

DECLARATION OF COVENANTS AND RESTRICTIONS
FOR LAGRANGE LANDING

THIS DECLARATION, made this ____ day of _____, 2006, by LaGrange Landing Development, Inc., a Florida Corporation, hereinafter called "Developer".

W I T N E S S E T H:

WHEREAS, Developer owns certain land in Walton County and is developing LaGrange Landing, a subdivision development (hereafter the "Project"); and

WHEREAS, the Project is a single family residential development which may consist of one or more phases as depicted upon one or more plats to be recorded in the public records of Walton County, Florida (all such plats being sometimes collectively referred to herein as "LaGrange Landing"); the first such plat has been recorded in Plat Book __, Page __, of the public records of Walton County, Florida;

NOW, THEREFORE, the Developer declares that the real property described in Exhibit A (the "Property") is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereafter provided in the Declaration of Covenants and Restrictions for LaGrange Landing (sometimes referred to as "Declaration" or "Covenants and Restrictions") hereinafter set forth.

ARTICLE I
DEFINITIONS

Section 1. The following words, when used in this Declaration or any exhibit thereof (unless the context shall prohibit), shall have the following meanings:

- a. "Articles" shall mean and refer to the Articles of Incorporation of the Association. See attached Exhibit B.
- b. "Association" shall mean and refer to LaGrange Landing Owners Association, Inc., a not-for-profit Florida corporation, as described in the Articles of Incorporation of the Association.
- c. "Builder" shall mean and refer to purchasers of one of more Lots that are engaged in the regular business of constructing residential buildings and that intend to construct homes on the Lots purchased within the Project or that intends to re-sell the Lots to a person or entity engaged in such business.

d. "By-Laws" shall mean and refer to the By-Laws of the Association. See attached Exhibit C.

e. "Common Expense" shall mean and include all of the line items for the budget as set forth in the By-Laws, and the Common Expenses mentioned in the Articles and in this Declaration, including but not limited to the following: all of the costs of operating, repairing and replacing the Community Property and any property belonging to or being operated by the Association; the maintenance costs and utilities including water and electricity for landscaping, pool, changing facilities, and restrooms; street lighting lease expense, if any, and electricity for street lights; the rental cost, if any, associated with any fire hydrant located on the Property; environmental management costs, if any, of the conservation areas or bodies of water; liability and casualty insurance, as well as directors and officers liability insurance; the amounts and particular coverages shall be matters for determination within the sound business judgment of the directors of the Association; and the cost of operating and management of the Association.

f. "Community Property" shall mean and refer to the property within LaGrange Landing designated by the Developer as "Community Property". The use and disposition of the Community Property is subject to the Community Property Agreement. Any use of the phrase "Common Property" or "Common Area" in this Declaration or in any exhibits attached hereof shall be deemed to mean "Community Property".

g. "Community Property Agreement" shall mean and refer to the covenant entered into between the Developer and the Association which governs the use and disposition of any land designated as Community Property by the Developer. See attached Exhibit E

h. "Design Guidelines" shall mean and refer to the mandatory design standards and criteria for all construction within LaGrange Landing. See attached Exhibit D.

i. "Developer" shall mean and refer to LaGrange Landing Development, Inc., a Florida Corporation, its successors and assigns.

j. "Development Period" shall mean and refer to the period beginning with the recording of the Declaration of Covenants in the public records of Walton County, Florida, until the Developer has transferred control of the Association to Owners other than the Developer, as prescribed by Ch. 720.301, et. seq., Florida Statutes.

k. "Governing Documents" shall mean this Declaration and the Articles and By-Laws of the Association.

l. "Home" shall mean and refer to any house, situated upon a Lot. A "Home" shall be deemed to exist when a "Certificate of Occupancy" or equivalent has been issued for it.

m. "LaGrange Landing" refers to the Property that is subject to this Declaration of Covenants and Restrictions and is used interchangeably with the term "Property", as described on Exhibit A, attached, as it may be amended from time to time.

n. "Lot" shall mean and refer to any of the lots described in Exhibit A, as it may be amended from time to time, and the plural shall mean and refer to all of said lots.

o. "Lot Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of the fee simple title to any Lot or improvements thereon. A mortgagee under a mortgage encumbering any Lot shall not be considered a Lot Owner unless and until such mortgagee has acquired record title pursuant to foreclosure or any proceeding in lieu of foreclosure. Any use of the phrase "Parcel Owner" or "Owner" shall mean "Lot Owner"

p. "Member" shall mean and refer to all of the persons or entities who are members of the Association, as provided in Article III, Section 1, hereof.

