

STATE OF FLORIDA
COUNTY OF OKALOOSA

DECLARATION OF COVENANTS, EASEMENTS,

CONDITIONS AND RESTRICTIONS

FOR

SUMMERWOOD OF SHALIMAR, A PLANNED UNIT DEVELOPMENT

THIS DECLARATION, made on the date hereinafter set forth by WALTON PROPERTIES & CONSTRUCTION, INC., hereinafter referred to as "**Declarant**;"

W I T N E S S E T H

WHEREAS, Declarant is the owner of certain property in Okaloosa County, Florida, upon which sixty-three (63) residential building lots have been improved and which are described as follows:

Lots 1 through 63, SUMMERWOOD, according to Plat Book 22, Page 29, Public Records of Okaloosa County, Florida.

and,

NOW, THEREFORE, Declarant hereby declares that all of the sixty-three (63) lots described above shall be sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and the desirability of, and which shall run with the real property and be binding on all parties having any rights, title or interest in the described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of the owners thereof.

ARTICLE I

DEFINITIONS

Section 1. "Home Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot described above, including contract buyers, but excluding those having such interest merely as security for the performance of an obligation.

Section 2. "Lot" shall mean and refer to each of the sixty-three (63) lots described above and forming a part of SUMMERWOOD. Such lots shall not be subject to further subdivision into smaller parcels by any subsequent owner.

Section 3. "Association" shall mean and refer to SUMMERWOOD OF SHALIMAR HOMEOWNERS' ASSOCIATION, INC., a Florida non-profit corporation, its successors and assigns.

Section 4. "Common Area" shall mean all of that real property described on the plat of SUMMERWOOD, less and except Lots 1 through 63, as recorded in Plat Book 22, Page 29, Public Records of Okaloosa County, Florida.

Section 5. "Declarant" shall mean and refer to WALTON PROPERTY & CONSTRUCTION, INC., and its successors and assigns.

ARTICLE II

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot.

Section 2. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

ARTICLE III

PROPERTY RIGHTS

Section 1. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right to enjoyment to the common area and facilities to the members of his family, or contract purchasers who reside on the property. Such renter then may delegate temporary use per this paragraph.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the properties, hereby covenants, and each owner of any improved lot by acceptance of title thereunto, whether or not it shall be so expressed in such deed or other conveying instrument, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessment for capital improvements, such assessments to be established and collected as hereinafter provided, and (3) special assessments imposed upon an individual lot owner for repair or maintenance necessitated by the willful or negligent act of the owner, his family, or their guests, tenants or invitees. The annual and special assessments, together with interest, costs and reasonable attorney's fee, shall be a charge on the lot and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney fees, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments.

(a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents in the properties and for the improvement and maintenance of the common area, which shall include the following:

- (1) Repair, maintenance and capital improvement to the common areas.
- (2) Maintain the storm water management system and the storm water drainage facility and drainage easements.
- (3) Perpetually operate and maintain the storm water management system, the storm water drainage facility as exempted or permitted, and to otherwise fulfill the responsibilities of the Association to Okaloosa County and the State of Florida as it may relate to the drainage and storm water management. Maintain stormwater holding pond and system.
- (4) The payment of all utility bills, including water and electric, for any utilities provided to the common areas, and real estate taxes.
- (5) The cost of any insurances related to the common area or facilities.
- (6) Maintain the site signage, fencing and street lights.
- (7) Any other cost, fee, charge or expense which is related to the common area.
- (8) Repair, replace and maintain privately owned streets within the subdivision currently named Sugar Plum Lane, Apple Blossom Court, Red Plum Court and Five Oaks Lane

In the event that the need for maintenance or repair to the common area is caused through the willful or negligent act of the owner, his family or guests, tenants, or invitees, the cost of such maintenance or repairs shall be added to and become a part of the assessment to that individual lot and lot owner.

