

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration, made on the date set forth below, by SHALIMAR DEVELOPMENT CORPORATION and CENTENNIAL DEVELOPMENT CORPORATION OF OKALOOSA COUNTY, INC., both Florida Corporations (hereafter DECLARANT).

Whereas, Declarant is the owner of certain real property located in Okaloosa County, Florida more particularly described as:

AMENDED PARKWOOD LANE AT BLUEWATER BAY and more particularly described on Exhibit "A" attached hereto.

Whereas, BLUEWATER BAY PROPERTIES, LTD. (hereafter BLUEWATER), did make a Declaration of Covenants, Conditions and Restrictions of "PARKWOOD LANE OF BLUEWATER BAY" as recorded in Official Records Book 1501 at page 1139, of the public records of Okaloosa County, Florida. BLUEWATER having conveyed all of the property described in that Declaration to DECLARANTS, BLUEWATER now joins in this amended declaration. BLUEWATER joins for the purpose of consent to the amended declaration and to vacate, abandon, set aside and terminate the Declaration recorded in Official Records book 1501 at page 1139.

Now therefore, DECLARANT hereby submits all of the real property described above to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I. DEFINITIONS

SECTION 1. "Association" shall mean and refer to Parkwood Lane at Bluewater Bay Owner's Association, Inc.

SECTION 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, whether such lot be improved or unimproved.

SECTION 3. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association and personal property situated on individual lots but owned by the Association.

SECTION 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

All real property described in the plat of Amended Parkwood Lane at Bluewater Bay, less and except platted Lots 1-45.

SECTION 5. "Lot" shall mean and refer to any numbered plot of land shown upon the recorded plat of Amended Parkwood Lane at Bluewater Bay, with the

exception of the Common Areas.

SECTION 6. "Declarant" shall mean and refer to Shalimar Development Corporation and Centennial Development Corporation of Okaloosa County, Inc., successors and assigns if such successor or assign should acquire more than one undeveloped lot from Declarant for the purpose of development.

SECTION 7. "Architectural Review Committee" shall mean the Board of Directors of the Association or any committee of the Board so designated.

SECTION 8. "Developer" shall mean Bluewater Bay Properties, Ltd., or its designated successor for purposes of exercising any rights granted hereunder to Developer.

ARTICLE II. PROPERTY RIGHTS.

SECTION 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas referred to in this document or described on the recorded plat of the subject property.

SECTION 2. Delegation of Use. Any Owner may delegate, in accordance with the by-laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III. 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. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant (who shall become a Class A member when Declarant's Class B membership ceases as provided hereafter) and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to the lot.

Class B. Class B member(s) shall be Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class B membership equal total votes outstanding in the Class A membership, or
- (b) Thirty (30) months from recording the

Declaration in the Public Records of
Okaloosa County, Florida.

ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENTS.

SECTION 1. Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each lot owned within the properties, hereby covenants, and each Owner of any 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) an amount equal to its pro rata share of the annual Bluewater Road Assessment, as defined in Section 2 (c) of this Article IV, (3) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, (4) a one time assessment, payable upon purchase of a lot from Declarant for purposes other than development, of \$100.00 to create a reserve fund for capital replacement and (5) special assessments imposed upon an individual lot owner for repair or maintenance necessitated by the wilful or negligent act of the Owner, his family, or their guests, tenants or invitees; collection of each of the above items shall constitute an "assessment" as defined herein and all applicable laws, rules and regulations. The annual or special assessments, together with interest, costs, and reasonable attorneys fees, shall be a charge on the land and shall be continuing a lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys 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 to promote the health, safety and welfare of the residents in the properties and for the improvement and maintenance of the Common Area.

b. The assessments levied may include the cost to erect and maintain signs, of a non commercial or sales nature, which identify the property, which give information or directions to the property; which identify or give directions to the streets and roadways on the property; and for other reasonable purposes which the Board may from time to time approve. These signs may be located outside the property, but such location shall not in any way affect the right of the Association to make and collect assessments for the purpose stated in this paragraph b.

c. The assessment levied shall include an amount equal to the amount charged by BLUEWATER BAY DEVELOPMENT COMPANY, LTD., its successors or assigns, to the Association to cover the Association's share of the roadway maintenance and landscaping and sign maintenance for the right of way of the road known as Merchants Way and for the right of way of Bluewater Boulevard from its intersection with Highway 20 to the south side of Range Road, hereafter called Bluewater Road Assessment.

SECTION 3. Maximum Annual Assessment.

a. Until all lots are sold or 30 months from the date of recording of the Declaration, whichever occurs first, the maximum annual assessment shall be \$15.00 per lot paid annually and shall be imposed on all lots from the first of the month following conveyance of the Common area to the Association, except that the developer's responsibility will be limited to payment, until all lots are sold or thirty (30) months from the date of the recording of the Declaration, whichever occurs first, of whatever amount will be required to fund the Association (less unit owner's contributions), regardless of the amount of assessment per unit. Thereafter, the Association's board of directors, with the approval of two-thirds (2/3) of each class of the members present and voting at a meeting of the membership called for such purpose, shall establish the amount of the annual assessment, which annual assessment must be fixed at a uniform rate for all lots, unless in the event of maintenance or repair cost necessitated by the wilful or negligent act of an Owner, his family or their guests, tenants or invitees occasions an increased assessment to a 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 annual assessments shall be payable annually.

b. The maximum annual assessment to the Association for the Bluewater Road Assessment shall be \$3375.00 for the calendar year 1990, and, according to the contract between Declarant and Developer, shall increase as determined by BLUEWATER but not more than 6% per year on a cumulative basis. In all respects the Bluewater Road Assessment shall be treated as a part of the annual assessment as defined herein. BLUEWATER BAY DEVELOPMENT COMPANY, LTD., or its successors or assigns, shall be responsible for said repair and maintenance and the Association shall only be obligated to pay the assessment set forth herein.

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, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

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 Section 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum.

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 day of the month following the conveyance of the Common Area. 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.

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 same, or foreclose the lien against the property. 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 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.

ARTICLE V. ARCHITECTURAL CONTROL

SECTION 1. Single Family Residence Only. No structure shall be erected, altered or permitted to remain on any lot in the Subdivision other than for use as a single family residence.

SECTION 2. Structures. Construction of structures other than the main residence structure and any garage structure shall not be permitted on any lot of the Subdivision except the following ancillary structures may be permitted subject to approval by Architectural Control Committee of location and architectural design and exterior finishes: pet house (up to 25 square feet and not more than 5 feet high), hothouses or greenhouses (up to 100 square feet and not more than 15 feet high), poolhouses or children's treehouse or playhouse (up to 145 square feet and not more than 12 feet high), outdoor fireplaces or barbeque pit (up to 9 square feet and not more than 10 feet high), and swimming pools and mechanical installations in connection therewith. Any such ancillary structures permitted hereunder shall be attractively landscaped, constructed in a harmonious design with the main structure. Architectural Control Committee approval shall be obtained before construction of any ancillary structure. For any ancillary structure backing up to Range Road, Bluewater Boulevard or Merchants Way, approval of Developer shall also be required.