q. "Plat" shall refer, collectively, to all of the recorded plats of all of the phases of the Project.

r. "Project" refers to the development of LaGrange Landing, a Subdivision.

s. "Utility Services" refers to utility services for all Community Property, including but not limited to electricity, water, trash disposal, waste disposal by septic or otherwise, telephone, cable television, voice and data service. Additionally, the Association Board of Directors shall have the authority to negotiate master contracts for any of the foregoing types of utility services for service to individual Lots and their Lot Owners, when in the judgment of the Board of Directors it is determined to be in the best interest of the Owners to do so. In such event, the expense of such master contract shall be billed as a Common Expense of the Association where the burden of payment is expected to fall equally upon each Lot Owner, but if the level of service and level of cost may vary from Lot Owner to Lot Owner, then such expense will not be a Common Expense of the Association. Rather, the Association may serve as a single point of billing and collection as a matter of convenience to the utility and the Lot Owners to facilitate handling the purchase of such service on a bulk basis, with each Lot Owners actual charges for such service being added to that Owner's bill for Association assessments.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed, and occupied subject to this Declaration is located in Walton County, Florida, and is the Property, more particularly described on Exhibit A, attached hereto, as it may be amended from time to time.

Section 2. Additions to Existing Property. Developer reserves the right to file or record a Supplemental Declaration from time to time adding property located in Walton County, Florida, to the Project, and subjecting same to this Declaration of Covenants and submitting same to the jurisdiction of the Association. This right may be exercised in Developer's sole discretion, before or after transfer of control of the Association, and with no requirement of a vote of the membership or joinder of any Lot Owner, or any lien holder holding a lien on any Lot. All parties having a record interest in the property to be added and all parties having a record interest in any mortgage encumbering the property being added must either join in the execution of the Supplemental Declaration or execute, with the requirements for deed, and record, a consent to the Supplemental Declaration or an agreement subordinating their interest to the Supplemental Declaration.

Section 3. Community Property Agreement. The Association has entered into the Community Property Agreement with the Developer. This agreement is intended to provide for the enjoyment, recreation and other use or benefit of the lot owners and the expenses of operation, replacements and other undertakings in connection therewith, as set forth in more detail therein, and are hereby declared to be Common Expenses of all of LaGrange Landing. Additionally, this agreement includes covenants and restrictions concerning use by lot owners as well as other provisions, all of which are set forth in more detail in Exhibit E attached hereto and made a part hereof.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Association Membership. Every person or entity who is obligated by the governing documents to pay an assessment by the governing documents shall be a Member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member.

Section 2. Association Voting Rights. The voting rights of the Members in the Association shall be as provided in the By-Laws of the Association.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Liens and Personal Obligations of Assessments. Each Lot Owner within the Project hereby covenants and by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to personally covenant and agree to pay to the Association:

- a. Regular periodic assessments based on the annual budget for Common Expenses adopted in the manner provided for in the By-Laws; and
- b. Special assessments for Common Expenses as fixed and established from time to time as hereinafter provided.
- c. All amounts due the Association by reason of charges or expenses chargeable to a Lot Owner because of the provisions of this Declaration, the Articles, By-Laws or Community Property Agreement.

The regular and special assessments, together with such interest and cost of collection as hereinafter provided, shall be a charge and continuing lien on each Lot against which it is made. Each such assessment, together with such interest and cost of collection as hereinafter provided, shall also be the personal obligation of the person or entity that was the Lot Owner of such property at the time when the assessment became due.

Section 2. Purpose of Regular and Special Assessments. The regular and special assessments levied by the Association on each Lot, in equal proportionate shares, shall be used for the purpose of promoting the health, safety, enjoyment and welfare of the Owners of Lots and for the payment of Common Expenses.

Section 3. Date of Commencement of Regular Assessments; Due Dates. The regular assessments provided for herein shall commence on the date this Declaration is recorded in the public records of Walton County, Florida, unless a different date is fixed by the Board of Directors of the Association, herein called the "Date of Commencement".

The first regular periodic assessment shall be levied upon notification by the Lagrange Landing Owners Association, Inc., that some, all, or a portion of common amenities have been completed. The assessments for any year shall be payable in quarterly installments and due on the first day of each quarter of each calendar year, unless the Board of Directors, by motion passed at any regular or special meeting thereof with a quorum present, determines that assessments shall be collected in other installments, such as quarterly or annual installments.

