

Prepared by:

Daniel R. Lozier
*Lozier, Thames, Frazier,
Spencer & Schlieter, P.A.*
Attorneys at Law
24 West Chase Street
Pensacola, FL 32502

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS FOR LAKEWOOD COTTAGES**

STATE OF FLORIDA

COUNTY OF ESCAMBIA

This Declaration of Covenants, Conditions, Restrictions, and Easements for Lakewood Subdivision is made on this day 4TH of AUGUST, 2008, by LAKEWOOD INVESTMENT PARTNERS, LLC, a Florida limited liability company ("Declarant").

WHEREAS, LAKEWOOD INVESTMENT PARTNERS, LLC, a Florida limited liability company, is the owner of the property described in Exhibit A attached hereto ("Lakewood Cottages") which property is a portion of Block "C", Lakewood Subdivision, as recorded in Plat Book 2 at Page 30 of the Public Records of Escambia County, Florida;

WHEREAS, Declarant desires that the property more particularly described in Exhibit "A" attached hereto and incorporated herein shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, and easements, which are for the purpose of protecting the value and desirability of all of Lakewood Cottages;

WHEREAS, the Lots within Lakewood Cottages will be used for single-family dwellings. The utility easements within Lakewood Cottages will be used by the various utility providers to furnish services to the neighborhood. The common areas will be transferred to a non-profit Florida corporation formed or to be formed by Declarant, which corporation will own such areas for the benefit of the homeowners in Lakewood Cottages.

NOW THEREFORE, Declarant hereby establishes this Declaration of Covenants, Conditions, Restrictions, and Easements for Lakewood Cottages, which will run with the land and be binding on and inure to the benefit of every owner of property within Lakewood Cottages.

**ARTICLE I
DEFINITIONS.**

The following definitions apply wherever the capitalized terms appear in this Declaration. Additional terms also may be defined the first time they appear.

1.1 "Articles" means the Articles of Incorporation of the Association, filed with the Secretary of State of Florida, as amended from time to time.

1.2 "Assessments" means, collectively, the following charges:

- a) "General Assessment" means the amount charged to each Member to meet the Association's annual budgeted expenses.
- b) "Individual Lot Assessment" means the amount charged to a Member's individual Lot for any charges particular to that Lot.
- c) "Special Assessment" means a charge to each Member for capital improvements or emergency expenses.

1.3 "Association" means the Association for Lakewood Cottages Homeowners' Association, Inc., a Florida non-profit corporation, its successors and assigns, formed or to be formed by Declarant.

1.4 "Board" means the Board of Directors of the Association.

1.5 "Bylaws" means the Bylaws of the Association.

1.6 "Common Property" means those tracts of land that are (i) deeded or granted to the Association and designated in the deed or other instrument of conveyance as Common Property or (ii) labeled as a Common Area on the Plats or (iii) dedicated to the Lakewood Cottages Homeowners' Association, Inc., on the Plats. The term "Common Property" also means any personal property appurtenant to any real property owned by the Association or acquired by the Association if the personal property is designated as such in the bill of sale or other instrument conveying it. "Common Property" does not mean any area that is (i) dedicated in the plat to Escambia County or other party other than the Association, or (ii) sold to the Association.

1.7 "Declarant" means LAKEWOOD INVESTMENT PARTNERS, LLC, a Florida limited liability company, its successors and assigns. Declarant may also be Owners. The various rights of Declarant under this Declaration may be separated and assigned to different parties and, if so assigned, each assignee will be considered a "Declarant" as to the specific rights so assigned. Declarant may collaterally assign their rights as Declarant by mortgage or other instrument, and such assignees may elect to either exercise the assigned rights or designate another party to exercise such rights if such assignees succeed to Declarant's interest in Lakewood Cottages or any portion thereof.

1.8 "Declaration" means this Declaration of Covenants, Conditions, Restrictions, and Easements for Lakewood Cottages and all supplements and amendments to this Declaration.

1.9 "Lakewood Cottages" refers to a portion of Block "C", Lakewood Subdivision, recorded in Plat Book 2 at Page 30 of the Public Records of Escambia County, Florida, as described on Exhibit "A", and to any land later made subject to this Declaration, from time to

time.

1.10 "Lot" means any lot shown on a Plat along with any improvements constructed on the Lot. The following are not considered as Lots: any and all portions dedicated to the public on any Plat and any and all Common Property.

1.11 "Member" means a member of the Association. Each Owner is also a Member. There are two classes of Members.

1.12 "Mortgagee" means any institutional lender that holds a bona fide mortgage encumbering a Lot. The term "institutional lender" specifically includes, but is not limited to, a bank, a savings and loan association, a mortgage lending company, an insurance company, a credit union, and the Federal National Mortgage Association or similar agency.

1.13 "Owner" means the record owner, whether that be one or more persons or entities, of (i) the fee simple title to any Lot, or (ii) life estate in any Lot. "Owner" does not mean a Mortgagee.

ARTICLE II

USE OF LOTS; ARCHITECTURAL REVIEW AND CONSTRUCTION REQUIREMENTS

To ensure that the homes and accessory buildings within the neighborhood are harmonious, Declarant will create an Architectural Review Committee to approve all construction. Although certain requirements are specified herein, the Architectural Review Committee will not be limited to the specific requirements but rather will have broad discretion.

2.1 Architectural Review Committee.

a) **Composition.** The Architectural Review Committee will consist of a single person or a committee of persons selected by Declarant. Declarant may temporarily delegate this right to appoint members or may assign this right by written instrument recorded in the Public Records. Members of the Architectural Review Committee will serve at the pleasure of the entity entitled to select the members and may be replaced at any time. If Declarant (or assignee) fail to appoint at least one person to the Architectural Review Committee and such vacancy continues for 30 days after the Association gives written notice to Declarant (or assignee) of such vacancy, the Association will have the right to appoint the members of the Architectural Review Committee until such time as Declarant (or assignee) exercises its right of appointment.

b) **Professional Advisor.** The Architectural Review Committee may employ one or more architects or land planners to advise the Architectural Review Committee. Each advisor may sit on the Architectural Review Committee as either a voting or nonvoting member, at the discretion of the other members of the

Architectural Review Committee. At the discretion of the Architectural Review Committee, the advisor may be paid a reasonable fee derived from application fees or payable by the Association from the General Assessment.

