined by the Board of Directors to be reasonably sufficient. Premiums for all such insurance shall be common expenses of the Association. The policy may contain a reasonable deductible, and the amount thereof shall be added to the face value of the policy in determining whether the insurance equals at least the full replacement cost. The Board of Directors of the Association shall have the authority to increase the minimum insurance requirements in its sole discretion.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the property damaged or destroyed for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account. This is a covenant for the benefit of any mortgagee of a residence and may be enforced by such mortgagee.

(b) If it is determined as provided for in Paragraph 3 of this Article that the property damaged or destroyed for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 1(a) above.

Section 3. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged property.

(b) Any such property so damaged or destroyed shall be repaired or reconstructed unless at least seventy-five (75%) percent of the total vote of the Association (Class A and Class B, as applicable) shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason, either the amount of the insurance proceeds

to be paid as a result of such damage or destruction or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, that such extension shall not exceed sixty (60) days. No mortgagee shall have any right to participate in the determination of whether the damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined by the Association in the manner described above that the property so damaged or destroyed shall not be repaired or reconstructed, then and in that event the damaged or destroyed property shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in neat and attractive condition.

Section 4. Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the members, levy a special assessment against all Owners and in sufficient amounts to provide funds to pay such excess cost of repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be deposited in the Association's capital improvements account, as previously described.

ARTICLE VII RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. The Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the management and maintenance of the Common Area and all improvements thereon, and shall keep the same in good clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

Section 2. Services. The Association may obtain and pay for the services of any person or entity to manage the Association's affairs or any part thereof, to the extent the Association deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Property, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. If the Association enters into a management agreement, it shall be by written contract cancelable upon ninety (90) days written notice. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Property or the enforcement of this Declaration. The Association may but shall not be required to arrange as an Association expense with others to furnish water, trash collection, sewer service and other common services to each lot. The Association shall be permitted but shall not be required to contract with the Declarant for the provision of all such services which the Association is required or permitted by this Declaration to perform. It is anticipated that such contracts will be entered into when economically feasible and acceptable to both parties.

Section 3. Personal Property and Real Property for Common Use. The Association through action of its Board of Directors may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise.

Section 4. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of any lot and of the Common Area, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Enforcement may include the imposition of reasonable fines which if not paid when due shall constitute a lien as provided in this Declaration.

Section 5. Implied Rights. The Association may exercise any other right or privilege given to the Association expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to the Association herein or reasonably necessary to effectuate any such right or privilege.

Section 6. Further Duties of the Association. The Association shall be responsible for the maintenance, operation, and repair of the surface water or stormwater management system. Maintenance of the surface water or stormwater management system(s) shall mean the exercise of practices that allow the systems to provide drainage, water storage, conveyance, or other surface water or stormwater management capabilities as permitted by St. Johns River Water Management District. Any repair or reconstruction of the surface water or stormwater management system shall be as permitted or, if modified, as approved by the St. Johns River Water Management District.

ARTICLE VIII ASSESSMENTS

Section 1. Purpose of Assessment. The assessments for common expenses provided for herein shall be used for the general purposes of promoting the health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of residences and maintaining the Property, all as may be more specifically authorized from time to time by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (a) annual assessments or charges, (b) special assessments, such assessments to be established and collected as hereinafter provided, and (c) specific assessments against any particular lot which are established pursuant to the terms of this Declaration, including but not limited to reasonable fines as may be imposed in accordance with other provisions herein. All such assessments, together with interest at the highest rate allowable under the laws of the State of Florida from time to time, costs and reasonable attorneys' fees, shall be a charge on the lot and shall be a continuing lien upon the lot against which such assessments is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person or party who was the Owner of such lot at the time the assessment fell due. Each Owner shall be liable for said Owner's portion of each assessment coming due while said Owner is the Owner of a lot, and said Owner's grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors of the Association which may include, without limitation, acceleration of the annual assessments for delinquents; unless otherwise provided by such Board, the assessment shall be paid in quarterly installments.

Section 3. Computation. It shall be the duty of the Board of the Association prior to the Association's Annual Meeting, to prepare a budget covering the estimated costs of operating the Association during the coming year which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the budget, and the assessments to be levied against each lot for the following year to be delivered to each member prior to the meeting. The budget and the assessment shall become effective at the annual meeting by a vote as required by the Articles of Incorporation or By-Laws of the Association; provided, however, that in the event the membership disapproves the proposed budget or the Board of Directors of the Association fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the then current year shall continue for the succeeding year. Both annual and special assessments must be fixed at a uniform rate for all lots and must be collected on a statement basis.

Section 4. Special Assessment. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment, applicable to that year only, provided that any such assessment shall have the assent of a majority of the voting members; provided, however, that the Board of Directors may make such special assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the year end in which adopted.

Section 5. Lien for Assessments. All sums assessed against any lot pursuant to this Declaration, together with interest as provided herein, shall be secured by a continuing lien on such lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such lot except only for:

(a) Liens of ad valorem taxes; and

(b) A lien for all sums unpaid on a first mortgage duly recorded in the Public Records of Indian River County, Florida, and all amounts advanced pursuant to such mortgage and secured thereby in accordance with the terms of such instruments;

(c) Any prior lien in favor of the Association.

All other persons or parties acquiring liens or encumbrances on any lot after this Declaration shall have been recorded in said records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments as provided herein, whether or not prior consent be specifically set forth in the instruments creating such liens or encumbrances.