The due date of any special assessment shall be fixed in the resolution authorizing such assessment.

Section 4. Regular Periodic Assessment. The regular periodic assessment for the initial year of operation of the Association shall be as follows:

For each Lot per month - \$ 85.00

For convenience, the Association may round off assessments for each Lot, up or down, provided the rounding difference involved is not more than \$10.00. The regular periodic assessments are subject to proration as elsewhere provided in this Article, and are subject to increase or decrease in subsequent years as provided herein below.

While the Developer is in control of the Association, the Developer is excused from payment of its share of the operating expenses and assessments related to its Lots and in lieu thereof will pay any operating expenses incurred that exceed the assessments receivable from other Members and other income of the Association, including but not limited to operating capital contributions to the Association; provided, in any event, the Developer shall not be obligated to pay for repairs, replacements or other losses or damage occasioned by Acts of God, casualty losses, emergencies or other contingencies that are outside the realm of usual operating expenses or are not usually included in the annual budget of the Association.

Section 5. Special Assessments. In addition to the regular assessments referred to in this Article, the Association may levy in any assessment year a special assessment, applicable to the time required for payment. Such special assessment may be adopted in the manner provided for in the By-Laws.

Section 6. Change in Regular Periodic Assessments. Subject to any limitations elsewhere provided, the Association may increase or decrease from year to year the amount of the regular periodic assessments for the Project as necessary to defray the Project common expenses. Additionally, a regular periodic assessment may be amended by adopting an amended budget during any budget year.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the Date of Commencement and the amount of any assessment for any assessment period and shall provide notice thereof to the Lot Owners and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be open to inspection by any Owner.

The Association shall, within the time limits set forth for furnishing or providing access to records considered to be "official records" of the Association, provide each member with a copy of the annual financial report or a written notice that a copy of the financial report is available upon request at no charge to the member.

Section 8. Effect of Nonpayment or Late Payment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date when

due, then such assessments shall become delinquent and shall, together with such late fees, interest and cost of collection as hereinafter provided, become a continuing lien on the Lot which shall bind such property in the hand of the then Owner, his heirs, devisees, personal representatives, successors and assigns. Each Lot Owner agrees that said Owner shall be personally liable for and promptly pay as and when due to the Association all assessments as provided herein and in the Articles of the Association and the By-Laws. Each Lot Owner agrees and understands that in the event that a Lot Owner fails to make payment as and when due, the Association shall have the right to record a lien against the Lot in the form of a statement signed by the President or Vice-President of the Association in recordable form. The Association shall have the right to enforce the lien in the manner provided under Florida law for foreclosure of mortgage liens. Each Lot Owner shall be assessed a late fee of \$30 if payment is not received by the Association by the 11th day of the month in which it is due and shall pay interest on the amount owed at the highest rate permitted by law and all court costs and attorneys' fees incurred in collection, including preparation and filing of any assessment lien, as well as all fees incurred in foreclosure of such lien. This lien shall be subordinate to the lien of mortgages recorded prior to recording of the lien hereunder, and also subordinate to a deed given to a mortgagee if and only if given in lieu of foreclosure of such prior recorded mortgage and in full satisfaction thereof. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation. If the assessment is not paid within thirty (30) days after the due date, the assessment and any unpaid late fees shall bear interest from the due date at the highest rate permitted by law, and the Association may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property (or both) and there shall be added to the amount of such assessment, all costs of collection, including but not limited to the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the Court together with costs of the action.

Section 9. Working Capital Contribution. Each purchaser of a Lot from the Developer, including a purchaser that is a Builder, shall pay to the Association a sum equal to \$400 as a contribution towards operating capital of the Association. Such fee shall not be considered to be a prepayment of assessments otherwise due from an Owner to the Association.

Section 10. Association Owner Account Set Up Fee. When a purchaser takes title to his Lot in the Project, it is necessary for the Association to update its records and accounts of the Association to reflect the new information regarding such new Lot Owner. To help defray the cost of such updating, each new Lot Owner that acquires title from any source other than the Developer shall pay a one-time fee to the Association, such fee to be set from time to time by the Board of Directors, but initially such fee shall be in the amount of Fifty Dollars (\$50.00).

