

This instrument was prepared by
Gerald L. Brown

Emmanuel, Sheppard & Condon
30 S. Spring Street
Pensacola, Florida 32501

OR BK 4141 PG0332
Escambia County, Florida
INSTRUMENT 97-394118

690.00
DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS FOR PORT ROYAL PHASE II, A SUBDIVISION

STATE OF FLORIDA
COUNTY OF ESCAMBIA

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
PORT ROYAL PHASE II, A SUBDIVISION, is made this 1st day of
May, 1997 by Port Royal Phase II, Inc., a
Florida corporation, hereinafter referred to as "Declarant", joined
by The City of Pensacola, a Florida municipal corporation for the
purpose of acknowledging approval of this Declaration pursuant to
the Master Lease described herein.

WITNESSETH

WHEREAS, Declarant is the owner of the leasehold interest in
the real property located in Escambia County, Florida, and more
particularly described as follows, to-wit:

See Exhibit "A" attached hereto and incorporated herein
by this reference.

NOW, THEREFORE, Declarant hereby declares that all of the real
property described above shall be held, leased or sub-leased and
conveyed subject to the following easements, restrictions,
covenants and conditions which are for the purpose of protecting
the value and desirability of said real property and which shall
run with the real property and be binding on all parties having any
right, title or interest in the property, or any part thereof, and
upon all persons deraining title through the Declarant, its
successors, assigns and their respective heirs, successors and
assigns and shall inure to the benefit of each Owner thereof.

ARTICLE I
DEFINITIONS

1. "Owner" shall mean and refer to the Lessee or Sub-Lessee of record, whether one or more persons or entities, of a leasehold or sub-leasehold title, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

2. "Properties" or "Property" shall mean and refer to that certain real property hereinbefore described and easements described in the "Master Lease", and right to property ("shared facilities") of the Community Association.

3. "Lot" shall mean and refer to each of the platted lots as shown on the plat of Port Royal Phase II, a Subdivision as recorded in plat book 15 at page 98 of the public records of Escambia County, Florida.

4. "Association" shall mean and refer to Port Royal Phase II Homeowners Association, Inc., a Florida non-profit corporation, its successors and assigns. This is the Declaration of Covenants, Conditions and Restrictions to which the Articles of Incorporation and By-laws of the Association make reference. A copy of the Articles of Incorporation and By-Laws of the Association are attached hereto as Exhibits "B" & "C".

5. "Common Area" shall mean all real and personal property, easements and other interest in real property (including the improvements thereto) and licenses which the Association members have the right to use and enjoy, and/or obligation to maintain, if any, and shall include, but not be limited to, any common area property, any parcel designated as "private use" including parcels "A", "B", "C" and "D" as shown on the recorded Plat of Port Royal Phase II, including the sanitary, drainage and utility easements, fence maintenance of ingress and egress easements, the dedicated streets and roads, utility easements, the southerly 40 feet of vacated Cedar Street being part of the Property, and including specifically the Retention Pond and all related facilities incident to that pond lying northwesterly of Lot 1, Block C of Port Royal Phase II and designated as parcel "C" on the Plat of said subdivision. No structure, planting or other material shall be placed or permitted to remain on any Common Area which might impair or interfere with the drainage or temporary retention of storm water runoff for the subdivision.

6. "Maintenance Area" shall mean that area which shall be maintained by the Association (i) between Port Royal Way and any building fronting on Port Royal Way, as shown on the Plat, and (ii) the Retention Pond as shown on the Plat as parcel "C" lying

northwesterly of Lot 1, Block "C" of Port Royal Phase II, a subdivision, including any and all drainage easements incident to said pond and ingress and egress to said pond, and (iii) the southerly 40 feet of vacated Cedar Street that is part of the Property.

7. "Declarant" shall mean and refer to Port Royal Phase II, Inc., a Florida corporation, its respective successors and assigns.

8. "Plat" shall mean and refer to the plat of Port Royal Phase II Subdivision which is recorded in Plat Book 15 at Page 98 of the public records of Escambia County, Florida.

9. "Subdivision" shall mean and refer to Port Royal Phase II, a Subdivision, situated in Escambia County, Florida according to the plat.

10. "Master Lease" shall mean and refer to that certain Lease Agreement between The City of Pensacola, a municipal corporation of the State of Florida (the "Lessor") and Port Royal Phase II, Inc., a Florida corporation, its successors and assigns (the "Lessee") dated May 1, 1997, and recorded in Official Record Book 4128 at page 1052 of the public records of Escambia County, Florida, a copy being attached hereto as Exhibit "H".