2.2 Architectural Review Procedure.

a) **Construction Subject to Review.** All construction, improvements, remodeling, or modification on or to a Lot, except interior alterations not affecting the external appearance of the Lot or improvements on a Lot, must be approved in advance by the Architectural Review Committee. This specifically includes, but is not limited to, painting or other alteration of a building (including doors, windows, and trim); replacement of roof or other parts of a building other than with duplicates of the original material; installation of antennas, satellite dishes or receivers, solar panels, or other devices; construction of fountains, swimming pools, whirlpools, or other pools; construction of privacy walls or other fences or gates; addition of awnings, flower boxes, shelves, statues, . or other outdoor ornamentation; addition of window coverings, installation of a well; and initial landscaping and any material alteration of landscaping. This right is general and is not limited to the specific items listed in this paragraph or in Paragraph 2.5. Construction effected by or on behalf of Declarant will not be subject to approval by the Architectural Review Committee.

b) **Application.** The plans to be submitted for approval shall include (i) the construction plans and specifications, including all proposed clearing and landscaping, site plan, and plot plan drawn to scale and showing placement of improvements and setbacks; (ii) front, rear, and all side elevations of all proposed improvements; (iii) a Lot survey showing current improvements, if any; (iv) roof and exterior siding and trim colors, materials and type; and (v) such other items as the Architectural Review Committee requires. No construction on any Lot shall be commenced and no Lot shall be modified except in accordance with the submitted plans. Any modification to the approved plans must also be reviewed and approved by the Architectural Review Committee.

c) **Basis for Decision.** The Architectural Review Committee, in making its decisions, may consider purely aesthetic matters that in the sole opinion of the Architectural Review Committee will affect the desirability or suitability of the construction. The Architectural Review Committee will not be limited to the specific restrictions and requirements of this Article in making its decision.

d) **Application Fee / Deposit.** The Architectural Review Committee may establish procedures for the review of applications, and impose a reasonable fee to be paid by the applicant. The Architectural Review Committee also may require an applicant to post a security deposit to ensure that all work is affected only in accordance with approved plans. The Architectural Review Committee may retain the security deposit until all work has been completed in accordance with the approved plans.

e) **Notification of Approval.** The Architectural Review Committee must notify an applicant in writing of its decision within 30 days of receiving a completed application. If approval or disapproval is not given within 30 days after submission of a completed application, the application will be deemed approved unless the applicant agrees to an extension.

f) **Enforcement.** If any construction or modification is undertaken that has not been approved or that deviates substantially from the approved plans, Declarant or the party delegated or assigned Declarant's right to appoint the Architectural Review Committee, may bring an action for specific performance, declaratory decree, or injunction, and will be entitled to recover all costs of such action including attorney fees at trial or on appeal. Any such action also shall determine entitlement to any retained security deposit. At such time as Declarant (and their affiliates) owns no Lots within Lakewood Cottages, each Owner will have the right to enforce these provisions. The failure to strictly enforce these provisions as to a particular violation or violations will not be deemed a waiver to enforce these provisions as to future or continuing violations.

(g) **Variances.** The Architectural Review Committee shall have the authority within its sole discretion to waive in writing violations of any of the provisions of this Article II and/or grant deviations or variances, including violations of setback lines and fence locations, where it is demonstrated by the Owner or other person requesting same that doing so will not impact adversely upon the aesthetic qualities of the proposed improvements, the Lot upon which same is located and the Subdivision as a whole, and, that same is consistent with a first class single family residential subdivision. Neither the Architectural Review Committee nor any of its members shall in any way or manner be held liable to any Owner, the Association, or any other person or entity for its good faith exercise of the discretionary authorities conferred by this Section.

2.3 **Liability.** The Architectural Review Committee and Declarant will not be liable to the applicant or to any other party to ensure that the proposed plans comply with any applicable building codes, for inadequacy or deficiency in the plans resulting in defects in the improvements, or to ensure the construction was done in accordance with the plans.

2.4 **Destruction or Damage to Subdivision Improvements.** Owners will be responsible for any and all damage caused to subdivision improvements, including, but not limited to, curbs, gutters, water hydrants, sidewalks, power poles, or fences erected by anyone, whether such damage is caused by the Owner or the Owner's employees, agents, invitees, guests, contractors, or subcontractors. Any liability incurred under this provision will be both a personal obligation and an Individual Lot Assessment on such Owner's Lot.

2.5 **Specific Restrictions.** The following restrictions shall apply to the Lots; however, the Architectural Review Committee will not be limited to these items when reviewing plans and will have broad discretion in the interpretation of these restrictions.

- a) **Residential Building.** No structure may be erected, placed or permitted to remain on any Lot other than one single-family dwelling, a garage and a swimming pool or a detached structure. No detached structure may be constructed prior to the completion of the construction of the primary structure, must be constructed of similar materials and color as the primary structure, and must be approved by the Architectural Review Board.
- b) **Building Restriction Lines.** No dwelling shall be located nearer to the streets or adjacent Lots than the applicable building setback requirements on the applicable Plat. Waiver of the fixed setback requirements is hereby granted for unintentional violations that do not exceed ten percent (10%) of the setback distance in question. In the event of any controversy between setbacks as shown on the Plat or as stated in other covenants, the Plat shall have dominance over these covenants. All setbacks and variances shall be in accordance with the rules and regulations as set forth by Escambia County, Florida.
- c) **Minimum Floor Space.** Each single-story dwelling located on a Lot must contain at least 900 square feet of floor area, each one and one half story dwelling located on a Lot must contain at least 1200 square feet of floor area, and each multi-story dwelling located on a Lot must contain at least 1600 square feet of floor area. Said multi-story dwelling shall not exceed two (2) stories in height. "Floor area" means only enclosed, heated and cooled livable floor area and does not include garages, porches (open or with screened enclosures), terraces, or patios.
- d) **Driveways.** All Lots must have a driveway of stable and permanent construction extending from the adjacent street to the dwelling. All driveways must be concrete, blacktop pavement, or other approved material.
- e) **Pools, Play Facilities, and Lighting.** All recreation facilities constructed or erected on a Lot, including, without limitation, swimming pools and any other play or recreation structures, basketball backboards, platforms, playhouses, dog houses, or other structures of a similar kind or nature must be adequately walled, fenced, landscaped, or otherwise aesthetically pleasing as determined by the Architectural Review Committee.
- f) **Non-Interference With Easements.** No structure, planting, or other material may be placed or permitted to remain on a Lot if it may damage or interfere with the installation and maintenance of any entry way, hedge, planting, tree, grass, fence or other improvement or landscaping located within the Common Property. Any easement area located on a Lot and all improvements on an easement area shall be maintained by the Owner of the Lot whereon the easement area lies, except for those easement areas the maintenance of which is the responsibility of a public authority, utility, or the Association. In any event, an Owner may not interfere with the maintenance of an easement area on the Owner's Lot by the party responsible for maintaining the same. This provision may be enforced by any person or party benefiting from the easement or

responsible for the maintenance of them.