Section 11. Liens to Cure Owner Non-Compliance. In addition to any other lien rights that may be exercised by the Association, the Association shall have the power and authority to impose "compliance liens", as hereafter described. Owners who fail to carry out any duty or obligation (other than payment of assessments, whether regular or special) or who fail to comply with any restrictive covenant elsewhere provided herein, is subject to having the Association impose a

“compliance lien” in the amount that the Association incurs in its efforts to remedy the Owner’s failure to comply. Such amount shall bear interest from the date of its recording at the same interest rate as applied to regular assessments. For example, if an Owner failed to have rust stains from use of irrigation well water removed, after the notice from the Association elsewhere provided, the Association is entitled to have the stains removed and charge the cost of the remedial action to the offending Lot Owner. To secure the payment of such obligation by the offending Lot Owner, the Association may impose a compliance lien in the amount of the cost of the Association’s remedial action and may foreclose it in the same manner as mortgages are foreclosed in Florida. The compliance lien secures the Association’s costs, interest, and attorneys fees, incurred in the course of pursuing the compliance owed by the offending Owner. Notwithstanding the afore described ability of the Association to impose a compliance lien, the Association may not impose a lien to recover any fines or other forms of punitive monetary damages.

Section 12. Joint and Several Liability. Where Lots are owned by more than one person or entity, liability for payment of assessments or liens created hereunder shall be the joint and several liability of each such Lot Owner.

ARTICLE V
ARCHITECTURAL REVIEW BOARD (“ARB”)

Section 1. Design Objectives. The Homes in the Project will be in the tradition of “Low Country South”. Within this particular style, individual expression and diversity is encouraged. The chief concern is that the community be basically homogenous. Continuity of design character, however, is of major importance. To ensure that the Project is constructed as envisioned, owners are required to design their Homes according to the following rules:

a. The architectural style of all buildings is to be “Low Country South” and all exposed materials, other than shingles, are to be in accordance with the color and design standards established by the Architectural Review Board (hereinafter known as the “ARB”). Mandatory design criteria for building materials, masonry, color and design are listed in the Design Guidelines.

b. The Design Guidelines shall have the same force and effect as the requirements of this Declaration, and it is the obligation of each Lot Owner, and any construction personnel entering on the Project to comply with same, and all of the remedies provided herein for enforcement of this Declaration shall be available for like enforcement of the Design Guidelines.

Section 2. Appointment of Board. There shall be appointed by the Developer during the Development Period, an ARB, which board shall consist of one to three persons. After the Development Period, the appointments to the ARB shall continue to be made by the Developer, until the Developer, by written instrument expressly transfers its rights of appointment under this Section to the Association, whereupon, future appointments to the ARB shall be made by the Association Board of Directors. Directors serving on the Association Board of Directors are eligible to serve at

the same time as members of the ARB. Members of the ARB need not be Members of the Association. The ARB shall exercise the powers and authorities set forth in this Declaration as respects the Project.

Section 3. Modification and Amendment of Design Guidelines.

a. The Design Guidelines contained in this Article may be modified and amended by the Developer at any time during the Development Period, as determined in Developer's sole discretion with no requirement of a vote of the membership or joinder of any Lot Owner, or any lien holder holding a lien on any lot.

b. After the Development Period, the Design Guidelines contained in this Article, as amended from time to time by the Developer, may be further amended upon the majority vote of the ARB. All modifications and amendments of the Design Guidelines contained in this Article shall be evidenced by a written amendment to this Declaration, properly executed, which shall be recorded in the public records of Walton County, Florida. Notwithstanding the procedures for amendment contained herein, but in addition thereto, the ARB has authority to grant waivers and variances from the Design Guidelines, as elsewhere provided.

Section 4. Review by ARB. The ARB in its review of all proposed Project construction, modifications, or alterations to existing structures, shall be guided by the following order of precedence and priority, to wit: the provisions of this recorded Declaration of Covenants and Restrictions for the Project, as amended from time to time, applicable to the Lots and Community Property; next, the Design Guidelines; and finally, such other construction guidelines as the ARB may approve and issue from time to time.

a. Architectural Control; Prior Approval. No building, fence, wall, driveway, gate, light posts, landscaping or other structure or improvement of any nature whatsoever shall be commenced, erected or maintained upon any Lot by any Owner, the Association or anyone else, nor shall any exterior addition to or change, alteration or modification be made to any of the foregoing until the design, plans, specifications, plot plan and landscaping plan showing the nature, kind, shape, height, material, color and location of same, including exterior finish and color regime, have been submitted to and approved in writing by the ARB as complying with the Design Guidelines. The items required for submission to the ARB shall stated in the Design Guidelines.