11. "Architectural Design Guidelines" shall be those set forth herein specifying the requirements for construction of all improvement on the Owners Lot, attached hereto as Exhibit "E", which shall serve as the requirements and guidelines for the review by the Architectural Control Committee as set forth hereinafter in Article V of this Declaration and the Master Site Plan dated October 22, 1996 and approved by The City of Pensacola on October 24, 1996 attached as Exhibit "F".

12. "Community Association" shall mean the Port Royal Community Association, Inc., as described in the Declaration of Covenants, Conditions and Restrictions dated July 9, 1984 (as amended) entered into between The City of Pensacola, a municipal corporation as "Declarant" and Port Royal of Pensacola, Inc. and Port Royal Community Association as recorded in Official Record Book 1937 at page 248 et seq., of the public records of Escambia County, Florida, including the Articles of Incorporation and By-Laws as attached thereto and recorded in Official Record Book 1937 at page 265 et seq. of the public records of Escambia County, Florida, as amended, (i) by Amendment to Declaration of Covenants, Conditions and Restrictions and Amendment to Articles of Incorporation Relating to Port Royal Phase I and Phase II, a copy of said Declaration being attached hereto as Exhibit "G" without

copies of the Articles and By-Laws, which shall be binding upon the Subdivision.

ARTICLE II

OWNER'S EASEMENTS OF ENJOYMENT

1. Every Owner of every Lot shall have a right and easement of enjoyment in and to the Common Areas, easements described in the Master Lease, and rights and privileges provided by the Community Association, which shall be appurtenant to and shall pass with the title to every Lot (even if not referenced in the document of conveyance), subject, however, to the right of the Association to dedicate or transfer all or any part of the Common Area to the Community Association, any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members of the Association by vote of two-thirds (2/3) of the membership; provided however, there shall be no right to dedicate or transfer to a governmental entity without its prior written consent. The Common Area cannot be otherwise conveyed or mortgaged without the consent of at least two-thirds (2/3) of the owners of all of the Lots within the subdivision, but, for purposes of this vote, excluding the Declarant as an owner.

2. General. The rights and easements of enjoyment herein created and reserved shall be subject to the following provisions:

(a) The right of the Association to suspend the voting rights and rights to use any of the Common Areas, shared facilities of the Community Association by any Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of Association's published rules and regulations.

(b) The right of the Association, in accordance with its Articles of Incorporation and By-Laws of the Association, to borrow money for the purpose of improving the Common Areas and facilities and in aid thereof to mortgage said property, provided that the rights of such mortgagee in the Common Areas shall be subordinate to the rights of Owners hereunder, and such action shall require the affirmative vote of two-thirds (2/3) members other than the Declarant.

(c) An easement in favor of Declarant and Association to develop and construct improvements on the Common Areas and to repair and maintain any existing improvements on such Common Areas including ingress and egress to the improvements and Common Areas including the west side shoreline stabilization area.

3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws of the Association and subject to the reasonable rules and regulations approved by the Association, his right of

enjoyment to the Common Areas and shared facilities of the Community Association, to the members of his family, guests, tenants (subject to restrictions on the term of any tenant lease as set forth hereinafter), and contract purchasers who reside on the property.

4. Easement for Maintenance of Fence Around Retention Pond and Shoreline Stabilization. Inasmuch as Declarant intends to place around portions of the Retention Pond as shown on the Plat a privacy fence (as such is required by The City of Pensacola) and such fence will not be maintained by the City, Declarant hereby creates and imposes for the benefit of the Association and its members a non-exclusive easement over the area designated as the Retention Pond as shown on the Plat for the purposes of ingress and egress for the Association, its agents, employees, and independent contractors hired by the Association for the purpose of installing, maintaining, repairing and replacing a privacy fence thereon. Shoreline stabilization on the west side of the subdivision shall be maintained, repaired and replaced by the Association and the Association shall have an easement for ingress and egress for said purposes as shown on the Plat.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. When more than one person or entity holds an interest in any Lot, all such persons or entities shall be members. The vote for such Lot shall be exercised as such persons or entities may determine, but in no event shall more than one vote be cast with respect to any Lot.