Section 3. Annual Assessments. The Association's Board of Directors, with the approval of a majority of the members present and voting at a meeting of the membership called for such purposes, shall establish the amount of the annual assessment, which annual assessment must be fixed at a uniform rate for all lots unless the event of maintenance or repair costs necessitated by the

willful or negligent act of an owner, his family or their guests, tenants or invitees, occasions an increased assessment to particular owner.

Annual assessments may be collected on a monthly, quarterly, semi-annual or annual basis as the Board of Directors may establish. Initially, such assessments shall be payable quarterly.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, repair or replacement of a capital improvement upon the common area.

Section 5. Notice and Quorum for any Action Authorized under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than ten (10) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty percent (50%) of all votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Date of Commencement of Annual Assessments - Due Dates. The annual assessments provided for herein shall commence as to all lots on the first of the month following the initial conveyance of each owner's lot. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each lot at least thirty (30) days in advance of

each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified lot have been paid. At the time of closing and conveyance of each lot, the Purchaser shall pay the equivalent of three month's assessment to the Association for capitol contributions. This provision shall apply not only to original sales, but also for each resale. The Declarant shall be excused from the paying of any assessments for unsold lots.

Section 7. Effect of Nonpayment of Assessments/Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the lot. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the common area or abandonment of his lot.

Section 8. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V
GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations liens and charges now or hereafter imposed by the provisions of this Declaration. Failure of this Association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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

Section 3. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless a majority of the members of the Association decide that such covenants, conditions and restrictions shall abate, which decision, if made, shall be evidenced by an agreement in writing signed by a majority of the membership setting forth their decision, which documents shall be effective when duly recorded in the Public Records of Okaloosa County, Florida. This Declaration may be amended by an instrument signed by not less than sixty-six percent (66%) of the lot owners. Any amendment must be recorded in the Public Records of Okaloosa County, Florida.

Section 4. The Declarant, so long as it holds title to any of the lots covered by these restrictions shall have the right to veto any action of the Board of Directors and shall further have the right to appoint all Directors to the Board as the Declarant shall see fit. Declarant shall retain this right until all lots are sold by the Declarant.

Declarant shall not be obligated to pay assessments except in that sum which the Declarant determines to be reasonable and appropriate. Lots owned by the Declarant are not subject to assessment liens.

ARTICLE VI

USE RESTRICTIONS

Section 1. Residential Use. The lots may be used for residential dwelling units and for no other purpose, except that individual residential dwelling units may be used as model homes and sales office by the Declarant during the development of the property. Declarant shall be permitted to use residence as an office in perpetuity.

Section 2. Permitted Structures: No structures of any kind shall be erected, altered, placed or permitted to remain on any of the platted lots, within the property other than: (I) One single family dwelling, specifically approved in writing by the Declarant, its agents or assigns, and (II) any other structure specifically approved in writing by the Declarant, its agents or assigns.

Section 3. Architectural Review: No building, fence, wall or other structure shall be commenced, erected, or maintained upon a lot nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant, its agents or assigns. In the event said Declarant or its agents or assigns, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, such submittal being verified by U.S. Post Office receipt or Federal Express Air Bill designating Declarant as having received material, approval will not be required and this Article will be deemed to have been fully complied with.

Section 4. Noxious or Offensive Activities: No trade, business or offensive activity shall be permitted upon the property nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No mobile homes, tents or shacks shall be placed on any lot except mobile homes used temporarily as sales offices and construction offices with Declarant's approval. No structure of a temporary character may be used as a residence.

Section 5. Animals: No animals, livestock or poultry of any kind shall be raised, bred or kept on any lot, except that no more than two (2) dogs, two (2) cats and two (2) other household pets may be kept, provided they are not kept, bred or maintained for any commercial purposes. All such animals shall be kept inside the household except when owner is personally accompanying said animal(s) outside of said household. Animals will be kept under supervision at all time and restrained by leash.