SECTION 3. Fences. No fence or wall shall be erected higher than six (6) feet from the normal surface of the ground. All fences must be approved by the Architectural Control Committee as to location, quality, style, color and design prior to construction. Visible chain link fences will not be permitted. In no event shall any fence connect to any house at a point closer than thirty feet (30') from the front of each house. Fences may not be located outside property

lines. No fence or wall shall be erected between the front of a house and the street. Any fence along Range Road, Bluewater Boulevard or Merchants Way shall require approval of Developer.

SECTION 4. Design and Location of Improvements and Tree Removal to be Approved by Architectural Control Committee. For the purpose of further insuring the development of the Subdivision as a residential area of highest quality and standards, and in order that all improvements on each lot shall present an attractive and pleasing appearance from all sides of view, the Architectural Control committee reserves the exclusive power and discretion to control and approve all improvements to be built on each lot. Architectural Control Committee also reserves the right to approve all plans for tree removal from any lot in connection with clearing an area for construction or improvements or for creation of a yard area. Plans for clearing a lot, construction of improvements and landscaping, showing such details as Architectural Control Committee may reasonably require to permit Architectural Control Committee to carry out its approval rights hereunder, shall be submitted to Architectural Control Committee for its review and approval. The timing for submitting plans for review and the time period for Architectural Control Committee to respond shall be established by Architectural Control Committee from time to time. The Owner of a lot shall be required to landscape the area between the lot line and the paved area of any abutting street in manner consistent with the landscaping of the lot. Removal of trees with a diameter in excess of eight (8) inches from a lot backing up to Range Road, Bluewater Boulevard or Merchants Way shall require approval of Developer.

SECTION 5. No Parking of Vehicles, Boats, Etc. No wheeled vehicles of any kind, boats or any offensive objects may be kept on public right of ways of the Subdivision, or in the driveways, front, side or rear yard area of any lot except that passenger vehicles (other than mobile homes, motor homes, self-contained or otherwise, travel trailers and campers) may be parked on a temporary basis in the paved driveways serving a lot. Boats or wheeled vehicles may be kept completely inside the garage or within the rear yard of a lot provided such object is sufficiently screened so that it is hidden from view from the front, sides and rear of the lot. No trailers of any kind, mobile homes nor motor homes shall be kept for use on any lot. Disabled vehicles or vehicles under repair may be kept on a lot only within the garage located on said lot. This covenant may not be varied except with approval of Developer.

SECTION 6. Window Air Conditioners. Unless the prior approval of the Architectural Control Committee has been obtained, no window air conditioning units shall be installed in any side of a building wall visible from the street or side yard.

SECTION 7. No Overhead Wires. All telephone, electric and other utility lines and connections between the main utility lines and the residence and other buildings located on each lot shall be located underground so as not to be visible.

SECTION 8. Residing Only in Residence. No trailer, basement, garage or any outbuilding of any kind even if otherwise permitted hereunder to be or remain on a lot, shall be at any time used as a residence either temporarily or

permanently.

SECTION 9. Size of Signs. No sign of any character shall be displayed or placed upon any lot except as approved by the Architectural Control Committee. The Architectural Control Committee hereby approves "For Sale" signs of a size not to exceed 9 square feet to be placed upon said lot by any owner-resident or his agent to facilitate the sale thereof. Only one (1) "For Sale" sign shall be permitted per lot. "Sold" may be affixed to said sign and remain on the lot until seven (7) days after closing of the sale. The Architectural Control Committee may enter upon any lot and summarily remove any signs which do not meet the provisions of the paragraph. Furthermore, Architectural Control Committee hereby approves a single identification sign board which may be located on a lot during the construction period on which the builder may identify his company and, at the option of the builder, permit subcontractors to identify themselves. This sign board shall not be more than four feet high and two feet wide. In no event shall any signs be affixed to any trees on the lot. No signs may be placed in the rear yard or within the right of way of Range Road, Bluewater Boulevard or Merchants Way without approval of Developer.

SECTION 10. Commercial Signs. Nothing contained in these covenants and restrictions shall prevent the Architectural Control Committee or any person designated by the Architectural Control Committee from erecting or maintaining such commercial and display signs and such temporary dwellings, model houses and other structures as the Architectural Control Committee may deem advisable for development, marketing or sales purposes, except no such signs shall be placed on Range Road, Bluewater Boulevard or Merchants Way. Nevertheless, no commercial signs, other than for the purpose of development, marketing or sales purposes of Amended Parkwood Lane at Bluewater Bay, shall be permitted.

SECTION 11. Aerials and Antennas. Unless otherwise approved by Architectural Control Committee, no television or radio aerial or antenna, nor any other exterior electronic or electric equipment or devices of any kind shall be located on any lot or installed or maintained on the exterior of any structure located on a lot.

SECTION 12. Mail Boxes. Only a mail box or newspaper receiving box of the types approved by Architectural Control Committee from time to time may be erected or located on any lot. No other receptacle of any kind for any use in the delivery of mail or newspapers or similar material may be erected or located on any lot. If the Architectural Control Committee chooses to cluster mail boxes to afford a more uniform style, no individual mail boxes will be permitted.

SECTION 13. Pets. Except for not more than two (2) dogs or two (2) cats, no pets or other animal may be kept on a lot or in any structure located on the lot, unless confined exclusively to the interior of the main residence located on the lot. No animals of any kind may be kept for any commercial or breeding purposes. If, in the sole opinion of the Architectural Control Committee, the animal or animals become dangerous or an annoyance or nuisance in the neighborhood or nearby property or destructive wild life, they may not thereafter be kept on the lot. The Owner of any animal shall have the animals on a leash at all times when not confined.

SECTION 14. No Offensive Activities. No illegal, noxious or offensive activity shall be permitted or carried out on any part of a lot, nor shall anything be permitted or done thereon which is or may become a nuisance or a source of embarrassment, discomfort or annoyance to the neighborhood. No trash, garbage, rubbish, debris, waste material or other refuse shall be deposited or allowed to accumulate or remain on any part of said lot nor upon any land or lands contiguous thereto. No fires for burning of trash, leaves, clippings or other debris or refuse shall be permitted to be on any part of said land or right-of-ways. Except for the day of collection, trash containers shall be kept inside the garage or within a screened area to the side of the house.

SECTION 15. Well Limitation: Water Supply. No artesian wells may be drilled or maintained on any lot. A property owner may provide an individual water supply system for a shallow well on his lot provided that said system is used solely to supply water for an air-conditioning or heating installation, irrigation purposes, swimming pools or other exterior uses.