g) **Utility Connections.** Connections for all utilities, including, but not limited to, water, sewage, electricity, telephone, and television must be run from the connecting point therefrom to the dwelling underground or in such other manner as is acceptable to the respective utility authority or company. Wells may be installed only for irrigation purposes.

h) **Mailboxes.** All mailboxes, paper boxes, or other receptacles of any kind for use in the delivery of mail, newspapers, magazines, or similar material shall be acceptable to the United States Postal Service and shall be replaced immediately upon damage or deterioration. No receptacles made of wooden or any type of wood product shall be allowed.

i) **Antennae, Aerials, and Satellite Dishes.** No antennae or aerial may be placed on any Lot or affixed to the exterior of any building, and no antennae or aerial placed or affixed within a building may extend or protrude beyond the exterior of such building or in any way be visible from outside the building. Cable TV, wireless receivers, and satellite dishes, if any, shall be affixed to the exterior of buildings, may not be erected on antennae, poles, or aerials, and shall not exceed 36 inches in diameter.

j) **Clothes Drying Area.** No clotheslines or other facilities or apparatus for the drying of clothes outside of a dwelling shall be constructed or maintained on a Lot if viewable from other Lots, Common Property or adjacent roads.

k) **Signs.** No sign of any kind shall be displayed to general view on any Lot (whether freestanding, attached to a building or vehicle, or displayed in a window of a building or vehicle) except under any of the following circumstances:

Directional or traffic signs and entrance or other identification signs may be installed by or with the consent of the appropriate governmental authority, by Declarant, or by the Board;

Declarant may display signs for the sale of Lots, homes and promotion of the subdivision;

One "For Sale" sign not more than two square feet (as measured on each side of the sign) may be displayed on a Lot by the Owner or the agent for such owner; and

Temporary Garage or Yard Sale signage may be displayed on an infrequent basis, and in any event, not longer than 48 hours in any one calendar month.

l) **Fences and Drainage.** All fences, hedges, walls or the like constructed upon any Lot shall comply with Escambia County regulations. As a general guideline all fences shall be of wood and shall remain natural in color. No fence

may be constructed and no hedge planted any closer to the front Lot line than the front of the residential structure. If a corner Lot, no fence may be constructed and no hedge planted any closer to the side street than the building setback required from the side street by the Plat. This restriction does not apply to any growing hedge that does not exceed three feet in height. The Architectural Review Committee may grant variances from this provision in its discretion in accordance with Paragraph 2.2 (g) to achieve consistency for adjoining properties. Each Lot owner is required to construct a swale system of drainage within these drainage easements. Each Lot Owner is responsible for the maintenance and repair of the swale on his or her property. No fence, planting, or other structure may impair the storm-water drainage system within these easements. Fences on Lots that abut retention ponds shall be located on the common boundary line.

m) **Temporary Structures.** No structure of a temporary nature, whether a trailer, tent, shack, garage, barn, or any other such building, is permitted on a Lot, nor shall any building that is unfinished on the exterior be occupied. This restriction does not apply to any temporary structure maintained for Lot sale and related purposes as provided in paragraph (s) of this section.

n) **Completion of Construction and Repairs.** All construction of improvements of a Lot and the construction, repair, or remodeling of any improvement must be completed within nine (9) months after commencement. All waste shall be contained during construction and any debris that becomes scattered shall be picked up immediately by the person or company performing the construction.

o) **Sales Offices.** Notwithstanding anything in this Declaration to the contrary, Declarant, Principal Builders, and other parties approved by Declarant may construct and maintain sales offices, model homes, and sales trailers, together with a sign or signs relating thereto, on a Lot or Lots or on any other property within Lakewood Cottages until such time as all of the Lots are sold.

p) **Destruction or Damage to Subdivision Improvements.** Owners will be responsible for any and all damage caused to Common Property or subdivision improvements, including, but not limited to, curbs, gutters, water hydrants, sidewalks, power poles, or fences erected by anyone, whether such damage is caused by the Owner or the Owner's employees, agents, invitees, guests, contractors, or subcontractors. Any liability incurred under this provision will be both a personal obligation and an Individual Lot Assessment on such Owner's Lot.

q) **Maintenance of Exteriors.** Each Owner shall at all times maintain the exterior of all structures on the Owner's Lot and any and all fixtures attached thereto in a sightly manner.

r) **Noxious Vegetation.** No Owner may permit the growth of noxious weeds or vegetation on the Owner's Lot or on the land lying between the street pavement

and the front lot line of Owner's Lot. All unimproved areas of a Lot must be maintained in an attractively landscaped and sightly manner.

s) Litter, Trash, Garbage. No garbage, trash, refuse, or rubbish may be deposited, dumped, or kept on any Lot except in closed sanitary containers appropriately screened from view. Trash containers may be placed at the front of the Lot on the day designated for pickup, but only if promptly returned to the proper storage area as soon as possible.

t) Nuisances. No Owner may cause or permit unreasonable noises or odors on the Owner's Lot. No Owner may commit or permit any nuisance, any immoral or illegal activity, or anything that may be an annoyance or a noxious or offensive activity to the other Owners or their guests. Soliciting within Lakewood Cottages is strictly prohibited.

u) Parking of Wheeled Vehicles, Boats and Water Vessels. Cars, trucks, tractors, recreational vehicles, trailers, any and all inoperable or unlicensed vehicles or boats of every kind (collectively called "Vehicles") must be kept at all times completely inside a garage and are not permitted to be parked elsewhere on a Lot or on a street within the Plat except as otherwise specifically permitted in this paragraph. Boats and water vessels and trailers must be kept at all times completely inside a garage or outside of view from any street and are not permitted to be parked on a street within the Plat. Private cars or private trucks (exclusive of all other Vehicles) owned by an Owner or an Owner's guest may be parked in the Owner's driveway so long as they are currently registered and operable. Outside commercial vehicles may be parked in a street or driveway when necessary for providing services to an Owner, or for pickup and delivery service, but only while undertaking this activity and never overnight. Recreational vehicles, travel trailers, trailers, and campers may be parked in the driveway of a Lot for up to a total of 48 hours per week for loading and unloading only, and never for dwelling purposes. No Vehicles may be repaired or maintained on or adjacent to a Lot, except within a garage. Vehicles engaged in construction of subdivision improvements or dwellings on behalf of Declarant will be permitted within Lakewood Cottages for such purposes. Nothing in this paragraph shall be construed to require the construction of garages in connection with the construction of a dwelling.