2. The Association shall initially have two classes of voting memberships:

Class A. Class A members shall be all Owners with the exception of the Declarant, and shall be entitled to one vote for each lot or building site owned. When more than one person holds an interest in any lot or building site, all such persons shall be members. The vote for such lot or building site shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot or building site.

Class B. Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each lot

owned. The Class B. membership shall cease and be converted to Class A membership on the happening of either of the following events, which ever occurs earlier:

- (a) When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) On December 31, 2005.

From and after the happening of these events, whichever occurs earlier, the Class B member shall be deemed to be a Class A member entitled to one vote for each building site which is owned by said Class B member. The Declarant shall not exercise its voting rights granted to it under this Article in an unreasonable manner nor in such a way as to cause undue hardship upon any Owner.

3. Declarant's Obligation to Pay Annual Assessment and Special Assessments. Declarant shall be legally bound and hereby guarantees to cover any deficit or shortage that may arise in the budget of Association, including the assessments due to the Community Association, prior to such time Class B membership terminates.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot within the Properties, hereby covenants, and each Owner of any Lot, by acceptance of the Lease, Partial Assignment of Lease or Sub-Lease therefor, whether or not it shall be so expressed in such lease, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, (2) special assessments for capital improvements, and (3) annual and special assessments as may be required by the Community Association and as set forth in paragraph 13 of this Article; such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the interest in the Lot and shall be a continuing lien upon the interest in the Lot against which such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessment shall not pass to his successors in title unless

expressly assumed by them, but shall continue as a lien on the Lot until satisfied.

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the Owners of the Properties, their licensees and invitees and for the improvement and maintenance of the Common Areas, Maintenance Areas, and for the Community Association, including maintenance of the Retention Pond as shown on the Plat lying northwesterly of Lot 1, Block "C" of Port Royal Phase II also designated for "private use" and as parcel "C" and any drainage easements incident thereto including appropriate fencing as may be required by any governmental authority; shoreline stabilization on the west side of the subdivision; maintenance of the Common Area roads, parking lots and fencing in the Fencing Easements; maintenance of the landscaping within or along the Common Area road right-of-ways; maintenance of the subdivision, lighting, water pump(s), sprinkler system(s), electric meter(s), and maintenance of the landscaping throughout the subdivision; the payment of electric power bills for the operation of the sprinkler system(s) and the lighting of the roads and parking areas; the payment of the water bills for the sprinkler systems; the cleaning of debris and general mowing and maintenance of lots or building sites on which a

residential dwelling has not yet had construction commenced; the payment of insurance premiums; the maintenance of the privacy fence along the Fence Easements notwithstanding the fact that the fence is erected on and will exist on individually owned lots; and complying with all the terms and conditions of the Department of the Army, Jacksonville District Corp. of Engineers and/or the Florida Department of Environmental Protection and the Covenants of the Community Association imposed upon the Subdivision; provided however, the foregoing shall not include obligations or responsibility of the Community Association. Purposes herein shall also be deemed as authority for and responsibility of the Association.

The Association shall be responsible for improving and maintaining the Retention Pond shown as parcel "C" on the Plat of Port Royal Phase II lying northwesterly of Lot 1, Block "C" as described hereinbefore.

3. Annual Assessment/Maximum Annual Assessment. Unless changed in accordance with the provisions of this paragraph, and without the necessity of any action or further action by the Board of Directors, the annual assessment for each Lot shall be determined as set forth in Exhibit "D" for each lot or building site per year (herein "maximum annual assessment"), payable in

advance by the 30th day of January of each year, but prorated for the remainder of the months in the year. The maximum annual assessments may be changed and/or fixed in accordance with the following provisions:

(i) From and after January 1, 1998, the maximum annual assessment may be increased each year by the Board of Directors not more than 15% above the maximum assessment for the previous year without a vote of the membership.

(ii) From and after January 1, 1998, the maximum annual assessment may be increased above 15% by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(iii) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum assessment.

The Association shall have the obligation to maintain any Common Area and shall pay all ad valorem property taxes thereon, if any, and lease fees assessed upon them, if any, and shall maintain adequate hazard insurance, liability insurance, and fidelity bond coverage (in such minimum amounts as shall be required by FHA, VA and FNMA) and shall comply with all requirements of the Master Lease except those that relate to or are required by a Lot or Owner.

4. Reserve Account. The Association shall establish and maintain a reserve account as it determines in good faith as necessary and adequate to make periodic repairs and improvements to any Common Area.