SECTION 16. Lot Appearance. The Owner of each lot, whether such lot be improved or unimproved, shall keep such lot and the area between the property line of the lot and the paved surface of any abutting street free of trash and rubbish and shall keep such lot at all times in a neat and attractive condition. In the event the Owner of any lot fails to comply, the Architectural Control Committee or the Developer, who shall have this right as to the rear of any lot adjacent to Range Road, Bluewater Boulevard or Merchants Way, shall, after giving written notice to the property owner, have the right, but no obligation, to go upon such lot and remove rubbish and any other things and perform and furnish any labor necessary or desirable in its judgment to maintain the property in a neat and attractive condition, all at the expense of the Owner of such lot, which expense shall be payable by such Owner to the Architectural Control Committee on demand.

SECTION 17. Clothes Lines. Only portable clothes lines will be permitted in the rear of the house. Clothes must be removed promptly and line hidden from view after each use.

SECTION 18. Street Lighting. Declarant will contract with the Choctawhatchee Electric Cooperative, or its assigns, to install a street lighting system for this Subdivision. The cost of operating and maintaining this system shall be included in the maintenance fee.

SECTION 19. Architectural Control Committee May Correct Violations. Wherever there shall have been built or there shall exist on any lot any structure, building, thing or condition which is in violation of these covenants and restrictions, the Architectural Control Committee or the Developer as to those rights granted Developer herein, shall, after giving written notice to the property owner, have the right, but no obligation, to enter upon the property where such violation exists and summarily to abate, correct, or remove the same, all at the expense of the Owner of such property, which expenses shall be payable by such Owner to the Architectural Control Committee, on demand and such entry and abatement, correction or removal shall not be deemed a trespass or make the Architectural Control Committee liable in any way for any damages on account thereof.

SECTION 20. Approval of Architectural Control Committee or Developer.

Wherever in these covenants and restrictions the consent or approval of the Architectural Control Committee or the Developer is required to be obtained, no action requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the same has been submitted to and approved in writing by the Architectural Control Committee or Developer. Such request shall be sent to the Architectural Control Committee or Developer by certified mail with return receipt requested. In the event that the Architectural Control Committee or Developer fails to act on any such written request within thirty (30) days after the same has been submitted to as required above, the consent or approval of the Architectural Control Committee or Developer as the case may be, to the particular action sought in such written request shall be presumed; however, no action shall be taken by or on behalf of the person or persons submitting such written request which violates any of the covenants and restrictions herein contained.

SECTION 21. Amendments or Additional Restrictions.

The Declarant reserves and shall have the right (a) to amend these covenants and restrictions, but all such amendments shall conform to the general purposes and standards of the covenants and restrictions herein contained, (b) to amend these covenants and restrictions for the purpose of curing any ambiguity in or any inconsistency between the provisions contained herein, (c) to include in any contract or deed or other instrument hereafter made, any additional covenants and restrictions applicable to the said land which do not lower the standards of the covenants and restrictions herein contained, and (d) to release any single lot from any part of the covenants and restrictions which have been violated if the Declarant in its sole judgment determines such violation to be a minor insubstantial violation. However, Declarant may not waive or amend any covenant requiring approval of Developer without Developer's consent.

SECTION 22. Amendments of Restriction with Consent of Owners.

In addition to the rights of the Declarant provided for the Section 21 hereof, the Declarant reserves and shall have the right, with the consent of the persons then owning two-thirds (2/3) or more of the platted lots sold shown on the plat of Amended Parkwood Lane at Bluewater Bay, to amend or alter these covenants and any part thereof in any other respects except such amendments may not vary the rights of the Developer.

SECTION 23. Additional Restrictions by Individual Owners.

No property owner, without the prior written consent and approval of Declarant and of The Veterans Administration, may impose any additional covenants and restrictions on any part of the land shown on the plat of the Subdivision.

SECTION 24. Restrictions Effective Period.

The covenants and restrictions as identified in Articles I through VI, as amended and added to from time to time as provided for herein, shall be subject to the provisions hereof, and unless released as herein provided, be deemed to be covenants and restrictions running with the title to said land and shall remain in full force and effect for the time period identified in Article VI herein.

SECTION 25. Architectural Control Committee.

The Architectural Control

Committee shall consist of the Board of Directors of the Association, unless provided otherwise by the By-Laws of the Association..

ARTICLE VI. GENERAL PROVISIONS.

SECTION 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) 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 document 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 two-thirds (2/3) of the lot Owners and the record owners of mortgages constituting liens against the lots belonging to the lot Owners signing such amending instrument. Any amendment must be recorded in the Public Records of Okaloosa County, Florida.

SECTION 2. Annexation. Additional residential property and common area may be annexed to the properties and become subject to this Declaration with the consent of two-thirds (2/3) of each class membership or by the act of Declarant in filing a recorded plat describing adjacent property for successive phases to Parkwood Lane at Bluewater Bay.

SECTION 3. Rules and Regulations by Board. The board of directors shall have the right to propose rules and regulations to govern the use of properties within this parcel. Such proposals shall be submitted in writing to each Owner, and such proposal shall become binding on all properties within the parcel unless at least one-third (1/3) of the Owners entitled to vote record with the Board a written "no" vote within ten (10) days of notice of the proposal. At the expiration of ten (10) days, the secretary shall inform all Owners whether or not the regulation has been successfully proposed. If the proposal is approved, either the Association or any of its members shall have the right to enforce the use restriction or rule, through court action, if necessary. The successful party in such litigation shall be entitled to payment of attorneys fees and costs by the opposite party.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set their hands and seals this 6 day of April, 1990.

SHALIMAR DEVELOPMENT CORPORATION
BY: Felix A. Beukenkamp
FELIX A. BEUKENKAMP, President



Amy [Signature]
Secretary

CENTENTIAL DEVELOPMENT CORPORATION OF
OKALOOSA COUNTY, INC.

BY: *Paul Evans Casady*
PAUL EVANS CASADY, President

Roger L. Myers
Secretary

** OFFICIAL RECORDS **
BK 1575 PG 196B

BLUEWATER BAY DEVELOPMENT CO., LTD.

George C. Kingley
Secretary

BY: *James W. Myers*



STATE OF FLORIDA
COUNTY OF OKALOOSA

BEFORE ME, the undersigned authority, personally appeared, FELIX A. BEUKENKAMP, and Harry W. Sater as President and Secretary respectively of SHALIMAR DEVELOPMENT CORPORATION, who acknowledged before me that they executed the foregoing Declaration for the purposes therein expressed with full corporate authority.

WITNESS my hand and official seal this the 6th day of April, 1990.



Emily P. Lumbly
Notary Public
My Commission Expires: NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAY 15, 1993
BONDED THRU GENERAL INS. UND.