v) Pets. Up to two (2) "household pets" may be kept at a Lot. All other pets and animals are strictly forbidden to be kept, bred, or maintained within Lakewood Cottages. A "household pet" is a dog, cat, or other common domestic animal approved by the Architectural Review Committee. In no event may any pet, including household pets, be kept, bred, or maintained for any commercial purpose. Each Owner will be strictly responsible for the behavior of his or her household pets. An Owner may not permit the household pet to become a nuisance or annoyance to other Owners. Each Owner will be responsible to immediately collect and dispose of waste and litter from the Owner's pets. Pets will not be allowed on the Common Property except in designated areas and then

only in compliance with the Rules.

w) **Wetlands Buffers, Retention Swales and Private Drainage Easements.** Declarants hereby reserve unto the Association a right of entry on and across all Wetlands Buffers, Retention Swales and Private Drainage Easements for purposes of improving and/or maintaining these areas should it desire to do so (although it is not obligated to do so) with the cost assessed to the affected Lot owners as an Individual Lot Assessment (per paragraph 7.6 herein). Within such areas, no structure, improvements, panning or other materials of a temporary or permanent nature shall be placed or permitted to remain by any Owner which might appear unsightly, destroy or adversely affect the natural buffer or drainage mechanism inherently provided by such areas, or obstruct or interfere with any improvements made by the Association or maintained thereon by the Association. These areas shall be maintained by the Owners of the Lots upon which they are located in a natural state, except for those improvements, if any; made by the Association. The Association shall have the authority to formulate the maintenance requirements of the areas to ensure proper drainage and functioning of the areas and shall have the right to impose such requirements upon the Owners.

2.6 **Further Subdivision or Replat of Lots.** All Lots shall be conveyed as a whole except that two or more contiguous Lots may be re-subdivided into an equal or lesser number of contiguous Lots, provided that all regulations of Escambia County, Florida applicable to the Subdivision Lots are complied with. An Owner may also, by recording an instrument to that effect in the Public Records, combine two or more Lots for a single home site, whereupon the combined property will be deemed to be two or more separate Lots for all purposes, except that it shall be deemed to be a single Lot for the purposes set forth in Article III. Declarant shall have the right to modify the Plat to make adjustments to Lot boundary lines if the Owners of the affected Lots consent. Declarant may make other adjustments to the Plat if Owners are not materially affected or if all Owners who will be materially affected consent to the modification. Owners shall not unreasonably withhold their consent to an adjustment, and consent will be deemed given if an Owner does not object in writing to a request for the Owner's consent. Notwithstanding the foregoing, Declarant also may re-plat a Lot or Lots to Common Property, whereupon such re-platted Lot or Lots will no longer be deemed a "Lot." Declarant also may establish additional easements on a Lot or Lots without the consent of the other Owners.

2.7 **Additional Restrictions.**

(i) Lots 3, 12, and 19 of Block A, lots 8, 17, 31, and 36 of Block B, and lots 6 and 20 of Block C, shall also be subject to the additional terms and restrictions set forth in this Section 2.7. Said lots are restricted for use as set forth in Section 3.4 of that certain Lakewood Cottages Workforce Housing Development Agreement dated on or about May 24, 2007, and executed by Declarant and Escambia County, Florida (the "Development Agreement"), the terms, conditions, and provisions of which are hereby incorporated by reference. Among other terms, conditions, and restrictions set forth in the Development Agreement: (a) a home must be constructed and sold to a qualified buyer within thirty (30) months of the

latest issuance by Escambia County of a development order for Lakewood Cottages, as extended by the Development Agreement or by Escambia County; (b) the purchase price for said originally constructed home, inclusive of lot cost, shall not exceed the price set forth in the Development Agreement without the consent of Escambia County; (c) the Association shall have authority to impose and shall impose an Individual Lot Assessment on any such lot that is in violation of such terms, conditions, and restrictions, equal in amount to the amount required to be paid by Declarant to Escambia County pursuant to such Development Agreement, including but not limited to the amount described in Section 4.5 thereof, as a result of such violation, if any; and (d) the Association shall collect and pay over to Declarant any and all such amounts.

(ii) Each of the above identified lots shall no longer be subject to the terms, conditions, and restrictions set forth in this Section 2.7 upon the first to occur of the following events with respect to such lot: (a) Escambia county or Declarant executes a written instrument releasing such lot from said terms, conditions, and restrictions; (b) the lot owner pays to the Association and the Association pays to the Declarant the full amount of the Individual Lot Assessment as described in Section 2.7(i)(c) and (d) above; (c) a home is constructed and sold on said lot in such a manner that said lot, together with all other such lots, have in the aggregate satisfied the terms, conditions, and restrictions set forth in this Section 2.7 or have been otherwise released from such terms, conditions, and restrictions as set forth above.

ARTICLE III

COMMON PROPERTY

The Association will own and maintain the Common Property for the benefit of all Members and, when necessary, improve, repair and maintain the Common Property.

3.1 Title to Common Property.

a) **Ownership.** The Common Property will be owned by the Association for the benefit of all Owners.

b) **Acquisition.** The Association is authorized to buy or lease real or personal property to be added to the Common Property.

c) **Dedication.** If the county or municipal government requests that the Association convey title to or dedicate the Common Property or any portion thereof to the public, the Association will be authorized to make such conveyance or dedication, but only with the approval of the Members. Upon such dedication, all obligations of the Association regarding the property so dedicated will cease except for requirements imposed as a condition of the dedication.

3.2 Maintenance; Management; Contracts.

a) **Association Responsibility.** The Association will be responsible for the management, maintenance, control, and improvement of the Common Property and must keep the same attractive, clean, and in good repair in accordance with this Declaration and any applicable governmental regulations.

b) **Management Agreements.** The Association may contract with Declarant or any other party for the performance of all or any portion of the management of the Association and the Association's maintenance and repair obligations. Management cost will be included within the Assessment.

3.3 Capital Improvements. The Association may make capital improvements to the Common Property and may modify the use of the Common Property.