5. Owners Obligation of Maintenance. The Owners shall be responsible for maintenance and repair of any and all improvements located within his Lot, including, but not limited to painting, repairing, replacing and caring for roofs, exterior building services, fencing, trees, shrubs, grass, walks, driveways and other exterior improvements. The Owner agrees to maintain all improvements located within his Lot consistent with the upscale architecture of the subdivision including but not limited to painting woodsiding, handrails, balconies, etc. on a regular basis and replacing other materials as they are damaged or aged.

6. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment to be determined as set forth in Exhibit "D" applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction due to storm damage or otherwise, repair or replacement or maintenance of a capital improvement or landscaping or fencing that is part of the Common Area or Retention

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

7. Notice and Quorum for Any Action Authorized Under this Paragraph. Written notice of any meeting called for the purpose of taking any action authorized hereunder shall be sent to all members by regular U.S. Mail postage prepaid to the last known address, not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of parties entitled to cast thirty-five (35%) percent of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

8. Uniform Rate of Assessment. Both annual and special assessments must be fixed at the rate established in Exhibit "D" for all Lots. Regardless of the provisions set forth herein, the Association shall be obligated to pay all ad valorem property taxes and lease fees upon any Common Area, if any, and no limitation as

provided herein shall ever prohibit the Association from increasing the annual assessment by an amount sufficient to pay such.

9. Date of Commencement of Annual Assessment Due Dates. The annual assessments provided for herein shall commence as to all Lots at such time as is fixed by the Board of Directors, but in no event, no later than January 1, 1998. The Board of Directors shall fix the amount of the annual or special assessment against each Lot at least thirty (30) days in advance of each assessment period, except for the first assessment which shall be as set forth in Exhibit "D". Written notice of the first assessment and each annual assessment thereafter shall be sent to every Owner subject thereto. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

10. Effect of Non-payment of Assessments. Remedies of the Association. Any assessment payments not paid within thirty (30) days after the due date shall accelerate the due date of the entire assessment and shall bear interest from the due date at the rate of eighteen percent (18%) per annum. The Association may bring an

action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

11. Subordination of the Lien to Mortgages of Record. Any lien of the Association for assessments becoming payable after the date of recordation of any mortgage shall be subordinate to the mortgage on the Lot. When the mortgagee of a mortgage of record, or other purchaser, of a building site or Lot obtains title to the Lot as a result of foreclosure of the mortgage, or, as a result of a deed given in lieu of foreclosure, such acquirer of title and his successors and assigns shall not be liable for the assessments by the Association pertaining to such Lot or chargeable to the former owner of such Lot which became due prior to the acquisition of title as a result of the foreclosure, or deed in lieu of foreclosure, unless such assessment is secured by a claim of lien for assessments that is recorded in the public records of Escambia County, Florida, prior to the recording of the foreclosed mortgage, and such subordinate lien shall be extinguished. Any such sale or transfer pursuant to a foreclosure shall not relieve the purchaser or transferee of a Lot from liability for, nor the Lot so sold or transferred from the lien of, any assessments thereafter becoming

due. All such assessments, together with interest, costs, and attorney's fees, shall, however, continue to be the personal obligation of the person who was the owner of the Lot at the time the assessment fell due. Except as hereinabove provided, the sale or transfer of an interest in any Lot shall not affect the assessment lien.

12. Maintenance. In the event an Owner shall fail (after 30 days written notice from the Association or the Architectural Control Committee, sent by United States Mail, postage prepaid) to maintain a Lot or to maintain the improvements situated thereon in a neat, clean and orderly fashion consistent with the upscale architecture of the subdivision and otherwise satisfactory to the Board of Directors of the Association, the Association or the Architectural Control Committee shall have the right, through its agents, employees and contractors, to enter upon said Lot and to repair, maintain and restore the Lot, and/or exterior of the building or any other improvements erected thereon to a neat, clean and orderly fashion consistent with the upscale architecture of the subdivision. The cost of such maintenance or work, together with interest at the maximum rate then allowed by law (if not paid within thirty (30) days after written demand therefore), together with all reasonable attorneys' fees and costs, shall be a charge on

the Lot, shall be a continuing lien on the Lot (from the date of recording such and shall be enforced in the same manner as liens for assessments) and shall also be the personal obligation of the Owner of such Lot at the time such maintenance or work is performed.

13. Community Association Assessments. All annual or special assessments of the Community Association shall be additional annual or special assessments levied by the Association and all provisions of this Article shall apply to those assessments as if assessed pursuant hereto.