b. Approval Exemption. Approval shall not be required to plant grass, or to remove or replace dead or damaged plants with similar plants or as allowed under the Design Guidelines. Nor shall approval be required to replace or restore any structure or improvement, provided such activities restore the structure or improvement to its prior ARB approved condition.

c. The Review Process. The Design Guidelines shall provide the procedure for the review process.

d. General Restrictions. The following restrictions are guidelines which it is anticipated will be observed and adhered to in substantially all situations. However, the ARB is hereby vested with the authority to grant in writing waivers and variances upon the majority vote of the ARB from any of the following restrictions where it is clearly demonstrated by the person requesting the waiver that both the granting of such a waiver will not impact adversely on the aesthetic qualities of the proposed improvements, the Lot upon which same is located, and LaGrange Landing as a whole, and, that same is consistent with the single family residential subdivision contemplated hereby. Neither the ARB, nor any of its members, shall in any way or manner be held liable to any Lot Owner, the Association or any other person or entity for its good faith exercise of the discretionary authorities herein conferred. The granting of any waiver shall be on a case-by-case basis and shall not be considered a precedent binding the ARB to act similarly in the event any similar request of or waiver is later submitted.

1. Water Service. Each Lot Owner is required to use water service provided by the City of Freeport and will be required to pay connection fees for the privilege of utilizing such service. The Developer shall provide water service to the edge of each lot and will pay for the initial tap fee. A Lot Owner may put in his own well for irrigation purposes only, but in such event the well/irrigation system must be equipped with a filtration system that is approved by the ARB and which is designed to prevent rust stains from developing on any structure. Additionally, Lot Owners opting to utilize irrigation wells have a continuing duty to maintain the filtration system in a proper operating condition such that no stains are left from the irrigation water. If any such stains are nevertheless left the Lot Owner shall have a duty to have them removed, even if they are on the Lot Owner's Home or other improvement on his Lot. Failure of a Lot Owner to comply with this requirement after receipt of written notice to comply provided by the Association will entitle the Association to file a compliance lien against the offending Owner, as elsewhere authorized.

2. Sewer Service. Septic tanks are prohibited. Each Lot Owner is required to use sewer service provided by the City of Freeport and will be required to pay any connection fees for the privilege of utilizing such service. The Developer shall extend sanitary sewer service to the edge of each lot and will pay for the initial tap fee. This provision shall not apply to portable chemical toilets placed on the Property during periods of construction, repair or relief from natural disaster.

3. Prohibition Against Removal; Vegetation Replacement. No trees, shrubs or other vegetation are to be removed from the Conservation Area or Conservation Easements, if any such areas are present on a given Lot, unless approved by the ARB, in the case of invasive species only. The Developer and, after the end of the Development Period, the Association, reserves the right to replace trees, shrubs, or

other vegetation improperly removed by a Lot Owner, such replacement to be at the expense of the Lot Owner violating any restriction against removal of vegetation.

Section 5. Attorneys' Fees. In all litigation or alternative dispute resolution involving this Declaration, including all documents attached as exhibits hereto, or regulations promulgated pursuant to the Declaration, including provisions of the Declaration or regulations regarding architectural or environmental control, the prevailing party shall be entitled to collect and shall be awarded attorneys' fees and court costs.

Section 6. Safety and Natural Disasters. All Lot Owners and residents are hereby granted a standing temporary variance from any and all Design Guidelines or any need for ARB approval in order to take reasonable precautions to protect people and property or to undertake immediate repair or alteration of the Lot or structures in order to prevent further damage, protect property, protect people or to return a building to a habitable condition after suffering damage due to an Act of God, Natural Disaster or the negligence and malice of third parties. Upon the cessation of the conditions that gave rise to the need to take actions that permissibly contravene the Design Guidelines, the ARB may require Lot Owners restore their Lot or structures to the Design Guidelines within a reasonable period of time.

Section 7. Time for Construction. The build-out period for any Lots is five (5) years from the date the Developer executes a deed conveying title to the initial Lot purchaser. Once construction is commenced is must be diligently pursued and completed within eighteen (18) months. At the time of the first conveyance of each Lot within LaGrange Landing, the Developer may, in its sole discretion, enter into an agreement in recordable form with the grantee of such Lot stating the time for construction and providing the Developer the right to repurchase the Lot at the original purchase price paid for the Lot at the time of first conveyance by the Developer to the first grantee in the event construction is not commenced or completed as agreed. The agreement may be recorded and is intended to create a covenant running with the land for the Lot.