3.4 Damage or Destruction of Common Property by Owner. If any Owner or any guest, tenant, licensee, agent, employee, family member, or pet of an Owner damages any of the Common Property as a result of negligence or misuse, the Owner hereby authorizes the Association to repair the damage. The cost of repair will be the responsibility of the Owner and will become an Individual Lot Assessment payable by the responsible Owner.

3.5 Compliance with Laws. Lots and the Common Property may be used and must be maintained in accordance with all applicable law, ordinances, and regulations, including, without limitations, all regulations and requirements of Escambia County, Florida.

3.6 Owners' Easement of Enjoyment of the Common Property. Every Owner will have a right and easement of enjoyment in and to the Common Property, subject to the restrictions imposed in this Declaration or in the Rules. This easement will be appurtenant to and shall pass with title to every Lot. Any Owner, subject to the provisions of this Declaration, the Articles, the Bylaws, and the Rules, may delegate the Owner's right to enjoyment of the Common Property to the Owner's family, tenants, and guests.

3.7 Easements in Favor of Declarant and Association. Declarant reserves for itself, its successors and assigns, and for the Association the following perpetual easements:

(a) **Utilities.** Easements, for ingress, egress, installation, replacement, repair, and maintenance of all public and private utilities and conveniences, upon all property subject to Public or Private Drainage and/or Utility Easements, Wetlands Buffer and Retention Swales as shown on the Plat; across, over, through, and under the Common Property; and five feet in width along the front, rear, and side line of each Lot. This easement shall be automatically be deemed abandoned as to the interior side Lot lines if two or more Lots are combined into a single home site.

(b) **Police Powers: Security.** A blanket easement throughout Lakewood Cottages for police powers and services supplied by the local, state, and federal governments.

**ARTICLE IV
ASSOCIATION ORGANIZATION**

Although Declarant will control the Association during the development stage, the Owners eventually will be responsible for the continuation of the Association.

4.1 **Membership.** Every Owner is a mandatory Member of the Association Membership is appurtenant to and may not be separated from title to any Lot.

4.2 **Voting Rights.** The Association will have two classes of voting membership.

a) **Class A.** The Class A Members are all Owners of Lots other than Declarant. Class A Members will be entitled to one vote for each Lot owned.

b) **Class B.** The Class B Member is the Declarant, who shall be entitled to ten votes in all matters for each Lot owned by the Class B Members or their affiliates. Declarant may assign their Class B Membership in whole or in part. The Class B Membership will end and be converted to Class A Membership three months after the first to occur of the following events:

c) The total votes outstanding in the Class A Membership equals the total votes outstanding in the Class B Membership;

d) All of Lakewood Cottages has been completed and made subject to this Declaration, and 90% of the Lots within Lakewood Cottages have been conveyed to Members other than the Class B Members; or

e) Declarant chooses to become a Class A Member, as evidenced by instrument to such effect, executed by Declarant and Declarant's mortgagee(s) holding a mortgage encumbering Lakewood Cottages, or portion thereof, which is recorded in the public records.

4.3 **Exercise of Vote.** When more than one person holds an interest in any Lot, all such persons shall be Members; however, the number of votes for that Lot will not be increased, and the Members must determine among themselves how the Lot's vote may be exercised. Corporations, partnerships, and other entities must notify the Association of the natural person who will be considered a Member of the Association and be entitled to exercise its vote.

4.4 **Board of Directors.**

a) **Composition.** The Board initially will consist of at least three persons appointed by Declarant. Upon termination of the Class B Membership, the Board

will consist of at least three directors, selected in accordance with the Articles and Bylaws, but in any event, the number of directors must always be three or a multiple of three:

b) **Classes.** Each director will be appointed or elected to one of three classes: Class 1, Class 2 or Class 3. Directors will be elected by class to provide for staggered terms: If the number of directors is increased, it shall be in multiples of three and each new position must be assigned to a class so that each class will have an equal number of directors.

c) **Term of Office.** The initial term for the Class 1 director will be for one year. The initial term for the Class 2 director will be for two years. The initial term for the Class 3 director will be for three years. Subsequent terms for directors of any class will be for three years; however, directors will always serve until resignation, removal, or the election of their successors.

d) **Qualifications.** After termination of the Class B Membership, each director must be a Member. If a director ceases to be a Member during the term of office, each person will be automatically removed from the Board, effective upon such occurrence.

e) **Voting Procedure.** At each annual meeting, the Members will elect the directors to replace the directors of the class whose term of office is then expiring. Each Class A Member will have one vote for each seat to be filled and the Class B Member will have 10 votes for each Lot owned by the Class B Member or it affiliates. No cumulative voting will be permitted. The candidate(s) receiving the highest number of votes will be declared elected. If there is a tie vote, the Class B Member will be given one additional vote and the opportunity to cast such vote to break the tie. The meeting will, in other respects, be conducted in accordance with the Articles and Bylaws.

f) **Removal.** Any director may be removed from office, with or without cause, by at least a majority vote of the Members.

g) **Vacancies; Replacement of Directors.** Any vacancy occurring in positions as director may be filled by a majority vote of the remaining Board members. If the remaining Board members do not constitute a quorum, a special meeting of the Association may be called by any officer or by any Member to elect new members to the Board.

h) **Compensation.** Directors will not receive compensation for their services unless approved by the Members. This will not prevent a Class B Member or an affiliate of a Class B Member from being compensated for management or other services.

4.5 **Relationship to Articles and Bylaws.** The Articles and Bylaws will govern all matters of the Association not set forth in this Declaration. The terms of this Declaration will

prevail over any conflicting provisions in the Articles and Bylaws.

**ARTICLE V
OPERATION OF ASSOCIATION AND BOARD**

Most day-to-day decisions about the maintenance of the Common Property and enforcement of the Declaration are the responsibility of the Board, acting on the Members' behalf. For those decisions requiring Members' approval, the Annual Meeting provides a public opportunity for discussion.

5.1 Annual Meeting.

a) When called. The Annual Meeting will be called every year at a time and date selected by the Board for the election to the Board of the class of directors whose term then expires and for other business requiring approval of the Members. The meeting date shall be as determined by the Articles and Bylaws.

b) Quorum. Voting at an Annual Meeting requires the presence of (i) Members (in person or by proxy) representing 30% of votes, and (ii) Declarant or their representatives so long as Declarant own at least one Lot.

5.2 Board Meetings.

a) Board's Responsibility. Except as specifically provided in this Article or elsewhere in this Declaration, the Board has been delegated the power, and has the authority to act on behalf of the Association in all matters.

b) Quorum. Voting at a Board meeting requires presence of at least one half of the directors (in person or by proxy). Except as prohibited by law, action required to be taken by vote of the Board may be taken in the absence of a meeting by obtaining the written approval of a majority of the Board.