Section 6. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board of Directors may determine from time to time. Interest at eighteen (18%) percent per annum shall accrue from the due date on any assessment due and not paid within ten (10) days of the due date. The Association shall cause a notice of delinquency and demand for payment to be forwarded by certified mail, return receipt requested to any member who has not paid within ten (10) days following the due date. If the assessment has not been paid within ten (10) days following the due date, the Association may cause a claim of lien to be recorded in the public records and in addition the claim of lien shall include late charges, interest on the principal amount due plus the late charges at the maximum allowable rate from the date first due and payable, all costs of collection, reasonable attorneys' fees incurred, subsequently accruing assessments, and any other amounts provided or permitted by law. Once recorded, the claim of lien shall continue to encumber the lot until satisfied and released of record. In the event that the assessments remain unpaid after the filing and recording of the claim of lien, the Association may as the Board of Directors shall determine institute suit to collect such amounts and/or to foreclose its lien. Each Owner, by acceptance of a deed to a lot, vests in the Association or its agents the right and power to bring all actions against said Owner personally for the collection of such charges as a debt and/or to foreclose the aforesaid lien in the same manner as the foreclosure of other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The power to bid on the residence at any foreclosure sale or to acquire, hold, lease, mortgage, and convey the same, shall be held by the Association, acting on behalf of the Owners. No Owner may waive or otherwise escape liability for the assessments provided for herein, including by way of illustration but not limitation, abandonment of said Owner's lot. Additionally, the lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or mortgages as provided for in Section 5(b) of this Article. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot which is subject to any mortgage, pursuant to a decree of foreclosure under such mortgage, shall extinguish the lien of such assessments as the payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 7. Exempt Property. The Common Area shall be exempt from all the assessments created herein.

Section 8. Date of Commencement of Annual Assessments.

(a) The annual assessments provided for herein shall commence as to all lots on the first (1st) day of the month following the first conveyance by the Declarant of a lot to an Owner and shall be due and payable in a quarterly (every three (3) months) fashion and on a schedule as the Board of Directors of the Association may provide. The first

annual assessment shall be adjusted according to the number of months then remaining in that fiscal year.

(b) For so long as Declarant meets or causes to be performed the level of services called for in the budget, Declarant is not required to pay any assessments on Declarant's unsold lots. Each Owner proportionately shall bear the cost and expense of any Association budget shortfall. The Declarant may but shall have no obligation to bear the cost and expense of any Association budget shortfall.

(c) Notwithstanding the foregoing, to the extent that there may exist an inconsistency between Section 8(a) and 8(b) above and Section 617.308, Florida Statutes, this Declaration shall be deemed to be in compliance with the provisions of Section 617.308, Florida Statutes.

Section 9. Additional Purposes of Assessments. Assessments shall also be used for the maintenance and repair of the surface water or stormwater management system(s) including but not limited to work within retention areas, drainage structures, and drainage easements.

ARTICLE IX ARCHITECTURAL CONTROL

Section 1. Necessity of Architectural Review and Approval. No structure of any kind, including, without limitation, any building, fence, wall, tennis court, screen enclosure, dock, davits, water or building, landscaping, landscape device or object, or other improvement shall be commenced, erected, placed or maintained upon any lot, nor shall any addition, change or alteration therein or thereof be made, unless and until the plans, specifications and location of the same shall have been submitted to, and approved in writing by, the Association. All plans and specifications and designs shall be evaluated as to harmony of external design and location in relation to surrounding structures and topography. Furthermore, refusal of approval of design, plans, and specifications by the Association may be based upon any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of the Association shall seem sufficient.

Section 2. Architectural Review Board. The architectural review and control functions of the Association shall be administered and performed by the ARB, which shall consist of three designees who shall be members of the Association. A majority of the ARB shall constitute a quorum to transact business at any meeting of the ARB, and the action of a majority present at a meeting at which a quorum is present shall constitute the action of the ARB. Any vacancy occurring on the ARB because of death, resignation, or other termination of service of any designee thereof shall be filled by the Board of Directors of the Association.

Section 3. Powers and Duties of the ARB. The Architectural Review Board shall have the following powers and duties:

(a) **Architectural Planning Criteria.** To establish, modify and amend, from time to time, an Architectural Planning Criteria for Eagle Trace Property Owners' Association of Vero Beach, Inc. Any modification or amendment to the Architectural Planning Criteria shall be consistent with the provisions of this Declaration, and shall not be effective until adopted by a majority of the members of the Board of Directors of the Association at a meeting duly called and noticed for such purpose and at which a quorum is present and voting. Notice of any duly adopted modification or amendment to the Architectural Planning Criteria, including a verbatim copy of such change or modification, shall be delivered to each member of the Association; provided that, the delivery to each member of the Association of notice and a copy of any modification or amendment to the Architectural Planning Criteria shall not constitute a condition precedent to the effectiveness or validity of such change or modification.

(b) **Adoption of Initial Architectural Planning Criteria.** It is the intention of the Declarant to develop a subdivision containing harmony and uniformity of construction and design in order to maintain the property values of the residences and lots within Eagle

Trace Property Owners' Association of Vero Beach, Inc. The initial Architectural Planning Criteria shall be as follows:

(i) The composition, location and height of any wall to be constructed on any lot shall be subject to the approval of the ARB. The ARB shall require the composition of any wall to be consistent with the material used in the surrounding lots and residential units. All walls for screening of garbage areas and air conditioning and soft water conditioning equipment shall be indicated on plans submitted to the ARB. Fences or fencing shall be permitted only with express written approval of the ARB.

(ii) The ARB shall have final approval of all exterior color plans, and each Owner must submit to the ARB a color plan showing the color of all exterior surfaces. All colors shall be soft textured colors. The ARB shall determine whether the color plan is consistent with the surrounding areas and the color plan conforms with the natural color scheme of the overall aesthetics of Eagle Trace Property Owners' Association of Vero Beach, Inc.

(iii) All water softeners, air conditioners, pool equipment, sprinkler system equipment, bottle gas, garbage or trash containers, and electrical transformers must be located underground or placed within screened or walled-in areas so that they shall not be visible from other lots or streets. The method and manner of said screening must be submitted to and approved by the ARB prior to commencement of said screening. No exterior portion of any lot shall be used as a drying or hanging area for any laundry of any kind. In addition to and not limiting the foregoing, air conditioner compressors and electrical transformers shall be similarly screened from view and buffered by a wall or shrubbery so as to reduce the noise level resulting from operation thereof.

(iv) All residences must be of a style consistent in design and appearance with all other homes in the Subdivision.

(v) No residence constructed on any lot shall contain bright or offensive colors, including but not limited to the colors of any tiles on any portion of the exterior of any residence, including on any driveway. All colors must be soft textured color.

(vi) All residences shall have a minimum air-conditioned floor space of one thousand five hundred (1,500) to two thousand (2,000) square feet.