Section 8. Setbacks. Any and all construction within the Project shall comply with any setbacks, restrictions, requirements or instructions as stated in the Design Guidelines. The Design Guidelines may be more restrictive than the Plat. In the event of any inconsistencies between the Design Guidelines and the Plat, the Design Guidelines takes precedence over any setbacks, restrictions, requirements or instructions stated in the Plat.

ARTICLE VI **EASEMENTS**

Section 1. Easements on the Plat. Easements are reserved as depicted on the Plat for the purposes and uses described thereon. Additionally, the Developer, during the Development Period, and thereafter the Association, reserve the right to grant permits, licenses and easements over, under or upon portions of the Property, including Lots, for utility service or drainage or other purposes reasonably necessary or useful for the proper maintenance or operation of the Project or that otherwise serve to further the development of the Project.

Section 2. Easement for Fences. An easement is reserved over and across Lots and Community Property for ingress and egress to and from and for maintenance, repair and replacement of the fences installed by the Developer, if any. Such easements consist of the area on either side of the fences a distance of three feet (or to the nearest property line, whichever is less) as depicted on the Plat, or as such fences may be varied or altered from time to time by the Association, within the easement area.

Section 3. Qualification and Clarification Regarding Easement. No easements created or authorized herein that may be created hereafter, or that are identified on the Plat, may be used in a manner that disturbs any home constructed on a Lot. Driveways and other improvements, such as but not necessarily limited to landscaping, may be disturbed in the course of the uses permitted by an easement provided that the holder of the easement restores at its expense any and all areas disturbed to a condition equal to or better than the condition of the area involved prior to the use permitted by the easement. The holder shall avoid, if at all possible, disturbing any trees or other significant features of landscaping and shall solicit suggestions from the Owner(s) affected to such end if there is a prospect of disturbing trees or other significant features of landscaping. The Developer during the Development Period, and thereafter the Association Board of Directors, reserves and is vested with the unilateral authority to specify more particularly the area of easements affecting any part of the Property, to have the easement areas surveyed, or to otherwise clarify their limits and the cost of same shall be a Common Expense of the Association. Such authority includes the authority to increase or decrease the burden on the burdened estate so long as such modification is consistent with the limitations imposed above regarding disturbing improvements, and is in the furtherance of the development and/or operation of the Project in the sole judgement of the Developer, during the Development Period, and thereafter in the sole judgement of the Association Board of Directors.

Section 4. Easements as Appurtenances. Each Lot Owner of a Lot or building site shall have an easement for use and enjoyment over and across all Community Property and for utility service or drainage or other purposes reasonably necessary or useful for the proper maintenance or operation of the Project. Community Property as may be designated on the Plat, or may be designated by the Developer in an instrument recorded in the public records of Walton County, Florida. The foregoing easements and other rights created herein for a Lot Owner shall be appurtenant to the Lot or building site of that Lot Owner and all conveyances of title to the Lot shall include a conveyance of the easements and rights as are herein provided, even though no specific reference to such easements and rights appears in any such instrument.

Section 5. Developer's Rights and Easements. Developer shall have the following special rights and easements until all portions of the real property described in Exhibit A capable of residential development have been platted and submitted by Developer and until both of the following events have occurred: (a) All Lots owned by Developer in all phases have been sold and conveyed; and (b) All Community Property has been conveyed by Developer to the Association.

- a. Sales Offices and Models. Developer shall have the right to maintain a sales office and model home in one or more of the Lots, which the Developer

owns. The Developer and prospective purchasers and their agents shall have the right to use and occupy the sales offices and models during reasonable hours any day of the week. Developer may assign these rights in its sole discretion.

- b. For Sale" Signs. The Developer may maintain a reasonable number of "For Sale" signs at reasonable locations on the Property. Developer may assign this right in its sole discretion.
- c. Developer's Easement. The Developer hereby reserves an easement over the Community Property for all reasonable purposes related to the improvement or maintenance of any Community Property and the construction of improvements on any and all Lots owned by Developer. Developer further reserves an easement over the Lots as reasonably needed to complete Developer's obligation with regard to streets, utilities or other Community Property. There is reserved unto the Developer the right to grant easements for the installation and maintenance of utilities and stormwater management on the Community Property in addition to those already reserved. Once granted, such easements shall continue in force and effect as provided by their terms. There is also reserved to the Developer the right to grant easements, permits and licenses as may be reasonably necessary to establish, implement, maintain, monitor and complete periodic environmental assessments of the Property.