5.3 Record Keeping. The Board shall keep, or cause to be kept, a record of all meetings, both of the Board and of the Association. For each action taken, the record must state the vote and a description of the action approved, and, if applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. The record must be available for inspection by any Member, except for records of closed meetings of the Board. Officers may be elected by the Board by secret ballot.

**ARTICLE VI
ASSOCIATION BUDGET**

To fulfill its obligation to maintain the Common Property, the Board is responsible for the fiscal management of the Association.

6.1 **Fiscal Year.** The fiscal year of the Association will begin January 1 of each year and end on December 31 of that year. The Board may elect another fiscal year. The Board must prepare an annual budget.

6.2 **Budget.** A copy of the budget must be provided to each Member or a notice must be given to the Members that a copy of the budget is available upon request and without charge. The annual budget will estimate total expenses to be incurred by the Association in carrying out responsibilities. The budget may include:

- a) The cost of wages, materials, insurance premiums, services, supplies, and other expenses for the rendering of all services required or permitted under this Declaration;
- b) Reasonable amounts, as determined by the Board, for working capital for the Association and for reserves;
- c) Fees for professional management of the Association (which may include Declarant), legal counsel, and accounting;
- d) Taxes, if the Common Property is taxed separately from the Lots; and
- e) An estimate of revenues from the General Assessment.

6.3 **Reserves.** The Association shall accumulate and maintain adequate reserves for working capital, contingencies, and replacements, to be included in the annual budget and collected as part of the annual General Assessment. This shall not occur until the termination of Declarant's guarantee described in Paragraph 7.2 of this document. Extraordinary expenses not originally included in the annual budget will be charged first against such reserves. Except in the event of an emergency, reserves accumulated for one purpose may not be expended for any other purpose. If there is an excess of reserves at the end of a fiscal year, such excess may be used to reduce the following year's assessments.

6.4 **Preparation and Approval of Annual Budget.**

- a) **Initial Budget.** Declarant will prepare the first annual budget.
- b) **Subsequent Years.** Budgets other than the initial budget will be prepared at the direction of the Board at least one month before the end of the fiscal year. The budget and the annual General Assessment must be adopted by a majority of the Board; provided, however, that the annual General Assessment may not be increased for or during any fiscal year by more than twenty-five percent (25%) above the annual General Assessment for the previous year without a vote of two-thirds (2/3) of the Owners who are voting in person or by proxy at a meeting of the Members of the Association called for this purpose.

6.5 **Effect of Failure to Prepare or Adopt Budget.** The Board's failure or delay in preparing or adopting the annual budget for any fiscal year will not waive or release a Member's obligation to pay General Assessments, whenever the amount of such assessments is finally determined. In the absence of an annual Association budget, each Member shall continue to pay the assessment at the rate established for the previous fiscal period until notified otherwise.

6.6 **Financial Reporting.** The Board shall prepare an annual financial report for the Association within 60 days of the close of the fiscal year and either provide each Member with a copy of the report or a notice that a copy is available without charge. The report must be in form required by Florida Statutes.

6.7 **Capital Improvements.** The Board shall determine whether capital improvements should be paid from General Assessments or by Special Assessment. If the cost of all capital improvements to be paid within a single year totals more than 25% of the Association's annual budget, the capital improvements must be approved by majority vote of the Members. Any repair or replacement of existing improvements will not be considered a capital improvement.

6.8 **Reserves** shall be kept separate from other Association funds. All other sums collected by the Board with respect to Assessments and charges of all types may be commingled in a single fund.

6.9 **Amendment of Budget.** The Board may amend the budget during any fiscal year and increase the amount of the annual General Assessment for such year if it appears that there will be insufficient income to meet the obligations of the Association.

ARTICLE VII COVENANTS TO PAY ASSESSMENTS

The cost of fulfilling the Association's financial obligations is divided equitably among the Members by means of Assessments. To ensure that the Association has a reliable source of funds and to protect those Members who contribute their equitable share, assessments are mandatory and are secured both by a lien on the Lots and the Member's personal obligation.

7.1 **Obligations for Assessments.** By acceptance of a deed or other transfer instrument, whether or not expressed in such deed or instrument, each Owner of any Lot (other than Declarant) is deemed to covenant and agree to pay to the Association the following (to be known collectively as "Assessments"):

- a) General Assessment for expenses included in the budget,
- b) Special Assessments for the purposes provided in this Declaration, and
- c) Individual Lot Assessments for any charges particular to that Lot.

7.2 **Guarantee of Class B Member.** The Class B Member agrees that it will be obligated to pay any operating expenses of the Association in excess of the revenue derived from the Assessments, including any increases made during a fiscal year, until the end of the first fiscal year of the Association. This obligation is called the "Budget Guarantee". The Class B Member may elect to renew the Budget Guarantee for such periods as it may determine. So long as the Budget Guarantee remains in place, the Class B Member and its affiliates will not be liable for any Assessments on any Lots they own. A Lot exempt from assessments pursuant to this paragraph is referred to as an "Exempt Lot."

7.3 **Equitable Division of Assessments.** The General Assessment and Special Assessments shall be assessed equally among all Lots, except that Exempt Lots will not be subject to assessment.

7.4 **General Assessment**

a) **Establishment by Board.** The Board will set the date or dates the General Assessment will be due, and it may provide for payment in monthly, quarterly, semiannual, or annual installments.

b) **Proration upon Sale of Exempt Lot or Loss of Exemption.** Upon conveyance of an Exempt Lot, or upon an Exempt Lot becoming subject to Assessments on account of the Class B Member(s) not extending the Budget Guarantee, the annual General Assessment will become due for such Lot(s); provided however, that the General Assessment will be prorated on a monthly or daily basis, whichever that Board elects, and only the portion of the General Assessment attributable to the remainder of the fiscal year will be due. The portion of the General Assessment attributable to the portion of the fiscal year in which the affected Lot was an Exempt Lot will not be assessed. If payment of the General Assessment is by installment, only the applicable portion of the current installment will be due.

c) **Late Fee and Interest.** The Board may impose a late fee of ten percent (10%) of the assessment. Additionally, interest will accrue at the highest lawful rate on delinquent payments.