BEFORE ME, the undersigned authority, personally appeared, PAUL EVANS CASSADY and Roger Taylor as President and Secretary respectively of CENTENNIAL DEVELOPMENT CORPORATION, who acknowledged before me that they executed the foregoing Declaration for the purposes therein expressed with full corporate authority.

WITNESS my hand and official seal this the 6th day of April, 1990.



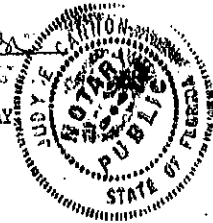
Emily P. Lumbly
Notary Public
My Commission Expires: NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAY 15, 1993
BONDED THRU GENERAL INS. UND.

BEFORE ME, the undersigned authority, personally appeared, Jerome A. Zivan and Bennye C. Kingsley as President and Secretary respectively of BLUEWATER BAY DEVELOPMENT COMPANY, LTD., who acknowledged before me that they executed the foregoing Declaration for the purposes therein expressed with full corporate authority.

WITNESS my hand and official seal this the Fourth day of April, 1990.

My Commission Expires: _____ Notary Public

Judy E. Carson
NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. AUG. 30, 1992
BONDED THRU GENERAL INS. UND.



LEGAL DESCRIPTION

** OFFICIAL RECORDS **
BK 1575 PG 1970

PARCEL 1:

Lots 1 through 50, both inclusive, Parkwood Lane at Bluewater Bay, according to the plat thereof as recorded in Plat Book 11, Page 77, Public Records of Okaloosa County, Florida, including all of Seller's right, title and interest in and to the streets shown as Parkwood Lane, East, West and South, but shall not include the roadway shown as Merchants Way.

PARCEL 2:

Beginning at the GLO monument marking the Southwest corner of the Southeast quarter of Section 14, Township 1 South, Range 22 West, Okaloosa County, Florida; thence run North $01^{\circ} 07' 52''$ East along the West line thereof 38.84 feet to the South right of way of Range Road (100' R/W) thence departing said West line run South $88^{\circ} 03' 00''$ East along said South right of way 675.30 feet to the West right of way of Bluewater Boulevard (R/W varies) thence South $49^{\circ} 44' 00''$ East along said right of way 42.37 feet to its intersection with the South line of the aforementioned Section 14; thence departing said right of way run North $89^{\circ} 04' 00''$ West along said South line 708.10 feet to the Point of Beginning.

** OFFICIAL RECORDS **
BK 1575 PG 1971

LEGAL DESCRIPTION:

BEGINNING AT THE G.L.O. MONUMENT MARKING THE NORTHEAST CORNER OF THE NORTHWEST 1/4 OF SECTION 23, TOWNSHIP 1 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA, THENCE RUN S 89°04'00" E ALONG THE NORTH LINE OF SAID SECTION 23, 708.10 FEET TO ITS INTERSECTION WITH THE WESTERLY RIGHT-OF-WAY LINE OF BLUEWATER BOULEVARD; THENCE ALONG SAID RIGHT-OF-WAY LINE THE FOLLOWING COURSES: S 49°44'00" E 103.02 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 94.00 FEET; THENCE ALONG SAID CURVE IN A SOUTHEASTERLY DIRECTION THROUGH A CENTRAL ANGLE OF 50°40'00", (CHORD = 80.44 FEET, CHORD BEARING = S 24°24'00" E) AN ARC LENGTH OF 83.12 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE S 00°50'00" W 177.00 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 429.14 FEET; THENCE ALONG SAID CURVE IN A SOUTHEASTERLY DIRECTION THROUGH A CENTRAL ANGLE OF 32°28'40" (CHORD = 240.02 FEET, CHORD BEARING = S 10°18'23" E) AN ARC DISTANCE OF 243.27 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE S 31°32'46" E 34.36 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY LINE, RUN N 06°52'15" W 109.90 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 553.74 FEET; THENCE ALONG SAID CURVE IN A NORTHWESTERLY DIRECTION THROUGH A CENTRAL ANGLE OF 24°25'45" (CHORD = 234.31 FEET, CHORD BEARING = N 74°39'23" W) AN ARC DISTANCE OF 238.10 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE N 62°26'30" W 104.04 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST AND HAVING A RADIUS OF 1097.44 FEET; THENCE ALONG SAID CURVE IN A NORTHWESTERLY DIRECTION THROUGH A CENTRAL ANGLE OF 26°37'30" (CHORD = 505.40 FEET, CHORD BEARING = N 75°45'15" W) AN ARC DISTANCE OF 609.97 FEET TO THE POINT OF TANGENCY OF SAID CURVE; THENCE N 89°04'00" W 131.17 FEET; THENCE N 01°22'01" E 310.00 FEET TO THE AFORESAID NORTH LINE OF SECTION 23; THENCE S 89°04'00" E ALONG SAID LINE 394.17 FEET TO THE POINT OF BEGINNING, LYING IN SECTION 23, TOWNSHIP 1 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA AND CONTAINING 10.00 ACRES, MORE OR LESS.

TOGETHER WITH:

BEGINNING AT THE G.L.O. MONUMENT MARKING THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER 1/4 SECTION 14, TOWNSHIP 1 SOUTH, RANGE 22 WEST, OKALOOSA COUNTY, FLORIDA; THENCE RUN S 01°07'52" E ALONG THE WEST LINE THEREOF 36.64 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF RANGE ROAD (100' R/W); THENCE DEPARTING SAID WEST LINE RUN S 08°03'00" E ALONG SAID SOUTH RIGHT-OF-WAY LINE 675.30 FEET TO THE WEST RIGHT-OF-WAY LINE OF BLUEWATER BOULEVARD (R/W VARIES); THENCE S 40°44'00" E ALONG SAID RIGHT-OF-WAY LINE 42.97 FEET TO ITS INTERSECTION WITH THE SOUTH LINE OF THE AFOREMENTIONED SECTION 14; THENCE DEPARTING SAID RIGHT-OF-WAY LINE RUN N 00°04'00" W ALONG SAID SOUTH LINE 708.10 FEET TO THE POINT OF BEGINNING, CONTAINING 22,621.10 SQUARE FEET/0.52 ACRES, MORE OR LESS.

AS REFLECTED IN THE PLAT OF THE AMENDED PARKWOOD LANE AT BLUEWATER BAY
AS RECORDED IN PLAT BOOK 12, PAGE 19, OF THE PUBLIC RECORDS OF OKALOOSA
COUNTY, FLORIDA.

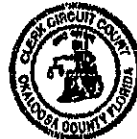


EXHIBIT "A"

FILE# 1105825
OKALOOSA COUNTY, FLORIDA

RCD: OCT 5 1990 @ 9:27 AM
NEWMAN C BRACKIN, CLERK

** OFFICIAL RECORDS **
PK 1484 PG 629

RESOLUTION OF PARKWOOD LANE AT BLUEWATER
BAY OWNERS' ASSOCIATION, INC.

