

DECLARATION OF COVENANTS, RESTRICTIONS AND RESERVATIONS
FOR
MALLET BAYOU REACH HOMEOWNERS' ASSOCIATION

STATE OF FLORIDA
COUNTY OF WALTON

CATHERINE KING CLERK
CO:WALTON ST:FL

Destinair Village, Inc., a corporation organized under the laws of the State of Florida, being the Developer of Mallet Bayou Reach, Phase I, a subdivision recorded in Plat Book 11, Page 33, of the Public Records of Walton County, Florida, and the owner of all lots contained therein, hereinafter referred to as the "Developer", desiring to restrict the use of said property for the benefit thereof and to promote its development, does hereby impose upon the property contained in said subdivision the following covenants, restrictions, and reservations.

SECTION I. Residential Use. The lots may be used for residential living units and for no other purpose; however, certain home occupations shall be permitted with the express written approval of the Board of Directors of Mallet Bayou Reach Homeowners' Association (hereinafter the "Association").

SECTION II. Permitted Structures. No structure of any kind shall be erected, altered, placed or permitted to remain on any of the platted subdivision lots other than single family dwellings of a design specifically approved in writing by the Architectural Review Committee. Said residences shall contain a minimum of 2,000 square feet of habitable area, exclusive of garage, accessory buildings or porches. All lots shall provide two covered and two uncovered parking spaces within the lot area. Parking spaces shall contain a minimum size of 9 feet x 20 feet.

SECTION III. Architectural Character/Architectural Review Committee. All construction within the subdivision shall conform to an architectural character reflecting a 1920-1930 style, which is appropriate to the northwest Florida climate. Examples of this style are found in the historic district of DeFuniak Springs, Florida. Any accessory buildings shall conform in architectural character to that of the residence.

All construction activities shall be performed in conformance to all current ordinances, codes and regulations of the Governmental Agencies having jurisdiction within the property boundaries. All construction documents shall have a statement to this effect on each page, signed and sealed by a Registered Architect or Engineer. Permitting for all development within the wetlands areas as delineated by the D.E.P. and C.O.E. lines on the recorded plat map for this subdivision shall be the responsibility of the individual property owner.

House construction projects within the subdivision shall be submitted for approval to the Mallet Bayou Reach Homeowners' Association Architectural Review Committee ("ARC") prior to any

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construction activity. Said construction plans shall be submitted as follows:

1. Site plans shall be placed on a 8 1/2 x 11 inch sheet, scale 1"=30', indicate setbacks, building outline, square footages, dotted roof overhangs, highest elevation of buildings, inventory of existing site vegetation as to size and type.
2. Building drawings at 1/4"=1'-0" Site Plan (at appropriate scale), Floor Plans, Square Footages, Exterior Elevations, Roof Plan, Landscape Plan (indicate exist plant materials to be removed), Drainage Concept, Color Samples and Schedule of Exterior Materials.
3. A non-refundable fee of \$50.00, check to be made out to the Community Association noted for architectural review.

All construction documents shall bear the approval signatures of the ARC before submittal to the local building authority.

The ARC shall consist of a registered architect, a representative of Destinair Village, Inc. and an additional lot owner to be initially selected by Destinair Village, Inc. After all of the lots are sold in Mallet Bayou Reach, Phase I, then the ARC shall be appointed by the Board of Directors of Mallet Bayou Reach Homeowners' Association.

The ARC shall act upon construction plans within 30 calendar days of receipt of the submittal of said plans. The ARC shall approve the construction plans or submit a list of reasons for disapproval within the aforementioned 30 days.

SECTION IV. Removal of Vegetation. No removal or trimming of any existing vegetation shall be done without a drawing indicating location and description of the proposed work being submitted and approved by the ARC. During the progress of the work, the ARC is to be notified so as to have a field inspector available during the progress of the work to verify conformance to the approved submittal.

SECTION V. Commencement of Construction. Construction on a lot must begin within two years after the closing by purchaser of a purchaser's individual lot. All construction on said lot must be completed within one year from commencement of construction.