7.5 **Special Assessment.** In addition to the General Assessment, the Board may levy, in any fiscal year, a Special Assessment applicable as follows:

a) **Capital Improvements.** Any capital improvement that has been approved in accordance with this Declaration.

b) **Emergency Assessment.** The Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense that this Declaration requires the Association to pay (including, after depletion of reserves, any unexpected expenditures not provided by the budget, or unanticipated increases in the amounts budgeted).

c) **Exemption.** Exempt Lots will not be subject to Special Assessments, nor will an Exempt Lot be subject to payment of any Special Assessment or any portion thereof declared or assessed while such Lot was an Exempt Lot even if payments for such Special Assessments are made in installments becoming due subsequent to the time such Lot no longer is considered an Exempt Lot. For example, if a Special Assessment is declared on January 1 while Lot 3 is an Exempt Lot, but the payment of the Special Assessment is not required until March of the same year, then even if Lot 3 is not an Exempt Lot as of February of such year, Lot 3 still will be considered exempt from such Special Assessment.

7.6 **Individual Lot Assessments.** The Association may levy at any time an Individual Lot Assessment against a particular Lot for the purpose of defraying, in whole or in part, the cost of any special services to that Lot or any other charges designated in this Declaration as an Individual Lot Assessment. An Individual Lot Assessment may be levied on account of any legal expenses (at trial or on appeal) and costs incurred by the Association in enforcing this Declaration or in enforcing any other declaration the Association is authorized to enforce.

7.7 **Effect of Nonpayment of Assessment; Remedies.**

a) **Personal Obligation.** All Assessments, together with any late fees, interest, and costs of collection when delinquent, including reasonable attorneys' fees (at trial or on appeal) whether or not a lawsuit is brought (collectively, the "Assessment Charge") shall be the personal obligation of the person or entity who was the Owner of the Lot at the time the Assessment Charge was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Lot.

b) **Creation of Lien.** The Assessment Charge also shall be a continuing lien on the Lot against which the Assessment Charge is made, which lien is effective upon recording a claim of lien, but relating back to and having a priority as of the date of this Declaration. This lien in favor of the Association will secure the Assessment Charge that is then due and that may accrue subsequent to the recording of the claim of lien and before entry of final judgment of foreclosure. The lien in favor of the Assessment Charge is subject to the subordination provisions of Paragraph 7.7(d).

c) **Lawsuit for Payment; Foreclosure of Lien.** The Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both. The Association, acting on behalf of the Owners, shall have the power to bid for an interest in any Lot foreclosed at such foreclosure sale to acquire, hold, lease, mortgage, and convey the Lot.

d) **Subordination of the Lien to Mortgages.** The lien of the Assessment Charge will be inferior to any mortgage lien of any Mortgagee. Sale or transfer of

any Lot pursuant to foreclosure of such a mortgage, including a deed in lieu of foreclosure, shall extinguish the lien as to payments that became due before the sale or transfer.

e) Other Remedies. The Association may assess fines and suspend the voting rights and right to use of the Common Property by an Owner for any period during which any Assessment against the Owner's Lot remains unpaid, but only as permitted by law.

7.8 Certificate of Payment. The treasurer of the Association or the manager of the Association, upon request of any Owner, shall furnish a certificate signed by a member of the Board or by the manager, if authorized by the Board, stating whether any Assessments are owed by that Owner. The Board may establish a reasonable fee for such certificate. Such certificate will be conclusive evidence of payment of an Assessment through the date of the certificate.

**ARTICLE VIII
INSURANCE AND INDEMNITY**

Insurance is essential to protect the interests of the various Owners and to ensure that funds will be available for rebuilding after a casualty; however, because insurance costs may increase significantly or new types of coverage may be available, this Article gives some flexibility to the Board to select insurance coverage that is reasonable for the conditions that exist at that time.

8.1 Review of Coverage. The Board shall review limits of coverage for each type of Insurance at least once each year.

8.2 Public Liability. The Board shall obtain public liability insurance, in such limits as the Board may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Common Property. Whenever practicable, such insurance should be issued on a comprehensive liability basis and should contain a "severability of interest" endorsement that shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, the Board, or other Owners. Such insurance must always name Declarant as additional insureds until 50 years after the date of this Declaration.

8.3 Director Liability Insurance. The Board may obtain liability insurance insuring against personal loss for actions taken by members of the Board in the performance of their duties. Such insurance shall be of the type and amount determined by the Board in its discretion.

8.4 Other Insurance. The Board shall obtain and maintain worker's compensation insurance if and to the extent necessary to meet the requirements of law, and such other insurance as the Board may deem prudent.

8.5 Indemnity of Declarant. In consideration of Declarant conveying the Common Property to the Association, the Association releases, indemnifies, and holds Declarant, their

officers, employees and agents harmless from any and all liability arising out of the Common Property or construction of the Recreation Facilities, and shall defend Declarant against all claims of any third party. Such indemnity includes any attorneys' fees and costs incurred by Declarant at trial and on appeal.

ARTICLE IX GENERAL PROVISIONS

This article sets forth rules of interpreting the Declaration, provides for enforcement, and sets forth the procedure to amend the Declaration.

9.1 **Incorporation of the Land Use Documents.** Any and all deeds conveying a Lot shall be conclusively presumed to have incorporated therein all of the terms and conditions of this Declaration.

9.2 **Enforcement.** The covenants and restrictions contained in this Declaration may be enforced by Declarant, any Owner, and any Mortgagee in any judicial proceeding seeking any remedy recognizable at law or in equity, including an action or lawsuit seeking damages, injunction, specific performance, or any other form of relief, against any person, firm or entity violating or attempting to violate any covenant or restriction contained herein. The failure by any party to enforce any covenant or restriction contained herein shall in no event be deemed a waiver of such covenant or restriction or of the right of such party to thereafter enforce such covenant or restriction. The prevailing party in any such litigation shall be entitled to reasonable attorneys' fees and court costs at all trial and appellate levels. Escambia County, Florida will have the right to enforce, by proceedings at law or in equity, the provisions contained in this Declaration that relate to the maintenance, operation, and repair of the Drainage System, if any. All parties agree that any dispute shall be determined by a judge and not a jury, and waive their right to a jury trial in any litigation arising out of this Declaration.

9.3 **Assignment.** Declarant shall have the right, from time to time, to assign any of its rights or obligations pursuant hereto in part or in whole.

9.4 **Notices.** Notices shall be given as to Owners by posting at the Owner's dwelling or vacant Lot, or mailing first class postage prepaid to the Owner's address maintained by the Association, or by posting a notice applicable to all Owners at the Common Property, and as to Declarant, by sending certified mail to the address of Declarant filed with the Florida Secretary of State.