(vii) All windows shall be of a casement or sash variety. There shall exist no awnings windows or jalousie windows.

(viii) There shall exist a minimum roof overhang on all residences of twelve (12) inches. All roofs shall be shingled.

(ix) In the event a guest house is constructed as part of a residence and the same is approved by the ARB, under no circumstances shall such guest house be rentable as a separate home.

(x) All mailboxes shall be of a uniform structure and design to be specified by the Declarant. The mailbox itself, the enclosure, and the post shall all be uniform and shall be defined by the Declarant.

(xi) Satellite dishes and disks shall have a diameter of no more than eighteen (18") inches to twenty (24") inches and shall be positioned such that the same are not visible from the Roadways or the adjacent lots.

(xii) All exterior fixtures on each residence constructed on any lot shall be approved by the ARB. Declarant shall require each residence to have exterior lighting activated by a photocell. The design specifications for such exterior lighting shall be established by Declarant.

(xiii) All numbers on each residence to identify the street number of the residence shall be uniform in size, shape, and color, as specified by the Declarant.

(xiv) All residences shall be landscaped in a manner and form satisfactory to the ARB, such that a perimeter surrounding each residence of at least fifty (50') feet from any point on any structure is landscaped to an extent necessary to give to any lot after construction a finished look and completed appearance. All landscaping shall be installed in a manner in harmony with the surrounding landscaping then in place and with the landscaping in the subdivision generally.

(xv) The front of the residence must face the street front of the lot. On a corner lot Within Eagle Trace Property Owners' Association of Vero Beach, Inc., the owner must select which of the side lots abutting the street is the front lot and shall construct the front of said Owner's residence facing the street on the pre-selected front lot.

(xvi) Screen enclosures may be constructed as part of a residence, provided the same have been approved by the ARB. The Declarant shall establish minimum heights for said screen enclosures. Furthermore, no screen enclosure shall have a flat roof.

(xvii) All residences shall be limited to two (2) stories.

(xviii) All garages shall be two (2) car garages.

(xix) All driveways shall be constructed on cement or decorative brick. No asphalt or gravel or dirt driveways shall be permitted.

(xx) Additional Architectural Planning Criteria, together with modifications of the aforementioned, may be approved by the ARB from time to time, provided such modifications and amendments be in written form, executed with the formalities of a deed, and recorded as amendments to this covenant in the Public Records of Indian River County, Florida. All such additional criteria shall be consistent with the terms and provisions of this Declaration unless otherwise approved by the Board of Directors of the Association.

(xxi) Those provisions set forth in Article III, Section 5 hereof are also made a part of the Architectural Planning Criteria.

Section 4. Procedure Before the ARB. Prior to the commencement of any work on any lot contemplated for improvement, an Owner must submit to the ARB two (2) complete sets of plans and specifications for any improvement or structure of any kind, together with such fully executed application form and fees as may then be required by the ARB and such additional information as required by this Declaration. No later than thirty (30) days after receipt of said plans and specifications, the ARB shall respond to the application in writing by approving said application or disapproving said application. In the event the ARB fails to respond within said thirty (30) day period, the plans and specifications shall be deemed approved. In the event of disapproval of plans and/or specifications as submitted, no work or construction shall be commenced in furtherance of the proposed improvement. In the event of approval of said plans and specifications, the applicant shall provide the ARB with written notice of the completion of the staking of the lot. No further work shall be performed upon the lot until the ARB has inspected the premises and approved said staking. In the event the ARB fails to respond within seventy-two (72) hours (excluding Saturdays, Sundays, and legal holidays), after receipt of said notice, said work shall be deemed approved and this requirement shall be deemed waived by the ARB.

Section 5. Time Limitation on Completion of Construction. The ARB shall have the right to set a completion date for all construction or landscaping so as to preserve the aesthetics of the surrounding areas.

ARTICLE X USE RESTRICTIONS AND RULE MAKING

Section 1. Authority and Enforcement. The Association shall be used only for those uses and purposes set out in the Declaration. As previously provided, the Board of

Directors shall have the authority to make and to enforce reasonable rules and regulations governing the conduct, use and enjoyment of the lots and the Common Area, provided that copies of all such rules and regulations be furnished to all Owners. If any Owner violates this Declaration, the By-Laws or any rules and regulations duly adopted hereunder, the Board of Directors of the Association shall have the right and power to impose reasonable fines which shall constitute a lien upon the lot owned by such Owner. Such Board of Directors shall be authorized and empowered to begin any action in any court on behalf of the Association and all Owners to abate any nuisance or otherwise enforce this Declaration.

Section 2. Procedure. The Board of Directors of the Association shall not impose a fine or seek to enforce this Declaration for violations of rules unless and until the following procedure is followed:

(a) **Demand.** Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

- (i) The alleged violation;
- (ii) The action required to abate the violation; and

(iii) A time period, not less than (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing if the violation is not continuing.

(b) **Notice.** Within two (2) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board of Directors shall serve the violator with written notice of a hearing to be held by a committee of Owner selected by the Board of Directors. The notice shall contain:

- (i) The nature of the alleged violation;
- (ii) The time and place of the hearing, which time shall not be less than (10) days from the date of the notice;
- (iii) An invitation to attend the hearing and produce any statement, evidence, and/or witnesses on said alleged violator's behalf; and

(c) **Hearing.** The hearing shall be held in before the committee pursuant to the notice affording the alleged violator a reasonable opportunity to be heard, prior to the effectiveness of any sanction placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer or director who delivered such notice. The notice requirement shall be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

The Association is hereby granted and shall have the full right, power, and authority to institute any and all necessary legal proceedings at law and/or in equity to enforce any and all provisions of this Declaration or of the Articles of Incorporation, By-Laws, or rules and regulations.

ARTICLE XI MODIFICATION AND AMENDMENT

This Declaration may be amended at any time and from time to time upon the execution and recording of an instrument executed by the President and Secretary of the Association acknowledging and affirming that the Owners holding not less than a majority of the voting interests of the membership in the Association have approved the said amendment.

Any amendment to this Declaration that alters any provision relating to the surface water or stormwater management system, beyond maintenance in its original condition, including the water management portions of the common areas, must have the prior, written approval of the St. Johns River Water Management District.