ARTICLE V
ARCHITECTURAL CONTROL

1. No building, fence, sign, wall, mailbox, sidewalks, or other structures or improvements of any nature whatsoever shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration thereof be made until first approved in writing by the Architectural Control Committee, said approval to include the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same in relation to surrounding structures and topography and compliance with the Architectural Design Guidelines and the Master Site Plan. Detailed plans and specifications shall be submitted to

the Architectural Control Committee in duplicate and written approval or disapproval shall be noted on both sets of plans and specifications or by separate letter. In the event the Architectural Control Committee shall fail to approve or disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, or in any event, if no suit is filed to enjoin the construction within sixty days of commencement approval will not be required and such plan shall be deemed to be in full compliance with this section; subject only to approval by the City of Pensacola. All decisions of the Architectural Control Committee shall require approval by a majority vote. In the event the City's representative concludes that the plan is not consistent with the Guidelines per Section 2.2 of said Guidelines, then the plan shall be reviewed by the City Manager or his appointee and two (2) members of the City Architectural Review Board in the architectural profession who shall make the final determination as to the plan that is acceptable to the City. The Architectural Control Committee shall consist of four (4) members. The initial members of the Architectural Control Committee shall be John S. Carr, Keith Bullock, Ronald E. Swaine and one member who shall be appointed by the City Manager of The City of Pensacola from time to time in

his/her discretion. With the exception of the member appointed by the City Manager, they shall serve as the sole members of the Architectural Control Committee until January 1, 2005, at which time three (3) successor members shall be appointed by the Board of Directors of the Association. In no case shall the Architectural Control Committee unreasonably impede access to any Lot for the purpose of construction of structures upon any unimproved Lot. In all events, all construction shall conform to the lawful requirements of The City of Pensacola, and any other lawful requirements imposed by agencies or boards with jurisdiction, and this Declaration. In the event of a vacancy on the Architectural Control Committee prior to January 1, 2005, other than the City appointee, Declarant shall appoint a person to fill such vacancy.

2. When a building or other structure has been erected or its construction substantially advanced and the building is located on any Lot in a manner that constitutes a violation of these covenants and restrictions or the building setback lines shown on the recorded Plat, or this Declaration, the Architectural Control Committee may release the Lot, or parts of it, from any part of the covenants and restrictions, or setback lines, that are violated or may require the removal of construction that violates these covenants. The Architectural Control Committee shall not give such

a release except for a violation that it determines to be a minor or insubstantial violation in its sole discretion. The granting of such a release by the Architectural Control Committee shall not be construed as a substitute for any release or variance such as may be required by the City of Pensacola.

3. All decisions of the Architectural Control Committee shall be by majority vote. It is contemplated that the Properties will be developed as an exclusive residential subdivision. Accordingly, decisions of the Architectural Control Committee shall be based upon the uniform application of such reasonable but high standards as are consistent with an exclusive residential subdivision, such standards to include, among other things, the harmony of external design and location in relation to surrounding structures and topography, the type, kind and character of the buildings, structures and other improvements, and aesthetic qualities in general, as well as compliance with specific architectural guidelines adopted by the Association and the Architectural Control Committee, as apply to a specific Lot and specifically as set forth in the Guidelines attached hereto as Exhibit "E". Further, the approval, as appropriate, of The City of Pensacola shall also be obtained by the Owner prior to commencing, erecting or maintaining any of the structures or improvements referenced in this Article.

4. A three hundred and no/100 (\$300.00) dollar plan review fee shall be paid to the Architectural Control Committee and two (2) complete sets of construction documents shall be submitted for approval by the Architectural Control Committee.

5. The committee's approval or disapproval, as required in these covenants, shall be in writing.

ARTICLE VI
RESTRICTIONS

1. The Property shall be devoted only to and in accordance with the uses specified in the Master Site Plan approved by The City of Pensacola attached as Exhibit "F".

2. No Lot in the subdivision shall be used except for single family residential purposes. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single family residential dwelling and garage for not more than two automobiles and if a carriage house is included in a Lot, then a detached carriage house is required.

3. Exclusive of storage rooms, porches and garages, no single primary family residential dwelling shall be erected on any building site or lot having a heated and cooled living area of less than the square footage required by Section 2.2.1 of the Architectural Design Guidelines attached hereto. However, the

minimum square footage required in this paragraph may be increased on any Lot at Declarant's option by means of deed restrictions, which restrictions shall not affect any other Lot within the subdivision.