UPON motion duly made and seconded and upon vote of more than two-thirds of the members present, it is:

RESOLVED, that authority is hereby given to the President of Parkwood Lane at Bluewater Bay Owners' Association, Inc., to execute a Quit Claim Deed from said corporation to KEITH EDEN, et ux, for the purpose of correcting a problem with "set-back" of the house located on Lot 27, of Amended Parkwood Lane at Bluewater Bay and that it is not for the purpose of granting to the present owner(s) or his (their) successors and or assigns, special conditions or rights, which do not apply generally to all of the members.

AND IT IS FURTHER

RESOLVED, that authority is hereby given to the Secretary of said corporation to affix the corporate seal and to attest to the signing of said Quit Claim Deed.

AND IT IS FURTHER,

RESOLVED, that this action took place at a meeting after due notice of all members and is authorized by the provisions of Article XVI of Articles of Incorporation; and by Article III, Section 3 of By-Laws; all of Parkwood Lane at Bluewater Bay Owners' Association, Inc.

There being no further business, the meeting, upon motion duly made, seconded and unanimously carried, it was adjourned.

Elvis N. [Signature]
Secretary

Attest:

Board of Directors

Sh. D. [Signature]
[Signature]
Cheryl [Signature]
Rallas Mills, Jr.

FILE # 1707401
WALTON COUNTY, FLORIDA
RECORDED JUN 11 1992 @ 9:40 AM
NEWMAN C. BRACKIN, CLERK



Rec. 603

186

10.50
100

** OFFICIAL RECORDS **

QUITCLAIM DEED

THIS QUITCLAIM DEED, made on Jul 17th, 1992, between PARKWOOD LANE AT BLUEWATER BAY OWNERS' ASSOCIATION, INC., 1270 N. Eglin Parkway, Shalimar, Florida 32579, Grantor and KEITH EDEN and wife PAM EDEN, Grantee, whose post office address is 4511 W. Parkwood Lane, Niceville, Florida 32578, and whose Social Security Number is 435-02-8137.

WITNESSETH, that Grantor, for and in consideration of the sum of \$10.00 and other good and valuable consideration in hand paid by Grantee, the receipt of which is acknowledged, quitclaims to Grantee and Grantee's heirs, executors, administrators and assigns forever all of the right, title and interest of Grantor in the following described land situated in Okaloosa, County, Florida:

Beginning at the northeasterly corner of Lot 27 of Amended Parkwood Lane at Bluewater Bay, according to plat thereof recorded in Plat Book 12, page 19 of the public records of Okaloosa County, Florida, run S71 degrees 25'22" East along a southeasterly projection of the northerly boundary thereof 0.30 feet; thence South 21 degrees 52'54" West 101.12 feet; thence North 68 degrees 07'06" West 0.30 feet; thence North 21 degrees 52'54" East 101.11 feet to the Point of Beginning. Parcel I.D. No. 23-1S-22-5012-0000-0270

This conveyance subject to:

1. Easements shown on the Amended Plat of Parkwood Lane at Bluewater Bay, 15 feet drainage and utility on the North, South and East sides of Lot 27.
2. Easement to Okaloosa County Water and Sewer Department as recorded in Book 1156, Page 1969, Public Records of Okaloosa County, Florida.
3. Easement to CHELCO, as recorded in Book 755, Page 39, of public records of Okaloosa County, Florida.
4. Restrictive Covenants as recorded in Book 1337, Page 1664, of the Public Records of Okaloosa County, Florida.

Signed in our presence

Keith Eden

 Keith Eden
Pam Eden

 Elizabeth Linquin

PARKWOOD LANE AT BLUE WATER BAY OWNERS' ASSOCIATION, INC.

Dale D. ...
 BY: _____
 DALLAS COUNTY, TEXAS
 REAL ESTATE
 COUNTY CLERK

FLORIDA DOCUMENTARY STAMP TAX REQUIRED BY LAW IN THE AMOUNT OF \$ 1.60 HAS BEEN PAID. NEWMAN C. BRACKIN, CLERK OKALOOSA COUNTY.
 BY: *W. J. ...*

STATE OF FLORIDA
COUNTY OF OKALOOSA

The foregoing instrument was acknowledged before me this 1st day of July, 1992, by Felix A. Beukenkamp, Its President, PARKWOOD LANE AT BLUEWATER BAY OWNERS' ASSOCIATION, INC., a Florida corporation, on behalf of the corporation. He/she is personally known to me or has produced photo ID as identification and who did/did not take an oath.

Joanne M. Jones
NOTARY PUBLIC Joanne M. Jones

My Commission Expires: _____

THIS INSTRUMENT PREPARED BY:
Felix A. Beukenkamp of
PARKWOOD LANE AT BLUEWATER BAY OWNERS'
ASSOCIATION, INC.
1270 N. Eglin Parkway, Shalimar, FL 32579

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXPIRES DEC 31 1992
COUNTY OF OKALOOSA



FILE# 1207480
OKALOOSA COUNTY, FLORIDA

REC'D: JUL 31 1992 @ 9:40 AM
NEWMAN C BRACKIN, CLERK

APRIL 6TH 1990

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

This Declaration, made on the date set forth below, by SHALIMAR DEVELOPMENT CORPORATION and CENTENNIAL DEVELOPMENT CORPORATION OF OKALOOSA COUNTY, INC., both Florida Corporations (hereafter DECLARANT).

Whereas, Declarant is the owner of certain real property located in Okaloosa County, Florida more particularly described as:

AMENDED PARKWOOD LANE AT BLUEWATER BAY and more particularly described on Exhibit "A" attached hereto.

Whereas, BLUEWATER BAY PROPERTIES, LTD. (hereafter BLUEWATER), did make a Declaration of Covenants, Conditions and Restrictions of "PARKWOOD LANE OF BLUEWATER BAY" as recorded in Official Records Book 1501 at page 1139, of the public records of Okaloosa County, Florida. BLUEWATER having conveyed all of the property described in that Declaration to DECLARANTS, BLUEWATER now joins in this amended declaration. BLUEWATER joins for the purpose of consent to the amended declaration and to vacate, abandon, set aside and terminate the Declaration recorded in Official Records book 1501 at page 1139.

Now therefore, DECLARANT hereby submits all of the real property described above to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I. DEFINITIONS

SECTION 1. "Association" shall mean and refer to Parkwood Lane at Bluewater Bay Owner's Association, Inc.

SECTION 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the properties, whether such lot be improved or unimproved.

SECTION 3. "Properties" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association and personal property situated on individual lots but owned by the Association.

SECTION 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is described as follows:

All real property described in the plat of Amended Parkwood Lane at Bluewater Bay, less and except platted Lots 1-45.