ARTICLE VII **USE RESTRICTIONS**

Section 1. Only single family residences and related improvements, as permitted in accordance with this Declaration and the Design Guidelines may be constructed on the Lots. Lots cannot be combined for the purpose of constructing a single residence without the Developer's written approval, which may be withheld at the Developer's sole discretion.

Section 2. Short and long-term rental of dwellings is permitted provided all leases or rental agreements pertaining to a Lot shall be in writing and shall specifically subject the lessee to the requirements of this Declaration, and to all rules and regulations which shall have been properly promulgated. A copy of the lease or rental agreement must be provided to the Association for its file prior to occupancy by any renter or tenant. This rental provision may be amended at any time and may be made part of this Declaration by a majority vote of the Board of Directors of the Association.

Section 3. No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may become an annoyance or nuisance to the Owners of other Lots.

Section 4. No fires for burning of trash, leaves, clippings or other debris or refuse shall be permitted on any part of the Lots or land contiguous thereto.

Section 5. Inoperative vehicles, travel trailer, recreational vehicles, commercial vehicles, buses and trucks with more than six wheels, boats and trailers, shall not be stored within the Community Property and if stored on a Lot shall be kept in a closed garage or storage space so as to not be observable from other Lots or from Community Property. Garages and storage space must be approved by the ARB.

Section 6. All Mobile Homes and Manufactured Homes are prohibited, including, but not limited to, manufactured homes constructed to the Federal Department of Housing and Urban Development standards.

Section 7. No pets or other animals may be kept on a Lot or in any structure located on the Lot except in accordance with rules and regulations established by the Association. No animals of any kind may be kept for any commercial or breeding purposes. The Owner of any animal shall have the animal confined exclusively to the interior of the main residence or within an enclosed garage located on the Lot or on a leash or otherwise under the Owner's control at all times. Certain portion of the Community Property may be designated by the Association as areas in which pets are prohibited.

Section 8. Nothing shall be done or kept on any Lot or the Community Property which will increase the rate of, or result in cancellation of, insurance for LaGrange Landing for Community Property, Lots, or the contents thereof, without prior written consent of the Association.

Section 9. No signage may be displayed or located on any Lot except for a for sale and contractors sign during construction. Size and design of the identifying sign must be compatible with the neighborhood and approved by ARB. The foregoing shall not preclude the erection of signs by the Developer during the time of its development or marketing of LaGrange Landing.

Section 10. All electrical service, telephone lines, television cables and similar items shall be placed underground, and no exposed or exterior radio or television transmission or receiving antenna shall be erected, placed or maintained on any Lot, except as approved by the ARB.

Section 11. No clothesline shall be located upon a Lot so as to be visible from any street or from any adjoining real property.

Section 12. No time-share ownership of Lots is permitted. For this purpose, the term "time-share ownership" shall mean a method of Ownership of an interest in a Lot under which the exclusive right of use, possession or occupancy of the Lot circulates among the various Owners on a periodically reoccurring basis over a scheduled period of time.

ARTICLE VIII
GENERAL PROVISIONS

Section 1. Amendments. Anything in this Declaration to the contrary notwithstanding, this Declaration of Covenants and Restrictions may be amended, including as to matters involving vested rights, in the following manner:

a. From time to time by the Developer during the Development Period in the furtherance of the development of the Project. Such Developer amendment shall not require the consent of the Lot Owners or the Association or any mortgagee or other holder of a lien on any Lot.

b. After the Development Period, the Association may amend the Declaration by recording in the Public Records of Walton County, Florida, an instrument executed by the President and attested to by the Secretary of the Association indicating that at a meeting called for that purpose (or in writing, without a meeting, as the case may be), the Lot Owners of a majority of the Lots in the Project have approved such amendment. Provided, however, that no amendment affecting the rights or obligations of the Developer, its successors or assigns, may be made after the Development Period without the written consent of the Developer, its successors and/or assigns.