ARTICLE XII GENERAL PROVISIONS

Section 1. Enforcement. Each Owner shall comply strictly with the By-Laws and with the rules and regulations adopted pursuant thereto, as the same may be lawfully amended from time to time, and with the covenants, conditions, limitations, and restrictions set forth in this Declaration and in the deed to said Owner's lot, if any. The Board of Directors may impose fines or other sanctions, collection of which shall be as provided for herein. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, maintainable by the Association, or, in a proper case, by an aggrieved Owner. Failure by the Association or any Owner to enforce any of the foregoing 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 or dilute the effectiveness any other provisions which shall remain in full force and effect.

Section 3. Duration and Term. The terms, conditions, covenants, provisions, limitations, and restrictions of this Declaration shall run with the title to the Property and be binding on and inure to the benefit of and be enforceable in accordance with its terms by the Declarant, the Association, each Owner, and their respective legal representatives, heirs, successors, and assigns for a period of forty (40) years from the date this Declaration is recorded, after which time said terms, conditions, covenants, provisions, limitations, and restrictions shall automatically be extended for successive periods of ten (10) years each, unless instruments signed by the then Owners of two-thirds (2/3rds) of the lots in Eagle Trace Property Owners' Association of Vero Beach, Inc. agree to terminate or to amend or alter terms, conditions, covenants, provisions, limitations, and restrictions herein contained in whole or in part; and provided, however, so long as the Declarant owns any lot there shall be no amendments without the Declarant's joinder and consent.

Section 4. Notice of Sale. In the event an Owner sells any lot (including without limitation any improvement constructed thereon) the Owner is hereby required to give to the Association in writing the name of the purchaser.

Section 5. Additional Remedies for Violation. Notwithstanding any provision set forth in this Declaration, the Declarant shall have the right in addition to any other remedies to proceed at law or in equity to compel compliance with the terms of any of the terms, conditions, covenants, restrictions, provisions or otherwise of this Declaration and to prevent the violation or breach or any of them, and the expense of such litigation shall be borne by the then Owner of the portion of the Property alleged to be in violation, provided such proceeding results in the finding that such Owner was in violation of said covenants, provisions or restrictions. Such expenses of litigation shall include reasonable attorneys' fees and costs, not limited to taxable costs, incurred by the Declarant or the Association in seeking such enforcement at the trial and appellate level.

Section 6. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including reasonable attorneys' fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligence, or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any

and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled

The Association shall, as common expense, maintain adequate general liability and officers and directors liability insurance to fund this obligation.

Section 7. Transition of Association Control. Control of the Association shall be turned over and transferred in accordance with Section 617.307, *Florida Statutes*.

(a) ~~Members other than the Developer are entitled to elect at least a majority of the members of the Board of Directors of the Association when the earlier of the following events occurs:~~

(i) ~~Three (3) months after ninety (90) percent of the lots in the community that will ultimately be operated by the Association have been conveyed to members; or~~

(ii) ~~Such other percentage of the parcels has been conveyed to members, or such other date or event has occurred, in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of parcels.~~

(b) For purposes of this section, the terms *members other than the developer* shall not include builders, contractors, or others who purchase a parcel for the purpose of constructing improvements thereon for resale. The Developer is entitled to elect at least one (1) member of the Board of Directors of the Association for so long as the Developer holds for sale in the ordinary course of business at least five (5%) percent of the lots in the community. ~~After the Developer relinquishes control of the Association, the Developer may exercise the right to vote any Developer-owned voting interests in the same manner as any other member, except for purposes of reacquiring control of the Association or selecting the majority of the members of the Board of Directors.~~

(c) ~~At the time the members are entitled to elect at least a majority of the Board of Directors of the Association and turnover has occurred and has been accepted by the members, the Developer shall at the Developer's expense within no more than ninety (90) days of turnover and acceptance thereof deliver the following documents to the Board of Directors:~~

- (i) All deeds to common area owned by the Association.
- (ii) The original of the Association's Declaration.
- (iii) A certified copy of the Articles of Incorporation of the Association.
- (iv) A copy of the By-Laws of the Association.
- (v) The minute books, including all minutes.
- (vi) The books and records of the Association.
- (vii) Policies, rules, and regulations, if any, which have been adopted.
- (viii) Resignations of directors who are required to resign because the Developer is required to relinquish control of the Association.
- (ix) The financial records of the Association from the date of incorporation through the date of turnover.
- (x) All Association funds and control thereof.
- (xi) All tangible property of the Association.
- (xii) A copy of all contracts which may be in force with the Association as one of the parties.
- (xiii) A list of the names and addresses and telephone numbers of all contractors, subcontractors, or others in the current employ of the Association.
- (xiv) Any and all insurance policies in effect.
- (xv) Any permits issued to the Association by governmental entities.
- (xvi) Any and all warranties in effect.
- (xvii) A roster of current members and their addresses and telephone numbers and lot numbers.
- (xviii) Employment and service contracts in effect.
- (xix) All other contracts in effect to which the Association is a party.

**ARTICLE XIII
EFFECTIVE DATE**

This Declaration shall become effective upon its recording in the Public Records of Indian River County, Florida.

**ARTICLE XIV
MISCELLANEOUS**

Section 1. Governing Law and Venue. This Declaration and all matters arising hereunder shall be governed by and construed in accordance with the laws of the State of Florida. Venue hereunder shall lie in Indian River County, Florida.

Section 2. Number and Gender. Whenever the singular number is used in this Declaration and when required by the context, the same shall include the plural; and the masculine, feminine, and neuter genders shall each include the others.

Section 3. Non-Waiver. Failure to insist upon strict compliance with any of the terms, covenants, or conditions herein shall not be deemed a waiver of such terms, covenants, or conditions, nor shall any waiver or relinquishment of any right or power hereunder at any one time or times be deemed a waiver or relinquishment of such right or power at any other time or times.

Section 4. Reading in Concert. All words, terms, and conditions contained herein are to be read in concert, each with the other; and a provision contained under one paragraph may be considered to be equally applicable under another in the interpretation of this Declaration.

Section 5. Terminology. The words *herein* and *hereof* and words of similar import, without reference to any particular section or subdivision of this Declaration, refer to this Declaration as a whole rather than to any particular section or subdivision hereof.