SECTION 5. "Lot" shall mean and refer to any numbered plot of land shown upon the recorded plat of Amended Parkwood Lane at Bluewater Bay, with the

exception of the Common Areas.

SECTION 6. "Declarant" shall mean and refer to Shalimar Development Corporation and Centennial Development Corporation of Okaloosa County, Inc., successors and assigns if such successor or assign should acquire more than one undeveloped lot from Declarant for the purpose of development.

SECTION 7. "Architectural Review Committee" shall mean the Board of Directors of the Association or any committee of the Board so designated.

SECTION 8. "Developer" shall mean Bluewater Bay Properties, Ltd., or its designated successor for purposes of exercising any rights granted hereunder to Developer.

ARTICLE II. PROPERTY RIGHTS.

SECTION 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Areas referred to in this document or described on the recorded plat of the subject property.

SECTION 2. Delegation of Use. Any Owner may delegate, in accordance with the by-laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or contract purchasers who reside on the property.

ARTICLE III. 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. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant (who shall become a Class A member when Declarant's Class B membership ceases as provided hereafter) and shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to the lot.

Class B. Class B member(s) shall be Declarant and shall be entitled to three (3) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class B membership equal total votes outstanding in the Class A membership, or
- (b) Thirty (30) months from recording the

Declaration in the Public Records of
Okaloosa County, Florida.

ARTICLE IV. COVENANT FOR MAINTENANCE ASSESSMENTS.

SECTION 1. Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each lot owned within the properties, hereby covenants, and each Owner of any 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) an amount equal to its pro rata share of the annual Bluewater Road Assessment, as defined in Section 2 (c) of this Article IV, (3) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided, (4) a one time assessment, payable upon purchase of a lot from Declarant for purposes other than development, of \$100.00 to create a reserve fund for capital replacement and (5) special assessments imposed upon an individual lot owner for repair or maintenance necessitated by the wilful or negligent act of the Owner, his family, or their guests, tenants or invitees; collection of each of the above items shall constitute an "assessment" as defined herein and all applicable laws, rules and regulations. The annual or special assessments, together with interest, costs, and reasonable attorneys fees, shall be a charge on the land and shall be continuing a lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys 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 to promote the health, safety and welfare of the residents in the properties and for the improvement and maintenance of the Common Area.

b. The assessments levied may include the cost to erect and maintain signs, of a non commercial or sales nature, which identify the property, which give information or directions to the property; which identify or give directions to the streets and roadways on the property; and for other reasonable purposes which the Board may from time to time approve. These signs may be located outside the property, but such location shall not in any way affect the right of the Association to make and collect assessments for the purpose stated in this paragraph b.

c. The assessment levied shall include an amount equal to the amount charged by BLUEWATER BAY DEVELOPMENT COMPANY, LTD., its successors or assigns, to the Association to cover the Association's share of the roadway maintenance and landscaping and sign maintenance for the right of way of the road known as Merchants Way and for the right of way of Bluewater Boulevard from its intersection with Highway 20 to the south side of Range Road, hereafter called Bluewater Road Assessment.

SECTION 3. Maximum Annual Assessment.

6 Oct 1992

a. Until all lots are sold or 30 months from the date of recording of the Declaration, whichever occurs first, the maximum annual assessment shall be \$180.00 per lot paid annually and shall be imposed on all lots from the first of the month following conveyance of the Common area to the Association, except that the developer's responsibility will be limited to payment, until all lots are sold or thirty (30) months from the date of the recording of the Declaration, whichever occurs first, of whatever amount will be required to fund the Association (less unit owner's contributions), regardless of the amount of assessment per unit. Thereafter, the Association's board of directors, with the approval of two-third's (2/3) of each class of the members present and voting at a meeting of the membership called for such purpose, shall establish the amount of the annual assessment, which annual assessment must be fixed at a uniform rate for all lots, unless in the event of maintenance or repair cost necessitated by the wilful or negligent act of an Owner, his family or their guests, tenants or invitees occasions an increased assessment to a 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 annual assessments shall be payable annually.

EQ. ASSES \$.75/LOT
REVISOR TO \$60.00

b. The maximum annual assessment to the Association for the Bluewater Road Assessment shall be \$3375.00 for the calendar year 1990, and, according to the contract between Declarant and Developer, shall increase as determined by BLUEWATER but not more than 6% per year on a cumulative basis. In all respects the Bluewater Road Assessment shall be treated as a part of the annual assessment as defined herein. BLUEWATER BAY DEVELOPMENT COMPANY, LTD., or its successors or assigns, shall be responsible for said repair and maintenance and the Association shall only be obligated to pay the assessment set forth herein.

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, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

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 Section 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum.

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 day of the month following the conveyance of the Common Area. 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.

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 same, or foreclose the lien against the property. 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 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.

ARTICLE V. ARCHITECTURAL CONTROL

SECTION 1. Single Family Residence Only. No structure shall be erected, altered or permitted to remain on any lot in the Subdivision other than for use as a single family residence.

SECTION 2. Structures. Construction of structures other than the main residence structure and any garage structure shall not be permitted on any lot of the Subdivision except the following ancillary structures may be permitted subject to approval by Architectural Control Committee of location and architectural design and exterior finishes: pet house (up to 25 square feet and not more than 5 feet high), hothouses or greenhouses (up to 100 square feet and not more than 15 feet high), poolhouses or children's treehouse or playhouse (up to 145 square feet and not more than 12 feet high), outdoor fireplaces or barbeque pit (up to 9 square feet and not more than 10 feet high), and swimming pools and mechanical installations in connection therewith. Any such ancillary structures permitted hereunder shall be attractively landscaped, constructed in a harmonious design with the main structure. Architectural Control Committee approval shall be obtained before construction of any ancillary structure. For any ancillary structure backing up to Range Road, Bluewater Boulevard or Merchants Way, approval of Developer shall also be required.

SECTION 3. Fences. No fence or wall shall be erected higher than six (6) feet from the normal surface of the ground. All fences must be approved by the Architectural Control Committee as to location, quality, style, color and design prior to construction. Visible chain link fences will not be permitted. In no event shall any fence connect to any house at a point closer than thirty feet (30') from the front of each house. Fences may not be located outside property

6
lines. No fence or wall shall be erected between the front of a house and the street. Any fence along Range Road, Bluewater Boulevard or Merchants Way shall require approval of Developer.