4. No residential dwelling shall be constructed on any Lot in the subdivision which does not conform to all of the setback requirements set forth on the face of the recorded plat of Port Royal Phase II.

5. All leases entered into by Owners shall automatically include and reference all provisions of these restrictions and the rules and regulations duly promulgated by the Association. In addition, no Owner may rent or lease for rental his dwelling to a Tenant for a period of less than one (1) year. Owners shall be fully responsible for assuring that their tenants comply with all of the provisions of these restrictions and the rules and regulations promulgated by the Association and the Community Association.

6. All buildings constructed on any Lot within the subdivision shall be constructed in conformity with all applicable building codes and regulations and in conformity with The City of Pensacola building requirements. No pools, decks or other structures shall be constructed outside of a Lot's setback lines.

7. Every residential dwelling constructed on a Lot in the subdivision shall provide for the parking and or storing of automobiles as required by Section 2.5 and 2.6 of the Architectural Design Guidelines attached in Exhibit "E". No trailer, mobile home, camper, motorbike, motorcycle, motor scooter, boat, boat trailer, housetrailer, truck, tractor or commercial vehicle of any kind, or any other vehicle, machine, equipment or apparatus other than operating passenger automobiles and operating passenger vans (vans are limited to those that are no longer and no wider than American made family type passenger vans) shall be parked or stored in any driveway or on any Lot in the subdivision so as to be visible from the street or to the other residents in the subdivision. All such vehicles, machines, equipment and apparatus shall be parked or stored in a garage as provided for hereinbefore or in an enclosed area under the heated and cooled living area of the dwelling. No such vehicles, machines, boats, boat trailers, equipment, apparatus

or similar equipment shall be parked or stored in or on any street right-of-way abutting any Lot or serving the subdivision.

8. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently, and except as required during construction of any dwelling, no structure of a temporary character shall be constructed or permitted to remain on any Lot.

9. In the event that a carriage house is constructed on any Lot, it shall be of a type of construction which shall be architecturally consistent with the main residence to be constructed. Any carriage house must be constructed and located on such Lot in conformity with all applicable building codes and regulations and in conformity with all setback requirements of The City of Pensacola, the Master Site Plan and the recorded subdivision plat. The exact location of any carriage house must be approved in writing by the Architectural Control Committee.

10. No fences, including swimming pool fences, shall be erected or constructed on any Lot without the prior written approval of the Architectural Control Committee. No planting or landscaping of any kind or nature shall be commenced without the prior written approval of the Architectural Control Committee. All

fencing or landscaping shall conform to the requirements of the Masterplan Site Plan (not the same as Master Site Plan dated October 22, 1996) prepared by Spencer Maxwell Bullock Architects dated 12/5/85 under Project No. 9606 as determined by the Architectural Control Committee. All fences shall be constructed only with stucco, wrought iron or brick and no other material, and shall conform to the requirements of the Masterplan Site Plan. Metal chain link and wooden or similar type utility fences or walls are prohibited, except around the Retention Pond.

All fencing must be designed and constructed such that the "smooth" side faces out or away from the interior of any Lot.

11. No sign of any kind shall be displayed to the public view on any Lot in the subdivision except for one sign of not more than six (6) square feet advertising the property for sale, or signs used by a builder to advertise the property during the construction and sales period; provided, however, Declarant may erect a sign not exceeding five feet in height by eight feet in width, as to dimensions of the sign, on any lot or building site which it owns.

12. All mailboxes placed, erected or constructed on any Lot in the subdivision shall be of the same material as the residence and shall be similar in design and style to the residential dwelling situated on said Lot. In the event the Associates or the

Post Office requires MBU's or one location for boxes, they shall be placed adjacent to the guard house or the guard house may be designated as the depository for mail.

13. No clothes line visible from the street or any Lot in the subdivision or from adjacent other subdivision property, or other items detrimental to the appearance, shall be permitted on any Lot. Trash and garbage cans must be shielded from view from the street or adjacent property except during the hours of normal trash or garbage collection.

14. No noxious or offensive activity or trade shall be carried on or maintained on any Lot in the subdivision or shall anything be done thereon that may be or may become an annoyance or nuisance to the neighborhood, nor shall any Lot be used for the purpose of carrying on a trade, profession, business or public amusement.