Section 6. Vehicle Parking: No automobile, truck, boat, boat and trailer, trailer, waverunners, ATVs, house trailer, mobile home, camper or other similar vehicle shall be parked on any roadway (including the unpaved portion of the right-of-way thereof) overnight. No boat, boat and trailer, trailer alone, waverunner, ATV, camper, recreational type vehicle, or self-propelled mobile home, shall be parked for any period of time or stored or otherwise be permitted to remain on any lot except in an approved garage or obscured from public view by appropriate privacy fence.

Section 7. Easements: There is hereby reserved by Declarant for the benefit of the Declarant, and all owners, a perpetual easement across the easement areas and road right-of-ways as shown on the recorded plat of Summerwood, for the location, installation, maintenance, repair and replacement of all drainage and utility services which have been installed or may hereinafter be installed by Declarant to serve Summerwood.

Any drainage easement shown on such plat shall also be deemed to be an area in which utility services may be installed, maintained, repaired and replaced. The Declarant retains and creates a ten (10) foot drainage and utility easement on that portion of any lot in the subdivision which abuts Sugar Plum Lane, Apple Blossom Court, Red Plum Court or Five Oaks Lane; and this reservation is for the benefit of the Declarant and the owners' Association. This easement shall affect only that portion of those lots which abut those roads. The Association shall be responsible for the repair and maintenance of any utilities or drainage facilities constructed within said easement area; and there shall be no construction within this area which would interfere with the intended use of these easement areas.

Section 8. Plantings: Hedges are permitted along, but inside the property lines adjoining streets, but not closer to the front than the applicable setback line for the house or residence. No hedge shall be placed on any portion of any lot at a height more than six (6) feet from the ground. Should any hedge, shrub, tree, flower or other planting be so placed, or afterwards grow so as to encroach upon the adjoining property, such encroachment shall be removed upon the request of the owner of the adjoining property. Should any encroachment be upon a right-of-way, street, or other easement, it shall be removed promptly upon request of Declarant or its duly designated representative, and such encroachment shall be wholly at the risk of the owner of the encroaching object. Each lot owner shall maintain the Live Oak Tree planted in each front yard as is required by Okaloosa County.

The owners of the following lots, 1, 38, 39, 40, 41, 42, and 43 shall provide the necessary irrigation water for that area described as 4th Avenue right-of-way and the adjoining 10 foot common area landscape buffer that is adjacent to each lot. Lots 8, 9, 30 and 31, shall provide irrigation water for the common area adjacent to those lots.

The Association shall have the right to enforce the lot owners obligation to provide the water and maintain a mechanism by which the sprinkler system is activated on a periodic basis. The actual maintenance of the pipes and sprinkler system within the right-of-way and buffer area shall be the responsibility of the Homeowners Association to maintain, repair and replace and shall be part of the overall subdivision budget, but the cost of the water actually provided shall be the responsibility of those homeowners described and identified above.

Section 9. Window Air Conditioning Units: No window air conditioning units shall be permitted.

Section 10. Antennas: No aerial mast, towers or antennas shall be placed or erected upon any lot, or affixed in any manner to the exterior of any dwelling or structure. Satellite dish less than one meter in diameter may be permitted only if located in rear yard and enclosed by privacy fence.

Section 11. Garbage and Trash Containers: No lot may be used or maintained as a dumping ground for rubbish, trash or other waste. All trash, garbage and other waste shall be kept in sanitary containers within an enclosure constructed as a part of each dwelling in a location approved by the Declarant, its agents or assigns. All lots shall be kept free of the accumulation of rubbish, trash, garbage, other solid waste materials and all unsightly weeds and underbrush. No materials, supplies, equipment and/or appliances will be stored for any period of time outside the household or garage. No incinerators or other fixed equipment shall be used for the collection, storage or disposal of solid waste materials.

Section 12. Lighting: No lighting shall be permitted which alters the residential character of the property. No lighting of outdoor activity areas shall be permitted without the approval of the Declarant, its agents or assigns.