SECTION 4. Design and Location of Improvements and Tree Removal to be Approved by Architectural Control Committee. For the purpose of further insuring the development of the Subdivision as a residential area of highest quality and standards, and in order that all improvements on each lot shall present an attractive and pleasing appearance from all sides of view, the Architectural Control committee reserves the exclusive power and discretion to control and approve all improvements to be built on each lot. Architectural Control Committee also reserves the right to approve all plans for tree removal from any lot in connection with clearing an area for construction or improvements or for creation of a yard area. Plans for clearing a lot, construction of improvements and landscaping, showing such details as Architectural Control Committee may reasonably require to permit Architectural Control Committee to carry out its approval rights hereunder, shall be submitted to Architectural Control Committee for its review and approval. The timing for submitting plans for review and the time period for Architectural Control Committee to respond shall be established by Architectural Control Committee from time to time. The Owner of a lot shall be required to landscape the area between the lot line and the paved area of any abutting street in manner consistent with the landscaping of the lot. Removal of trees with a diameter in excess of eight (8) inches from a lot backing up to Range Road, Bluewater Boulevard or Merchants Way shall require approval of Developer.

SECTION 5. No Parking of Vehicles, Boats, Etc. No wheeled vehicles of any kind, boats or any offensive objects may be kept on public right of ways of the Subdivision, or in the driveways, front, side or rear yard area of any lot except that passenger vehicles (other than mobile homes, motor homes, self-contained or otherwise, travel trailers and campers) may be parked on a temporary basis in the paved driveways serving a lot. Boats or wheeled vehicles may be kept completely inside the garage or within the rear yard of a lot provided such object is sufficiently screened so that it is hidden from view from the front, sides and rear of the lot. No trailers of any kind, mobile homes nor motor homes shall be kept for use on any lot. Disabled vehicles or vehicles under repair may be kept on a lot only within the garage located on said lot. This covenant may not be varied except with approval of Developer.

SECTION 6. Window Air Conditioners. Unless the prior approval of the Architectural Control Committee has been obtained, no window air conditioning units shall be installed in any side of a building wall visible from the street or side yard.

SECTION 7. No Overhead Wires. All telephone, electric and other utility lines and connections between the main utility lines and the residence and other buildings located on each lot shall be located underground so as not to be visible.

SECTION 8. Residing Only in Residence. No trailer, basement, garage or any outbuilding of any kind even if otherwise permitted hereunder to be or remain on a lot, shall be at any time used as a residence either temporarily or

permanently.

SECTION 9. Size of Signs. No sign of any character shall be displayed or placed upon any lot except as approved by the Architectural Control Committee. The Architectural Control Committee hereby approves "For Sale" signs of a size not to exceed 9 square feet to be placed upon said lot by any owner-resident or his agent to facilitate the sale thereof. Only one (1) "For Sale" sign shall be permitted per lot. "Sold" may be affixed to said sign and remain on the lot until seven (7) days after closing of the sale. The Architectural Control Committee may enter upon any lot and summarily remove any signs which do not meet the provisions of the paragraph. Furthermore, Architectural Control Committee hereby approves a single identification sign board which may be located on a lot during the construction period on which the builder may identify his company and, at the option of the builder, permit subcontractors to identify themselves. This sign board shall not be more than four feet high and two feet wide. In no event shall any signs be affixed to any trees on the lot. No signs may be placed in the rear yard or within the right of way of Range Road, Bluewater Boulevard or Merchants Way without approval of Developer.

SECTION 10. Commercial Signs. Nothing contained in these covenants and restrictions shall prevent the Architectural Control Committee or any person designated by the Architectural Control Committee from erecting or maintaining such commercial and display signs and such temporary dwellings, model houses and other structures as the Architectural Control Committee may deem advisable for development, marketing or sales purposes, except no such signs shall be placed on Range Road, Bluewater Boulevard or Merchants Way. Nevertheless, no commercial signs, other than for the purpose of development, marketing or sales purposes of Amended Parkwood Lane at Bluewater Bay, shall be permitted.

SECTION 11. Aerials and Antennas. Unless otherwise approved by Architectural Control Committee, no television or radio aerial or antenna, nor any other exterior electronic or electric equipment or devices of any kind shall be located on any lot or installed or maintained on the exterior of any structure located on a lot.

SECTION 12. Mail Boxes. Only a mail box or newspaper receiving box of the types approved by Architectural Control Committee from time to time may be erected or located on any lot. No other receptacle of any kind for any use in the delivery of mail or newspapers or similar material may be erected or located on any lot. If the Architectural Control Committee chooses to cluster mail boxes to afford a more uniform style, no individual mail boxes will be permitted.

SECTION 13. Pets. Except for not more than two (2) dogs or two (2) cats, no pets or other animal may be kept on a lot or in any structure located on the lot, unless confined exclusively to the interior of the main residence located on the lot. No animals of any kind may be kept for any commercial or breeding purposes. If, in the sole opinion of the Architectural Control Committee, the animal or animals become dangerous or an annoyance or nuisance in the neighborhood or nearby property or destructive wild life, they may not thereafter be kept on the lot. The Owner of any animal shall have the animals on a leash at all times when not confined.

AP. 11 11

SECTION 14. No Offensive Activities. No illegal, noxious or offensive activity shall be permitted or carried out on any part of a lot, nor shall anything be permitted or done thereon which is or may become a nuisance or a source of embarrassment, discomfort or annoyance to the neighborhood. No trash, garbage, rubbish, debris, waste material or other refuse shall be deposited or allowed to accumulate or remain on any part of said lot nor upon any land or lands contiguous thereto. No fires for burning of trash, leaves, clippings or other debris or refuse shall be permitted to be on any part of said land or right-of-ways. Except for the day of collection, trash containers shall be kept inside the garage or within a screened area to the side of the house.

SECTION 15. Well Limitation: Water Supply. No artesian wells may be drilled or maintained on any lot. A property owner may provide an individual water supply system for a shallow well on his lot provided that said system is used solely to supply water for an air-conditioning or heating installation, irrigation purposes, swimming pools or other exterior uses.

SECTION 16. Lot Appearance. The Owner of each lot, whether such lot be improved or unimproved, shall keep such lot and the area between the property line of the lot and the paved surface of any abutting street free of trash and rubbish and shall keep such lot at all times in a neat and attractive condition. In the event the Owner of any lot fails to comply, the Architectural Control Committee or the Developer, who shall have this right as to the rear of any lot adjacent to Range Road, Bluewater Boulevard or Merchants Way, shall, after giving written notice to the property owner, have the right, but no obligation, to go upon such lot and remove rubbish and any other things and perform and furnish any labor necessary or desirable in its judgment to maintain the property in a neat and attractive condition, all at the expense of the Owner of such lot, which expense shall be payable by such Owner to the Architectural Control Committee on demand.

SECTION 17. Clothes Lines. Only portable clothes lines will be permitted in the rear of the house. Clothes must be removed promptly and line hidden from view after each use.

SECTION 18. Street Lighting. Declarant will contract with the Choctawhatchee Electric Cooperative, or its assigns, to install a street lighting system for this Subdivision. The cost of operating and maintaining this system shall be included in the maintenance fee.