Section 6. Surface Water Management System. Additional Definitions. When used in this Declaration in this Section the following terms will have the following meanings:

(a) **"SJRWMD"** means the St. Johns River Water Management District, or its successor entity.

(b) **"Surface Water Management System"** means the Surface Water Management System for the Property constructed pursuant to the SJRWMD permit which Surface Water Management System constitutes a part of the Common Areas.

(c) **Surface Water Management System Easements.** The Declarant hereby reserves unto Declarant and grants to the Association, subject to the terms and conditions of this Declaration, a non-exclusive easement burdening the areas of the Property designated on the Site Plan and Plat (and associated control structures), said areas being for the purpose of the Association effectively maintaining and operating the Surface Water Management System in accordance with the SJRWMD Permit. Declarant reserves, both for Declarant, and for the Owners collectively, and for the Association, the right to grant additional non-exclusive easements over, under, across and through the Common Area, provided that such additional easement grants do not interfere with the effective maintenance and operation of the Surface Water Management System.

(d) **Operation and Maintenance of Surface Water Management System.** The Association shall effectively operate and maintain the Surface Water Management System in accordance with the SJRWMD Permit. This shall include the filing of monitoring reports on a quarterly basis during the first year, and semi-annually thereafter, for a period of three (3) years and until success criteria are met for two (2) consecutive monitoring intervals.

(e) **Amendment of Declaration.** Notwithstanding Article XII of this Declaration, or any other amendment provision, any amendment (including a termination) of this Declaration that would directly and adversely affect the operation and maintenance of the

Surface Water Management System in a material respect must have the prior approval of the SJRWMD.

(f) Disposition. The Association shall not dissolve or dispose of any Common Area or common open space or improvements therein except to an organization concerned with and designed for the continued maintenance in accordance with the requirements of the original development approval.

(g) Enforcement. SJRWMD shall have the right to enforce, by a proceeding at law or in equity, the provisions contained in this Declaration that relate to the maintenance, operation, and repair of the surface water or stormwater management system.

(h) Swale Maintenance. The Developer has constructed a Drainage Swale upon each lot for the purpose of managing and containing the flow of excess surface water, if any, found upon such lot from time to time. Each lot owner, including builders, shall be responsible for the maintenance, operation, and repair of the swales on the lot. Maintenance, operation, and repair shall mean the exercise of practices, such as mowing and erosion repair, which allow the swales to provide drainage, water storage, conveyance, or other stormwater management capabilities as permitted by SJRWMD. Filling, excavating, constructing fences, or otherwise obstructing the surface water flow in the swales is prohibited. No alteration of the Drainage Swale shall be authorized and any damage to any Drainage Swale, whether caused by natural or human-induced phenomena, shall be repaired and the Drainage Swale returned to its former condition as soon as possible by the Owner(s) of the Lot(s) upon which the Drainage Swale is located.

Section 7. Lift Station. The Property and all of the Lots within the Property shall be serviced by a waste water sewer Lift Station. The Lift Station includes a structure housing (wet well), pumps, piping, valves and auxiliary equipment for the collection of waste water sewage from the community's sanitary sewer collection system.


The Lift Station will not be dedicated to Indian River County, and the Association shall be responsible for its preservation and maintenance. On an annual basis, the Association shall contract with a private maintenance company to perform periodic inspections of the Lift Station and to provide a response in emergency situations, should the Lift Station fail to function or should the Lift Station be damaged. The Association shall also procure insurance coverage for the Lift Station to pay for loss or damage to the Lift Station equal to its full replacement cost and satisfactory to the Indian River County Utilities Department. Also, on an annual basis, the Association shall submit evidence of such insurance to the Indian River County Utilities Department.

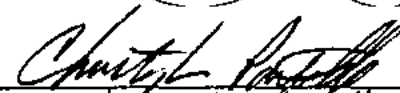
IN WITNESS WHEREOF, Declarant has caused these presents to be executed on the date set forth above.

Signed, sealed, and delivered in the presence of:

"DEVELOPER" or "DECLARANT"

NATIONAL RESIDENTIAL PROPERTIES, INC., f/k/a NATIONAL REHAB PROPERTIES, INC., a Nevada corporation, authorized to do business in Florida


(Name: Thomas R. Theisen)


(Name: Christopher Pontello)

By: 
RICHARD ASTROM, President

DR 1615PC2043

STATE OF FLORIDA)
)ss:
COUNTY OF INDIAN RIVER)

I HEREBY CERTIFY that before me, a Notary Public, personally appeared RICHARD ASTROM, as President of NATIONAL RESIDENTIAL PROPERTIES, INC., formerly known as NATIONAL REHAB PROPERTIES, INC., a Nevada corporation, authorized to do business in Florida, to me known to be the person described in and who executed the foregoing instrument and who acknowledged before me that he executed the same for the purposes therein set forth for and on behalf of said corporation. I further state that (check one) I have examined the current driver's license of the aforesaid person, or I am familiar with the identity of the aforesaid person and have confirmed said person's identity.

WITNESS my hand and official seal in the state and county last aforesaid this 16th day of July 2003.

Patricia C. Fagerberg
NOTARY PUBLIC, STATE OF FLORIDA
(Name: PATRICIA C. FAGERBERG)
Serial Number: _____

My commission expires:

(Affix Seal)



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EXHIBIT "A"

(Legal Description)

EAGLE TRACE SUBDIVISION

REPLAT OF THE PORTIONS OF TRACTS 17 & 18 IN THE SOUTH HALF OF SECTION 9, TOWNSHIP 32 SOUTH, RANGE 39 EAST, ACCORDING TO THE LAST GENERAL PLAT OF LANDS IN THE INDIAN RIVER FARMS COMPANY FILED IN THE OFFICES OF THE CLERK OF THE CIRCUIT COURT OF ST. LUCIE COUNTY, FLORIDA, RECORDED IN PLAT BOOK 2, PAGE 25, SAID LAND NOW LYING AND BEING IN INDIAN RIVER COUNTY, FLORIDA

as recorded in Plat Book 17, Page 34, Public Records of Indian River County, Florida.