15. No exploration or drilling for oil, gas or other minerals shall be permitted or allowed on any Lot in said subdivision and no such Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste.

16. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred

or maintained for any commercial purpose, and provided that they are not permitted to run at large and shall be on a leash when off the Lot. In no event shall more than two household pets be kept on any Lot at any one time.

17. An easement is reserved over and across each Lot in the subdivision (except those portions on which a residential dwelling is actually constructed) for the purpose of installing, repairing and maintaining or conveying to proper parties for the installation, repair or maintenance of electric power, cable television and telephone service for the Lots in the subdivision, and easements shown or reserved on the recorded plat of the subdivision, if any, are hereby adopted as part of these restrictions.

18. Utility or other drainage easements shall not be obstructed in any manner that prohibits access and use.

19. With respect to each Lot on which a residential dwelling is constructed, a landscaping plan shall be submitted to the Architectural Review Committee for approval and that landscaping plan must be completed prior to occupancy of the residential dwelling.

20. At the time of the construction of any residential dwelling on any Lot, each owner and/or builder must maintain an

industrial waste container on said Lot for use in the disposing of building debris and trash. Each such Lot shall be maintained as free of building waste and rubble as is reasonably possible.

21. No television or other type antenna of any kind shall be permitted to be erected or to be located or to remain on any Lot at any time. No television satellite dish shall be erected, located or permitted to remain on any Lot within the subdivision unless written permission is granted by the Architectural Control Committee. If written approval is given, any satellite dish shall be installed so that the top of the dish is no higher off the ground than three (3) feet; it is located in the rear yard behind the residence; it is no closer to the side lot line than the side of the dwelling; no closer to the front lot line than the rear of the dwelling; no closer to the rear lot line than twenty (20) feet and, shall be screened with vegetation around the dish so as not to be visible outside of the lot line.

22. No pool shall be enclosed by screen or other material.

23. All laws of the State of Florida and of The City of Pensacola, and all rules and regulations of their administrative and regulatory agencies or bodies now and hereafter in effect with regard to sewage disposal, water supply, and sanitation are incorporated herein and made a part hereof.

24. Any conflict between the Architectural Design Guidelines and the provisions of this Declaration shall be resolved by the Architectural Review Committee.

ARTICLE VII

MISCELLANEOUS

1. These covenants may be enforced by any Lot Owner or by the Architectural Control Committee or the Association against any person or persons violating or attempting to violate any covenant, either to restrain the violation or to recover damages, and in the event of such enforcement the prevailing party shall be entitled to recover his costs and reasonable attorney's fees from the other party. Failure of any owner or the Architectural Control Committee or the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

2. Invalidation of any of these covenants by judgment or court decree shall in no way affect any of the other provisions which shall remain in full force and effect.

3. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for eighty-six (86) years from the date of the Master Lease, after which time these covenants shall be automatically extended for

successive periods of extensions of that Lease. Notwithstanding the foregoing, these covenants may be amended by an affirmative vote of two-thirds (2/3rds) of the Lot Owners, which shall be in writing, and approval by the City of Pensacola and thereupon said Amendment shall be recorded in the public records of Escambia County, Florida.

4. All electric and telephone service lines and wiring for any dwelling or other building erected on a Lot shall be underground.

IN WITNESS WHEREOF, Declarant has caused its name and seal to be affixed hereto this 1st day of MAY, 1997.

Signed, sealed and delivered in the presence of:

Port Royal Phase II, Inc.,
a Florida corporation

Linda A. Smarr
Print: Linda A. Smarr

By: John S. Carr
John S. Carr, President

Anna W. Janner
Print: ANNA W. JANNER

ATTEST:

The City of Pensacola,
a Florida municipal
corporation

By: [Signature]
Print: _____
City Manager

[Signature]
Print: Shirley F. Law
City Clerk
STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 15th day of May, 1997 by John S. Carr, as President of Port Royal Phase I, Inc., who is personally known to me and who did not take an oath.

[Signature] (SEAL)
Janet Lynn Matteson

STATE OF FLORIDA
COUNTY OF ESCAMBIA

JANET LYNN MATTESON
MY COMMISSION # CC 322829 EXPIRES
October 11, 1997
BONDED THRU FISHER BROWN

The foregoing instrument was acknowledged before me this 1 day of MAY, 1997 by ER HINKLE, as City Manager of The City of Pensacola, a Florida municipal corporation, who () is personally known to me or () has produced _____ as identification and who did not take an oath.