9.5 **Amendment.**

a) Subject to the provisions of Paragraph 9.6, Declarant specifically reserve the absolute and unconditional right, as long as Declarant own any of the Lots, to amend this Declaration without the consent or joinder of any party to (i) conform to the requirements of Escambia County, Florida, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Veterans Administration, Department of Housing and Urban Development, or any other generally recognized institution involved in the purchase and sale of home loan mortgages; (ii) conform to the requirements of mortgage lenders or title insurance companies; or (iii) perfect, clarify, or make internally consistent the provisions herein.

b) Subject to the provisions of Paragraph 9.6, Declarant reserve the right to amend this Declaration in any other manner without the joinder of any party, as long as no Owner's right to the use and enjoyment of the Owner's Lot is materially altered.

c) Subject to the provisions of Paragraph 9.6, this Declaration may be amended by consent of Owners of 50% or more of the Lots as evidenced by recording an instrument executed by said Owners in the Public Records, provided that no such amendment will be effective without the consent of Declarants, or their assigns, until Declarants and their affiliates own no Lots within Lakewood Cottages.

d) Any amendment to the Declaration that would alter the Drainage System must have the prior approval of the Florida Department of Environmental Protection and/or Escambia County, Florida.

9.6 **Mortgagee's Consent to Amendments.** This Declaration contains provisions concerning various rights, priorities, remedies, and interests of the Mortgagees. Such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by mortgages on the Lots. Accordingly, no amendment or modification of this Declaration impairing such rights, priorities, remedies, or interests of a Mortgagee shall be adopted without the prior written consent of Mortgagees holding liens on 30% or more of the Lots encumbered by mortgages to Mortgagees. Each Mortgagee agrees that it will either consent to a proposed amendment or give notice of refusal to consent by written notice to the party requesting such consent within 30 days after the request is received. If a Mortgagee does not respond within such time, the Mortgagee's consent will be deemed given, and an affidavit to such effect recorded in the Public Records by the party requesting the consent will be sufficient evidence to make the requested amendment; provided, that a photocopy of the documentation proving receipt of the request to the Mortgagee is attached to the affidavit. This paragraph shall not apply or be construed as a limitation on those rights of Declarant, the Association, or the Owners to make amendments that do not adversely affect the Mortgagees.

9.7 **Captions and Statement of Purpose.** Captions inserted throughout this Declaration are intended only as a matter of convenience and for reference only, and in no way shall such captions or headings define, limit, or in any way affect any of the terms or provisions of this

Declaration. The Statement of Purpose is a summary of general information only and in no way shall such statement define, limit, or in any way affect any of the terms or provisions of this Declaration.

9.8 Gender and Plural Terms. Whenever the context so requires, any pronoun used herein maybe deemed to mean the, corresponding masculine, feminine, or neuter form thereof, and the singular form of any noun or pronoun herein maybe deemed the corresponding plural form thereof and vice versa.

9.9 Severability; Amendments to Laws. If any one of the provisions of this Declaration shall be deemed invalid by a court of competent jurisdiction, that judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect. Without limitation of the foregoing, the invalidation of any of the covenants, restrictions, terms, or conditions of this Declaration, or a reduction in the term of the same by reason of the legal rule against perpetuities, shall in no way affect any other provision, which shall remain in full force and effect for such period of time as may be permitted by law. Any amendment to applicable law that has the effect of reducing the rights of Declarant or increasing the liabilities of or duties imposed on Declarant will not be incorporated into this Declaration by reference. All other references to applicable laws and regulations will incorporate amendments to those laws and regulations.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed the first date written above.

Witness: [Signature]
Print Name: Ken Alley
Witness: [Signature]
Print Name: Lynn Sauer

LAKEWOOD INVESTMENT PARTNERS, LLC
[Signature]
By: Douglas C. Halford
Its: Managing Member

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was sworn and subscribed before me this 4th day of August, 2008, by Douglas C. Halford, Managing Member Lakewood Investment Partners, LLC, who () is personally known to me or who () has produced

as identification.

Christine S. Sanfilippo

NOTARY PUBLIC
Commission No.
My Commission Expires



Joinder by Mortgagee

Gulf Coast Community Bank, the holder of a mortgage and other interests in and to the property described in the foregoing Declaration, hereby consents to and joins in the establishment of the aforesaid Declaration of Covenants, Conditions, Restrictions and Easements for Lakewood Cottages.

GULF COAST COMMUNITY BANK

Buzz Ritchie

By: Buzz Ritchie
Its: CEO - President

Witness: *Emily Ann Spain*
Print Name: Emily Lewis

Witness: *Kathleen Ch...*
Print Name: Kathleen TAN

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was sworn and subscribed before me this 4th day of August, 2008, by Buzz Ritchie, CEO - President, on behalf of Gulf Coast Community Bank, who () is personally known to me or who () has produced as identification.

Christine S. Sanfilippo

NOTARY PUBLIC
Commission No.
My Commission Expires:



EXHIBIT "A"

That portion of Block "C", Lakewood Subdivision, Escambia County, Florida, according to plat filed in Plat Book 2, at Page 30, of the records of said County, described as follow:

Commencing at a permanent reference monument at the Northeast corner of said Block "C"; thence North 51 degrees 22 minutes 30 seconds West along the Northeasterly line of said Block "C", a distance of 245.10 feet to an iron rod for the Point of Beginning; thence continue North 51 degrees 22 minutes 30 seconds West along said Block, a distance of 380.56 feet to an iron rod; thence South 38 degrees 37 minutes 30 seconds West a distance of 185.62 feet to an iron rod; thence North 69 degrees 24 minutes 10 seconds West a distance of 320.56 feet to an iron rod; thence South 38 degrees 37 minutes 30 seconds West, a distance of 307.90 feet to an iron rod; thence South 6 degrees 22 minutes 30 seconds East, a distance of 277.38 feet to an iron rod; thence South 69 degrees 24 minutes 10 second East, a distance of 772.25 feet to an iron rod in the Southeasterly line of said Block "C", thence North 38 degrees 37 minutes 30 seconds East along the Southeasterly line, a distance of 243.01 feet to an iron rod; thence North 6 degrees 22 minutes 30 seconds West, a distance of 346.62 feet to an iron rod; thence North 38 degrees 37 minutes 30 seconds East, a distance of 61.76 feet to the Point of Beginning.

Parcel Identification Number: 592S30-1000-002-903