COPY

COPY

COPY

DR 1615PG2045

BY-LAWS
OF
EAGLE TRACE
PROPERTY OWNERS' ASSOCIATION OF VERO BEACH, INC.

ARTICLE I
OFFICES

Section 1. The registered office of the corporation (hereinafter referred to as either the "corporation" or as the "Association") in the State of Florida shall be located in the City of Vero Beach, County of Indian River. The corporation may have such other offices, either within or without the State of Florida as the Board of Directors may designate or as the business of the corporation may from time to time require.

ARTICLE II
DEFINITIONS

Section 1. "**Declarant**" shall mean and refer to **NATIONAL RESIDENTIAL PROPERTIES, INC.**, formerly known as **NATIONAL REHAB PROPERTIES, INC.**, a Nevada corporation, authorized to do business in Florida, its successors and assigns.

Section 2. "**Association**" shall mean and refer to **EAGLE TRACE PROPERTY OWNERS' ASSOCIATION OF VERO BEACH, INC.**, a Florida corporation not-for-profit, its successors and assigns.

Section 3. "**Property**" shall mean and refer to the real property described on EXHIBIT "A" attached hereto and incorporated herein by reference.

Section 4. "**Owner**" or "**owner**" shall mean and refer to the record owner, whether one (1) or more persons or entities, of any Lot which is part of the Property but excluding any party holding the fee simple title merely as security for the performance of an obligation. Owner shall include Declarant as to each and every Lot owned by Declarant.

Section 5. "**Common Area**" shall mean all of the portions of the Property now or hereafter owned by the Association for the common use and enjoyment of each Owner, including but not limited to the Stormwater Management Tract depicted on the Plat. The Common Area to be owned ultimately by the Association is as set forth on the Plat, and includes all property set forth on the Plat of Eagle Trace Subdivision, less and except the individual Lots shown thereon and shall further include all other portions of the Property not a part of the individual Lots. The Property, as described herein and to which these By-Laws apply, is referred to herein as "Eagle Trace."

Section 6. "Lot" shall mean a portion of the Property intended for any type of separate, independent ownership and single family use. The Lots are described in the Declaration and on the Plat.

Section 7. "Easements" shall mean that portion of the Property including Lots or portions thereof, which have heretofore or which may hereafter be set aside by the Declarant for the limited or common use of the Declarant, Owners, their invitees, guests, successors or assigns for ingress, egress, utilities, water sewer, lighting, drainage, or otherwise and for all purposes related to the Eagle Trace or as may be indicated on the Plat.

Section 8. "Eagle Trace Property Owners' Association of Vero Beach, Inc." or "Association" shall mean and refer to Eagle Trace Property Owners' Association of Vero Beach, Inc., a Florida not-for-profit corporation, which corporation has been formed for the primary purpose of enforcing the covenants, conditions, restrictions and limitations contained herein and whose membership shall be comprised of all Owners of the Lots in Eagle Trace. These By-Laws apply to the Association.

Section 9. "Architectural Control Committee" (hereinafter referred to as "Committee") shall mean and refer to a board of members initially appointed by the Declarant and subsequently appointed by the Board of Directors of the Association for the primary purpose of assuring that all Owners of Lots improve and maintain the said Lots and all structures located thereon in conformity with restrictions, covenants and architectural requirements described herein and in any related documents created by Declarant.

Section 10. "Structure" shall mean any thing or object (other than trees, shrubbery and other landscaping) the placement of which upon any Lot may affect the appearance of such Lot including but not limited to any building or part thereof, garage, porch, balcony, shed, greenhouse, bathhouse, barbecue pit, patio, swimming pool, television or radio antenna, clotheslines, fence, curbing, paving, wall, recreational facilities, lawn decorative objects including but not limited to statues and tables, living quarters of any nature or any other temporary or permanent improvements to such Lot and any excavation, fill, ditch, dune or other thing or device which affects or alters the natural flow of surface water from or across any Lot or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any Lot.

Section 11. "Member" or "member" shall mean any Owner who is a member of the Association. All Owners are and shall be required to be members of the Association.

Section 12. "Declaration", as used herein does and shall mean the Declaration of Covenants, Conditions, and Restrictions of Eagle Trace recorded in and among the Public Records of Indian River County, Florida.

Section 13. "Plat" shall mean the Plat of Eagle Trace Subdivision recorded in the Public Records of Indian River County, Florida.

**ARTICLE III
MEETINGS OF MEMBERS**

Section 1. Annual Meeting: The annual meeting of the members of this corporation shall be held no later than the fifteenth (15th) day of the month of February of each year. The annual meeting of the members for any year shall be held no later than thirteen months after the last preceding annual meeting of the members. Business transacted at the annual meeting shall include the election of directors of the corporation.

Section 2. Special Meetings: Special meetings of the members shall be held when directed by the President, the Board of Directors, or when requested in writing by the three-tenths (3/10ths) of the total voting interests of those entitled to vote. A meeting requested by members shall be called for a date not less than ten (10) nor more than sixty (60) days after the request is made, unless the members requesting the meeting designate a later date. The call for the meeting shall be issued by the Secretary, unless the President, Board of Directors, or members requesting the meeting shall designate another person to do so.

Section 3. Place: Meetings of members may be held within or without the State of Florida. If no designation is made, the place of the meeting shall be the registered office of the corporation.

Section 4. Notice: Written notice stating the place, day and hour of the meeting and in the case of a special meeting the purpose or purposes for which the meeting is called shall be delivered not less than ten (10) nor more than sixty (60) days before the meeting, either personally or by first class mail, by or at the direction of the President, the Secretary, or the officer or persons calling the meeting to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the books of the corporation, with postage thereon prepaid. The corporation shall maintain a record of all members.

Section 5. Notice of Adjourned Meetings: When a meeting is adjourned to another place or time, it shall not be necessary to give any notice of the adjourned meeting if the place and time to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, and at the adjourned meeting any business may be transacted that might have been transacted on the original date of the meeting. If, however, after the adjournment the Board of Directors fixes a new record date for the adjourned meeting, a notice of the adjourned meeting shall be given as provided in this section to each member of record on the new record date entitled to vote at such meeting.