Section 2. Duration. 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 members of the Association and a majority of the holder of first mortgages against Lots in the development decide that such covenants, conditions and restrictions shall abate. The decision to abate, if made, shall be evidenced by an agreement in writing signed by a majority of the membership and by a majority of the first mortgage holders, setting forth their decision, which document shall be effective when duly recorded in the Public Records of Walton County, Florida.

Section 3. Notices. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the person who appears as Member or Owner on the records of the Association at the time of such mailing.

Section 4. Enforcement. Enforcement of these Covenants and Restrictions shall be in the manner described in the By-Laws save for any action against a third party that is not a member of the Association at the time of the violation of these Covenants in which case, the Association retains the right to proceed at law or equity to restrain the violation or recover damages. In addition, the Association shall have the right, whenever there shall have been built on any Lot any structure which is in violation of these Covenants and Restrictions, to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the Owners; and such entry and abatement or removal shall not be deemed a trespass. The Association's cost of such abatement or removal is secured by a "compliance lien" which may be enforced and foreclosed as elsewhere provided in the By-Laws.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision hereof, which shall remain in full force and effect.

Section 6. Information. The Association is required to make available to Lot Owners current copies of the Declaration, Articles, By-Laws, Community Property Agreement, Design Guidelines, or Plats concerning the Project and the books, records and financial statements of the Association. "Available" means available for inspection and copying, upon request, during normal business hours or under other reasonable circumstances. The Association reserves the right to impose reasonable charge for copies and for the time required by its employees or representatives to respond to requests for copies as described in the By-Laws.

Section 7. Financial Statements. Any holder of a first mortgage shall be or is entitled, upon written request, to a financial statement of the Association for the preceding fiscal year.

Section 8. Lender's Notices. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the property number or address, any such eligible mortgage holder or eligible insurer or, guarantor will be entitled to timely written notice of:

- a. Any condemnation loss or any casualty loss which affects a material portion of the Project or any property on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;
- b. Any delinquency in the payment of assessments or charges owed by an Owner of a property subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insurer or guarantor, which remains uncured for a period of 60 days;
- c. Any lapse or cancellation of any insurance policy maintained by the Association.

Section 9. Access Control; Security. Neither the Developer nor the Association shall in any way be considered an insurer or guarantor of security within the Project. Neither shall the Developer or the Association be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. All Lot Owners and occupants of any dwelling, tenants, guests and invitees of any Lot Owner, as applicable, acknowledge that neither the Developer nor the Association represents or warrants that any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices, or other security systems (if any are present) will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise, nor that fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems will

in all cases provide the detection or protection for which the system is designed or intended. Each Lot Owner and occupant of any dwelling and each tenant, guest and invitee, as applicable, of a Lot Owner acknowledges and understands that neither the Developer nor the Association is an insurer and that each Lot Owner and occupant of any dwelling and each tenant, guest and invitee of any Lot Owner, by accepting title to a Lot or making any use of any part of the Community Property assumes all risks for loss or damage to persons, to dwellings and to the contents of thereof and further acknowledges that neither the Developer nor the Association has made any representations or warranties nor has any Lot Owner, occupant, tenant, guest or invitee of any Lot Owner relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire protection, burglar alarm systems, access control systems, patrol services, surveillance equipment, monitoring devices or other security systems recommended or installed through any security measures undertaken within the Project.

IN WITNESS WHEREOF, the Developer has caused these presents to be executed this __ day of _____, 2005.

Signed, Sealed and Delivered
in the presence of:

LAGRANGE LANDING DEVELOPMENT, INC.
a Florida Corporation

(Print Name)

(Print Name)

By: Jeffrey S. Tucker
Its: President

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this ___ day of _____, 2005, by Jeffrey S. Tucker, as President and on behalf of LaGrange Landing Development, Inc., a Florida Corporation, who ___ is personally known to me or produced _____ as identification.

(SEAL)

Notary Public

THIS DOCUMENT PREPARED BY:
BURKE, BLUE, HUTCHISON & WALTERS, P.A.
M. Todd Burke, Esq.
215 Grand Boulevard, Suite 101
Destin, FL 32550

EXHIBIT A
(Real Property)

All of the property described in the plats for LaGrange Landing, a subdivision per Plat(s) recorded at Plat Book ___ Page ____, public records of Walton County, Florida, including the Community Property and the lots described on said Plat(s).

EXHIBIT B
(Owners Articles, attached)

EXHIBIT C
(Owners By-Laws, attached)

EXHIBIT D
(Design Guidelines)

EXHIBIT E
(Community Property Agreement)