Section 13. Signs: No signs of any kind shall be erected, permitted to remain on or displayed to public view on or from any lot, except an approved sign giving the name of the occupant of the residence located on said lot or an approved sign advertising the premises for sale or rent. All signs shall be approved by the Declarant, its agents or assigns.

Section 14. Casualty Damage: In the event of damage or destruction by fire or other casualty to any improvements located upon the property, the owner of such improvements shall repair or rebuild such damages or destroyed improvements in a good and workmanlike manner, within a reasonable time not to exceed six (6) months and in accordance with the provisions of these covenants. All debris must be removed and the lot restored to an orderly condition within sixty (60) days of such damage or destruction.

Section 15. Reconstruction or Renovations: Following completion of construction, an owner of a lot may not cause or permit any alteration or modification to be made to the structural components or exterior appearance of his dwelling including driveways and parking areas nor make any additions to the exterior of his dwelling without the prior written approval of the Declarant, its agents or assigns, except that an owner may replace windows, doors, shingles and siding with windows or doors of the same style and equal or better quality as originally installed as part of the construction.

Section 16. Construction Requirements. Minimum square footage: Unless the Declarant or its designated representative shall have expressly consented in writing to a lesser minimum square footage, no dwelling or residence shall be permitted upon any lot subject to these covenants, restrictions, and reservations which does not have a total square footage, excluding garage, porch,

utility and storage rooms as follows: Minimum square footage: 1,200.

Section 17. Declarant's Right of Modification/Variations/Additions: Declarant, or its agents or assigns, reserves the right to hereafter modify, amend or grant variances to any of the foregoing covenants, conditions and restrictions when in the sole discretion of Declarant or its agents or assigns, such modification, amendment or variance is deemed useful and proper. Declarant, its agents or assigns may also make other restrictions applicable to each lot by appropriate provision in the contract for deed or in any deed, without otherwise modifying the general plan herein outlined, and such other restrictions shall inure to the benefit of other owners of lots in the subdivision and shall bind the grantees and their respective heirs, successors or transferees to include tenants, in the same manner as though they had been expressed herein. Declarant reserves the right to grant variances and waivers for violation of any building setback line as shown on the plat of SUMMERWOOD, and shall further have the authority to grant variances and waivers for any minor encroachments into drainage or utility easements.

No fence shall be constructed or erected until such time as written approval for the fence, as to design materials and location have been approved by Declarant.

Section 18. Clothes Lines. No clothes lines will be permitted unless the clothes line is located in the rear of the lot behind the residence and fully enclosed by an approved privacy fence.

Section 19. There are various drainage easements depicted upon the plat of SUMMERWOOD. The contour of these drainage easements have been designed by the Declarant's engineer so as to best serve the drainage system of the subdivision. Each lot owner, their successors and assigns, agrees to not change, alter or impair the

contour and typography of the drainage easement in any manner which would impede, obstruct or interrupt the drainage or water management of the property. Any such violation of this clause shall subject the violator to legal proceedings by the Declarant or the SUMMERWOOD OF SHALIMAR HOMEOWNERS' ASSOCIATION, INC., who shall have all of the rights set forth in Article V and VI regarding the enforcement procedures thereof.

IN WITNESS WHEREOF, the undersigned being Declarant herein, has hereunto caused its hand and seal to be affixed this 23rd day of June, 2005.

WITNESSES:

WALTON PROPERTIES AND CONSTRUCTION, INC., a Florida corporation

S.A. Dycus

[Signature]

Michael Wm Mead

By: **GEORGE R. SMITH**
its President

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 23 day of June, 2005, by GEORGE R. SMITH, as President of WALTON PROPERTIES AND CONSTRUCTION, INC., a Florida corporation, _____ who is personally known to me, or _____ who has produced _____ as identification.

Sherrill A. Dycus
Notary Public
My Commission Expires:

PREPARED BY:

Michael Wm Mead, Attorney at Law
Post Office Drawer 1329
Fort Walton Beach, Florida 32549