Section 6. Closing of Corporate Books and Fixing Record Date: For the purpose of determining members entitled to notice of or to vote at any meeting of member or any adjournment thereof, or in order to make a determination of members for any other purpose, the Board of Directors may provide that the corporate membership books shall be closed for a stated period but not to exceed, in any case, sixty (60) days. If the corporate membership books shall be closed for the purpose of determining members

entitled to notice of or to vote at a meeting of members, such books shall be closed for at least ten (10) days immediately preceding such meeting.

In lieu of closing the corporate membership books, the Board of Directors may fix in advance a date as the record for any determination of members, such date in any case to be not more than sixty (60) days and, in case of a meeting of members, not less than ten (10) days prior to the date on which the particular action requiring such determination of members is to be taken.

When a determination of members entitled to vote at any meeting of members has been made as provided in this section, such determination shall apply to any adjournment thereof, unless the Board of Directors fixes a new record date for the adjourned meeting.

Section 7. Voting Record: The officers or agent having charge of the corporate record books for voting interests of the corporation shall at least ten (10) days before each meeting of the members make a complete list of the members entitled to vote at such meetings or any adjournment thereof, with the address of and the number and class. The list for a period of ten (10) days prior to such meeting shall be kept on file at the registered office of the corporation at the principal place of business of the corporation or at the office of the transfer agent or registrar of the corporation; and any member shall be entitled to inspect the list at any time during usual business hours and in accordance with applicable law. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member at any time during the meeting.

If the requirements of this section have not been complied with substantially, the meeting on demand of any member in person or by proxy shall be adjourned until the requirements are met. If no such demand is made, failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

Section 8. Member Quorum and Voting: A majority of the voting interests entitled to vote represented in person or by proxy shall constitute a quorum at a meeting of members.

If a quorum is present, the affirmative vote of the majority of the voting interests represented at the meeting and entitled to vote on the subject matter shall be and be deemed the act of the members unless otherwise provided by law.

After a quorum has been established at a members' meeting, the subsequent withdrawal of members, so as to reduce the number of members entitled to vote at the meeting below the number required for a quorum, shall not affect the validity of any action taken at the meeting or any adjournment thereof.

Section 9. Voting of Voting Interests: Each member entitled to vote in accordance with the terms and provisions of the Articles of Incorporation of the Association and Declaration. The vote for directors shall be by ballot. All other requirements as to voting shall be in accordance with the laws of the State of Florida.

Voting shall be based upon voting interests and percentages thereof, as defined in the Declaration. By way of example but not limitation, if the Declarant owns thirty-two (32) Lots and thirty-two (32) Lots have been sold and conveyed to individual purchasers, the total voting interests equal one hundred sixty (160); i.e., one-hundred twenty-eight (128) votes for the Declarant and one (1) vote for each of the individual Lot Owners, respectively, pursuant to Article IV of the Declaration. Thus, under this example, a majority of the voting interests would be eighty-one (81) votes ($160 \times .51$). This provision is subject to Section 617.3075, *Florida Statutes*.

Section 10. Proxies: The use of proxies shall be governed by Section 617.306, *Florida Statutes*.

Every proxy must be signed by the member or his attorney-in-fact. No proxy shall be valid after the expiration of ninety (90) days from the date thereof. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law.

The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the member who executed the proxy unless before the authority is exercised written notice of an adjudication of such incompetence or of such death is received by the corporate officer responsible for maintaining the list of members.

If a proxy for the same voting interest confers authority upon two (2) or more persons and does not otherwise provide, a majority of them present at the meeting, or if only one is present then that one (1), may exercise all the powers conferred by the proxy; but if the proxy holders present at the meeting are equally divided as to the right and manner of voting in any particular case, the voting of such voting interests shall be prorated.

If a proxy provides, any proxy holder may appoint in writing a substitute to act in his place.

ARTICLE IV DIRECTORS

Section 1. Function: All corporate powers shall be exercised by or under the authority of, and the business and affairs of this corporation shall be managed under the direction of the Board of Directors. A director shall perform such director's duties in such capacity, including such director's duties as a member of any committee, including but not limited to the Architectural Review Board, of the Board of Directors upon which such director may serve, in good faith, in a manner such director reasonably believes to be in the best interest of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or

at any special meeting at which such statement is requested in writing by three-tenths (3/10ths) of the Class A members who are entitled to vote;

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

(c) as more fully or otherwise provided in the Declaration, to:

(1) fix the amount of the annual assessment upon each Lot in advance in of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto in advance of each annual assessment collection period; annual assessments shall be collected and due on a quarterly basis; and

(3) foreclose the lien against any Lot for which assessments are not paid, as specified in the Declaration, or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue upon demand by any person, a certificate setting forth whether any assessment has been paid. A reasonable charge may be made by the Board of Directors for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment.

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

(f) cause all officers or employees who have fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

Section 2. Qualification: Directors need not be residents of this state or members of this corporation.

Section 3. Compensation: The Board of Directors shall serve without compensation.

Section 4. Duties of Director: A Director shall perform his duties, including in his capacity as a member of any committee of the Board of Directors upon which he may serve in good faith, in a manner he reasonably believes to be in the best interests of the corporation, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

In performing his duties, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

(a) one (1) or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented,

(b) legal counsel, public accountants, or other persons as to matters which the director reasonably believes to be within such person's professional or expert competence, or

(c) a committee of the Board of Directors upon which he does not serve, duly designated in accordance with a provision of the Articles of Incorporation or the By-Laws, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

A director shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance described above to be unwarranted.

A person who performs his duties in compliance with this section shall have no liability by reason of being or having been a director of the corporation.

Section 5. Presumption of Assent: A director of the corporation who is present at a meeting of its directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless the record of such meeting reflects that said director voted against such action or abstained from voting in respect thereto because of an asserted conflict of interest.

Section 6. Number: This corporation shall be managed initially by a Board of Directors of three (3) directors. The number of directors may be increased to a maximum of seven (7) members (and no even number is permissible) or decreased to no fewer than three (3) members from time to time by amendment to these By-Laws or by vote of a majority of the members; but no decrease shall have the effect of shortening the terms of an incumbent director.