SECTION 19. Architectural Control Committee May Correct Violations. Wherever there shall have been built or there shall exist on any lot any structure, building, thing or condition which is in violation of these covenants and restrictions, the Architectural Control Committee or the Developer as to those rights granted Developer herein, shall, after giving written notice to the property owner, have the right, but no obligation, to enter upon the property where such violation exists and summarily to abate, correct, or remove the same, all at the expense of the Owner of such property, which expenses shall be payable by such Owner to the Architectural Control Committee, on demand and such entry and abatement, correction or removal shall not be deemed a trespass or make the Architectural Control Committee liable in any way for any damages on account thereof.

SECTION 20. Approval of Architectural Control Committee or Developer.

Wherever in these covenants and restrictions the consent or approval of the Architectural Control Committee or the Developer is required to be obtained, no action requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the same has been submitted to and approved in writing by the Architectural Control Committee or Developer. Such request shall be sent to the Architectural Control Committee or Developer by certified mail with return receipt requested. In the event that the Architectural Control Committee or Developer fails to act on any such written request within thirty (30) days after the same has been submitted to as required above, the consent or approval of the Architectural Control Committee or Developer as the case may be, to the particular action sought in such written request shall be presumed; however, no action shall be taken by or on behalf of the person or persons submitting such written request which violates any of the covenants and restrictions herein contained.

SECTION 21. Amendments or Additional Restrictions.

The Declarant reserves and shall have the right (a) to amend these covenants and restrictions, but all such amendments shall conform to the general purposes and standards of the covenants and restrictions herein contained, (b) to amend these covenants and restrictions for the purpose of curing any ambiguity in or any inconsistency between the provisions contained herein, (c) to include in any contract or deed or other instrument hereafter made, any additional covenants and restrictions applicable to the said land which do not lower the standards of the covenants and restrictions herein contained, and (d) to release any single lot from any part of the covenants and restrictions which have been violated if the Declarant in its sole judgment determines such violation to be a minor insubstantial violation. However, Declarant may not waive or amend any covenant requiring approval of Developer without Developer's consent.

SECTION 22. Amendments of Restriction with Consent of Owners.

In addition to the rights of the Declarant provided for the Section 21 hereof, the Declarant reserves and shall have the right, with the consent of the persons then owning two-thirds (2/3) or more of the platted lots sold shown on the plat of Amended Parkwood Lane at Bluewater Bay, to amend or alter these covenants and any part thereof in any other respects except such amendments may not vary the rights of the Developer.

SECTION 23. Additional Restrictions by Individual Owners.

No property owner, without the prior written consent and approval of Declarant and of The Veterans Administration, may impose any additional covenants and restrictions on any part of the land shown on the plat of the Subdivision.

SECTION 24. Restrictions Effective Period.

The covenants and restrictions as identified in Articles I through VI, as amended and added to from time to time as provided for herein, shall be subject to the provisions hereof, and unless released as herein provided, be deemed to be covenants and restrictions running with the title to said land and shall remain in full force and effect for the time period identified in Article VI herein.

SECTION 25. Architectural Control Committee.

The Architectural Control

Committee shall consist of the Board of Directors of the Association, unless provided otherwise by the By-Laws of the Association..

ARTICLE VI. GENERAL PROVISIONS.

SECTION 1. Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) 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 document 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 two-thirds (2/3) of the lot Owners and the record owners of mortgages constituting liens against the lots belonging to the lot Owners signing such amending instrument. Any amendment must be recorded in the Public Records of Okaloosa County, Florida.

SECTION 2. Annexation. Additional residential property and common area may be annexed to the properties and become subject to this Declaration with the consent of two-thirds (2/3) of each class membership or by the act of Declarant in filing a recorded plat describing adjacent property for successive phases to Parkwood Lane at Bluewater Bay.

SECTION 3. Rules and Regulations by Board. The board of directors shall have the right to propose rules and regulations to govern the use of properties within this parcel. Such proposals shall be submitted in writing to each Owner, and such proposal shall become binding on all properties within the parcel unless at least one-third (1/3) of the Owners entitled to vote record with the Board a written "no" vote within ten (10) days of notice of the proposal. At the expiration of ten (10) days, the secretary shall inform all Owners whether or not the regulation has been successfully proposed. If the proposal is approved, either the Association or any of its members shall have the right to enforce the use restriction or rule, through court action, if necessary. The successful party in such litigation shall be entitled to payment of attorneys fees and costs by the opposite party..

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, have hereunto set their hands and seals this 16 day of August A.D., 1990.

SHALIMAR DEVELOPMENT CORPORATION

BY: Felix A. Beukenkamp
FELIX A. BEUKENKAMP, President

Amy H. [Signature]
Secretary

CENTENTIAL DEVELOPMENT CORPORATION OF
OKALOOSA COUNTY, INC.

Robert L. Hyman
Secretary

BY: *Paul Evans Casady*
PAUL EVANS CASADY, President

BLUEWATER BAY DEVELOPMENT CO., LTD.

Samuel C. Kingsley
Secretary

BY: *James A. Hyman*

STATE OF FLORIDA
COUNTY OF OKALOOSA

BEFORE ME, the undersigned authority, personally appeared, FELIX A. BEUKENKAMP, and Harry W. Gates, as President and Secretary respectively of SHALIMAR DEVELOPMENT CORPORATION, who acknowledged before me that they executed the foregoing Declaration for the purposes therein expressed with full corporate authority.

WITNESS my hand and official seal this the 6th day of April, 1990.

Emily P. Hunkle
Notary Public
My Commission Expires: NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAY 15, 1993
BONDED THRU GENERAL INS. UND.

STATE OF FLORIDA
COUNTY OF OKALOOSA

BEFORE ME, the undersigned authority, personally appeared, PAUL EVANS CASSADY and Roger Meyer, as President and Secretary respectively of CENTENNIAL DEVELOPMENT CORPORATION, who acknowledged before me that they executed the foregoing Declaration for the purposes therein expressed with full corporate authority.

WITNESS my hand and official seal this the 6th day of April, 1990.

Emily P. Hunkle
Notary Public
My Commission Expires: NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. MAY 15, 1993
BONDED THRU GENERAL INS. UND.

STATE OF FLORIDA
COUNTY OF OKALOOSA

BEFORE ME, the undersigned authority, personally appeared, Jerome A. Zivan and Bennye C. Kingsley, as President and Secretary respectively of BLUEWATER BAY DEVELOPMENT COMPANY, LTD., who acknowledged before me that they executed the foregoing Declaration for the purposes therein expressed with full corporate authority.

WITNESS my hand and official seal this the Fourth day of April, 1990.

Judith E. Carson
Notary Public
My Commission Expires: _____
NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. AUG. 30, 1992
BONDED THRU GENERAL INS. UND.

DECLARATION OF AMENDED PARKWOOD LANE AT BLUEWATER BAY
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