SECTION VI. Temporary Buildings. No temporary buildings, prefabricated or mobile homes shall be placed on the property. Outside storage buildings will not be permitted.

SECTION VII. Utility Services. All services shall be run underground.

SECTION VIII. Radio/TV Antennas. All radio, TV or other antennas shall be subject to FAA regulations concerning obstruction placed in the vicinity of airports. No antennas or towers may exceed 50' in height.

SECTION IX. Non-approved Improvements/Liens. Any non-approved improvement shall be removed by the property owner within 30 days of notification from the ARC. If, after this period, the Owner has not undertaken to remove the non-approved improvement, the Mallet Bayou Reach Homeowners' Association shall contract to have the non-conforming improvement corrected, with the charge reverting to the Property Owner as a recorded lien on the Property. All costs incurred by the Mallet Bayou Reach Homeowners' Association in this matter shall be included in the total lien amount recorded.

SECTION X. Lot Upkeep. Lots and yards are to be kept clean, mowed, free of debris and presentable to the standard of the community. The Association or its assignees shall have the right, after due notification to the owner, to service any lot to comply with the standards established. A reasonable charge shall be assessed to the owners. Failure to reimburse the Association for these services, shall cause a lien to be recorded against the lot.

SECTION XI. Term of Covenants, Restrictions and Reservations. These conditions, covenants and restrictions shall be a covenant running with the land and shall be binding on all parties and/or persons claiming under or through them for a period of twenty-five (25) years from the date hereof, and shall be automatically extended for an additional twenty-five (25) years, at which time an affirmative vote by 3/4 of the recorded property owner shall extend the CC&R's for additional 25 year periods.

SECTION XII. Amendment to Covenants, Restrictions and Reservations. These conditions, covenants and restrictions may be revised or amended at any time upon an approval vote of three quarters (3/4) of the recorded property owners. These revisions and amendments become a part of the recorded Covenants, Restrictions and Reservations of Mallet Bayou Reach, Phase I, upon recordation in the property records of Walton County.

SECTION XIII. Mallet Bayou Reach Homeowners' Association. Each owner of Mallet Bayou Reach, Phase I, shall be required to participate as a member of Mallet Bayou Reach Homeowners' Association, Inc., a Florida corporation not for profit, which corporation has been organized by the Developer. The Association shall determine the amount for and levy upon each lot, an assessment for any improvements, repairs or maintenance, which the Board of Directors of the Association deem necessary. Each lot

owner shall be entitled to one vote at the Association meeting for each lot owned within the subdivision; however, when more than one person holds an interest in any lot, all such persons shall be members, but the one vote for such lot shall be exercised by such members as may be determined among themselves.

Annual Association meetings shall be held to conduct such business as the Association Board of Directors deems necessary. All actions taken by the Association shall be in conformity with Chapter 617, Florida Statutes.

SECTION XIV. Dues and Assessments. Any assessments of the Association which are unpaid by a lot owner within 30 days after receipt of notice of the assessment shall be referred to the Board of Directors of the Association for further action, and the Board shall have the authority to impose a lien upon the owner's lot. All expenses incurred by the Association in connection with the recordation of the lien shall be included in the lien amount.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 12th day of June, 1995.

DESTINAIR VILLAGE, INC.

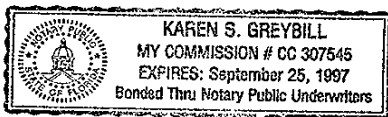
[Signature]
Wallace C. Kemper, President

In the presence of:

[Signature] Karen S. Greybill
[Signature] Louise R. Leake
Witnesses

STATE OF FLORIDA
COUNTY OF OKALOOSA

Before me, the undersigned authority, personally appeared Wallace C. Kemper, President of Destinair Village, Inc., individually, who is known to me or produced personally known to me as identification and who, being first duly sworn, states that he executed the foregoing instrument voluntarily and for the purposes therein stated this 12th day of June, 1995.



[Signature]
Notary

[Signature]
Print Name

[SEAL]

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