Section 7. Election and Term: At the first annual meeting of members and at each annual meeting thereafter the members shall elect directors to hold office until the next succeeding annual meeting, or until successors shall have been elected and qualified or until the earlier resignation, removal from office or death. Election and voting procedures shall be governed by Section 6.17.306, *Florida Statutes*.

Election to the Board of Directors shall be by secret written ballot. At such election the members may cast, in respect to each vacancy, as many votes as they are entitled to exercise hereunder. The director shall be elected by the affirmative vote of the holders of a majority of the voting interests represented at a meeting at which a quorum is present. Cumulative voting is not permitted.

Section 8. Vacancies: Any vacancy occurring in the Board of Directors, including any vacancy created by reason of an increase in the number of directors, may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum. A

director elected to fill a vacancy shall hold office only until the next election of directors by the members.

Section 9. Removal of Directors: At a meeting of members called expressly for that purpose, any director or the entire Board of Directors may be removed with or without cause by a vote of the holders of a majority of the voting interests then entitled to vote at an election of directors.

Section 10. Quorum and Voting: A majority of the number of directors fixed by these By-Laws shall constitute a quorum of the transaction of business. The act of the majority of the directors present at meeting at which a quorum is present shall be the act of the Board of Directors.

Section 11. Executive and Other Committees: The Directors by resolution adopted by a majority of the full Board of Directors may designate from among its members an Executive Committee and other committees; and each such committee shall serve at the pleasure of the Board of Directors with the authority contained in the *Florida Statutes*. The Board of Directors by resolution may designate one (1) or more directors as alternate members of any such committee, who may act in the place and stead of any absent member or members at any meeting of such committee.

Section 12. Regular Meetings: A regular meeting of the Directors shall be held without other or further notice than this by-law, immediately after and at the same place as the annual meeting of the members.

Section 13. Special Meetings: Special Meetings of the Directors may be called by the President or by any two (2) directors. The person or persons authorized to call special meetings of the directors may fix the place for holding any special meeting of the directors called by said person or persons. Members of the Board of Directors may participate in a meeting of such Board of Directors by means of a conference telephone or similar communications equipment by means of which all person participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 14. Notice: Except in the event of an emergency, written notice of the time and place of Special Meetings of Directors shall be given to each director either by personal delivery or by mail, telegram, or cablegram at least forty-eight (48) hours prior to the meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting and waiver of any and all objections to the place of the meeting, any objection to the transaction of business because the meeting is not lawfully called or convened. The business to be transacted at or the purpose of any Special Meeting of the directors shall be specified in the written waiver of notice.

Section 15. Action Without a Meeting: Any action required to be taken at a meeting of the directors of the corporation, or any action which may be taken at a meeting of the directors or a committee thereof, may be taken without a meeting if a consent in writing or a written action in lieu of a meeting, setting forth the action so to be taken, signed

by all of the directors, or all the members of the committee, as the case may be, is filed in the minutes of the proceedings of the Board of Directors or of the committee. Such consent shall have the same effect as a unanimous vote.

ARTICLE V OFFICERS

Section 1. Officers: The officers of this corporation shall consist of a president, vice president, secretary and treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors from time to time. Any two (2) or more offices may be held by the same person. The directors shall elect officers of the corporation annually at the meeting of the directors held after each annual meeting of the members. Each officer shall hold office until his successor shall have been duly elected and qualified or until his death or resignation or until he shall have been removed in the manner provided herein.

Section 2. Duties of Officers: The officers of this corporation shall have the following duties:

THE PRESIDENT shall be the chief executive officer of the corporation, shall have general active management of the business and affairs of the corporation subject to the directions of the Board of Directors, and shall preside at all meetings of the members and Board of Directors.

THE VICE PRESIDENT shall have the same responsibilities of the President, exercisable only in the absence of the President. The Board of Directors may name as many Vice Presidents as it deems necessary or expedient.

THE SECRETARY shall have custody of, and maintain, all of the corporate records except the financial records, shall record the minutes of all meetings of the members and Board of Directors, send all notices of meetings, and perform such other duties as may be prescribed by the Board of Directors or the President.

THE TREASURER shall have custody of the corporate funds and financial records, shall keep full and accurate accounts of receipts and disbursements and render accounts thereof at the annual meeting of the members and whenever else required by the board of Directors or the Present, and shall perform such other duties as may be prescribed by the Board of Directors or the President.

Section 3. Removal: Any officer or agent elected or appointed by the Directors may be removed by the Directors whenever in the Director's judgment the best interest of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**ARTICLE VI
BOOKS AND RECORDS**

This corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its members, Board of Directors and committees of directors upon the terms and conditions provided by law.

**ARTICLE VII
COMMITTEES**

The Association shall appoint an Architectural Control Committee, as provided in the Declaration and as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

**ARTICLE VIII
FISCAL YEAR**

The fiscal year of the corporation shall begin on the first (1st) day of the month of January in each year.

**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 upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within the time set forth in the Declaration, the assessment shall bear interest from the date of delinquency at the maximum rate allowable by Florida law, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waiver or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot.

**ARTICLE X
CORPORATE SEAL**

The directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation, state of incorporation, year of incorporation and the words *corporate seal*.

**ARTICLE XI
AMENDMENT**

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of the voting interests of the members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control, and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, the undersigned directors of the corporation do hereby affix the said directors' hands and seals on the date set forth below thereby evidencing the adoption of the foregoing By-Laws of the corporation.

"DIRECTORS"



RICHARD ASTROM



CHRISTOPHER ASTROM

Date: 7/16, 2003

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EXHIBIT "A"

(Legal Description)

EAGLE TRACE SUBDIVISION

REPLAT OF THE PORTIONS OF TRACTS 17 & 18 IN THE SOUTH HALF OF SECTION 6, TOWNSHIP 32 SOUTH, RANGE 99 EAST, ACCORDING TO THE LAST GENERAL PLAT OF LANDS IN THE INDIAN RIVER FARMS COMPANY FILED IN THE OFFICES OF THE CLERK OF THE CIRCUIT COURT OF ST. LUCIE COUNTY, FLORIDA, RECORDED IN PLAT BOOK 2, PAGE 26, SAID LAND NOW LYING AND BEING IN INDIAN RIVER COUNTY, FLORIDA.

COPY

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