[Signature] (SEAL)
Catherine Sue Bartee

STATE OF FLORIDA
COUNTY OF ESCAMBIA

Catherine Sue Bartee
MY COMMISSION # CC548950 EXPIRES
April 21, 2000
BONDED THRU TROY FAIR INSURANCE, INC.

The foregoing instrument was acknowledged before me this 1 day of MAY, 1997 by SHIRLEY F. LAW, as City Clerk of The City of Pensacola, a Florida municipal corporation, who () is personally known to me or () has produced _____ as identification and who did not take an oath.

[Signature] (SEAL)
Catherine Sue Bartee

Catherine Sue Bartee
MY COMMISSION # CC548950 EXPIRES
April 21, 2000
BONDED THRU TROY FAIR INSURANCE, INC.

Commence at the Southwest corner of Lot 17, Block 27 of the Waterfront or Pintado Grant according to the map of the City of Pensacola copyrighted by Thomas C. Watson in 1906; thence go South 10°37'59" East along an extension of the West line of the aforesaid Lot 17, Block 27 a distance of 40.00 feet to the centerline of Cedar Street (80' R/W); thence go North 79°22'01" East along said centerline of Cedar Street for a distance of 289.00 feet for a Point of Beginning; thence continue along said centerline of Cedar Street for 285.03 feet to the West right-of-way line of Baylen Street (80' R/W); thence South 10°34'11" East along said right-of-way line for a distance of 163.70 feet; thence North 79°22'01" East for a distance of 69.62 feet; thence South 10°34'11" East for a distance of 446.68 feet to the North line of the property described in Official Record Book 1937, at Page 152; thence South 79°25'49" West along said North line for a distance of 204.31 feet to a point on the arc of a circular curve concave to the Northeast having a radius of 18.00 feet and a central angle of 15°52'54"; thence Northwesterly along the arc of said curve for an arc distance of 4.99 feet (Ch. = 4.97', CB = North 18°30'38" West) to the point of tangency; thence run North 10°34'11" West for 318.50 feet to the point of curvature of a circular curve concave to the Southwest having a radius of 170.33 feet and a central angle of 45°00'00"; thence northwesterly along the curve of said curve for an arc distance of 133.78 feet (Ch. = 130.36', CB = North 33°04'11" West) to the point of tangency; thence North 55°34'11" West for 102.57 feet; thence North 37°28'06" West for a distance of 60.10 feet; thence North 10°37'59" West for for a distance of 40.00 feet to the Point of Beginning. Containing 3.10 acres, more or less, and all lying and being in the City of Pensacola, Escambia County, Florida.

AND ALSO,

Commence at the Southwest corner of Lot 17, Block 27 of the Waterfront or Pintado Grant according to the map of the City of Pensacola copyrighted by Thomas C. Watson in 1906; thence go South 10°37'59" East along an extension of the West line of the aforesaid Lot 17, Block 27 a distance of 40.00 feet to the centerline of Cedar Street (80' R/W); thence go North 79°22'01" East along said centerline of Cedar Street a distance of 173.22 feet; thence South 10°37'59" East for a distance of 70.00 feet for a point hereinafter called Point "A"; thence continue South 10°37'59" East for a distance of 98 feet, more or less, to the mean high water line of Pensacola Bay and for the Point of Beginning; thence North 10°37'59" West along the line last traversed for a distance of 98 feet, more or less, to aforesaid Point "A"; thence North 79°22'01" East for a distance of 77.17 feet to a point on the arc of a circular curve concave to the Northeast having a radius of 201.65 feet and a central angle of 18°15'14"; thence run Southeasterly along the arc of said curve for an arc distance of 64.24 feet (Ch. = 63.97', CB = South 46°26'34" East) to the point of tangency; thence South 55°34'11" East for a distance of 102.57 feet to the point of curvature of a circular curve concave to the Southwest having a radius of 130.33 feet and a central angle of 45°00'00"; thence Southeasterly along the arc of said curve for an arc distance of 102.36 feet (Ch. = 99.75', CB = South 33°04'11" East) to the point of tangency; thence South 10°34'11" East for a distance of 140.46 feet; thence South 79°25'49" West for a distance of 137 feet, more or less, to said mean high water line; thence Northwesterly along said mean high water line for a distance of 280 feet, more or less, to the Point of Beginning. All lying and being in the City of Pensacola, Escambia County, Florida.

