

**DECLARATION
OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
CARNEGIE HILLS**

THIS DECLARATION, made the 8th day of March, 2006, by LANDCREST DEVELOPMENT, LLC, a Florida limited liability company, hereinafter referred to as "Developer".

W I T N E S S E T H:

WHEREAS, Developer is the Owner and developer of certain real property located in Okaloosa County, Florida, and is developing the property to include certain improvements; the property and improvements will be known as CARNEGIE HILLS (the "Property") which is described in the attached **Exhibit "A"**.

WHEREAS, the Developer intends to provide for the protection of the value and desirability of the above-described land and improvements and other property and maintained areas that may later be annexed thereto, and to this end desires to subject the above-described land and improvements to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which are for the benefit of said Property and each owner thereof;

NOW THEREFORE, the Developer hereby declares that all of the Property and such land as may later be annexed thereto shall be held, occupied, sold and conveyed subject to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, all of which shall run with the Property and be binding on all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns and which shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. Association. "Association" shall mean and refer to CARNEGIE HILLS Homeowners' Association, Inc., its successors and assigns.

Section 2. Maintained Area. "Maintained Area" shall mean and include all of that certain property that is located within a road or right-of-way of a road within CARNEGIE HILLS, and said certain property being agreed to be maintained by the Association, together with all the tangible personal property required for the use, maintenance and operation of the Maintained Area situated thereupon. The foregoing notwithstanding, the Maintenance Area shall also include all easement(s) so designated on the Plat upon any Lot and also includes all streets, roads, parking areas, retention areas, Park Preservation Area(s), buffer and drainage areas, pedestrian paths, parks and recreational areas and any easement designated on the Plat. The foregoing notwithstanding, Developer hereby reserves the right to convey any and all streets and roads, retention areas, and other areas to Okaloosa County; it being the intention of the Developer to convey same to Okaloosa County at the time Okaloosa County shall accept same.

Section 3. Common Expenses. "Common Expenses" shall include but not be limited to expenses of administration; expenses of insurance; expenses of maintenance, operation, repair, replacement and betterment of the Maintained Area; electric and water bills; expense to mow grass and landscaping; for painting and maintaining amenities, entrance sign(s), street signs; and maintaining sprinkler systems; any other expenses declared common by provisions of this Declaration or the Association's Bylaws.

Section 4. Declaration. "Declaration" shall mean this Declaration of Covenants, Conditions, and Restrictions as it may be amended from time to time.

Section 5. Developer. "Developer" shall mean and refer to LANDCREST DEVELOPMENT, LLC, a Florida limited liability company, and the person(s) or entities as stated in the "DEDICATION" on the recorded plat of

the property or any portion thereof.

Section 6. Owner. "Owner" or "Lot Owner" shall mean and refer to the holder whether one or more persons or entities, of record fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation, including, but not limited to a mortgage.

Section 7. Plat. "Plat" shall mean and refer to the plat of CARNEGIE HILLS PHASE I prepared by Southeastern Environmental Engineering Company, which is recorded in Plat Book 23, Page 23 & 24, in the Public Records of Okaloosa County, Florida, and the plat of any subsequent phase(s) of CARNEGIE HILLS.

Section 8. Property. "Property" shall mean and refer to that certain real property described herein as Carnegie Hills Phase I recorded in Plat Book 23, Page 23 & 24, in the Public Records of Okaloosa County, Florida, and any subsequent phases of Carnegie Hills or additional property later annexed hereto, together with property designated as Maintained Area.

Section 9. Lot. "Lot" shall mean and refer to the Lots set forth upon the Plat and any additional Lots developed on any additional property annexed hereto or any lots as platted on any subsequent replatting of any such property.

Section 10. Utility Service. "Utility Service" shall mean and refer to all utility services necessary or convenient to the occupancy of each Lot as a single family residence and shall include, but not be limited to the following: electric power, potable water, telephone, gas, sewage disposal (if the Lot is not using a septic tank), and cable television. All of the other terms of this Deceleration notwithstanding, in no event shall Developer or the Association be required to use or install any sewer disposal pipes or other sewer disposal system.

Section 11. Structures. "Structures" shall mean and include, but not be limited to, any residence, garage, any type of out building, patios, swimming pool, tennis court, pool enclosure, mailbox, deck, gazebo, driveway, parking areas, boardwalk, sidewalk, breezeway, fountain, mail box, lamp post, statue, signs, yard ornament, pet house, greenhouse, fence, wall, landscape berm or swale, terraces, hedge row or garden elements, children's playhouse, storage shed, tree house, boat house, and basketball goal.

Section 12. Architectural Review Committee. "Architectural Review Committee" shall mean the committee established to consider for approval or rejection all plans for the construction of any Structure within the Property.

Section 13. Builder. "Builder" shall mean any contractor licensed to do business in the State of Florida engaging in the construction of improvements on a Lot or Lots within the Property.

ARTICLE II

EASEMENTS

Section 1. Types of Easements. The Property is subject to easements, if any, set forth and/or described in the Plat and those certain easements set forth and/or described hereinafter as follows:

- (1) Utility Easement. Easements are reserved through each Lot as may be required for utility service to serve any Lot adequately.
- (2) Ingress and Egress Easement. Every Owner shall have a nonexclusive easement of use for purposes of ingress and egress on, over and across those portions of the Property and Maintained Area, if any, that may be used as roadways or sidewalks as designated on the Plat.
- (3) Construction Easement. An exclusive easement is hereby reserved over all roads, sidewalks, and easements for the benefit of the Developer, its agents, employees, successors and assigns, for the purpose of completing construction on any Lot, and for new construction on any property annexed hereto pursuant to the provisions of Article XI hereof.
- (4) Easement of Enjoyment. Every Owner and his respective licensees, guests, invitees, agents, servants and employees shall have a non-exclusive easement of enjoyment in

and to all the Property, except all Lots.

(5) Future Easements. Developer reserves the right to impose further restrictions and to grant or dedicate easements and rights of way on any Lot within the Property owned by Developer. In addition, Developer hereby expressly reserves the right to grant easements and rights of way over, under and through the land now or later included in the Property other than Lots, so long as Developer shall own any portion of the Property. The easements granted by the Developer shall not materially adversely affect any improvements or unreasonably interfere with the enjoyment of the Property.

Section 2. Easements as Appurtenances. All easements described above or described or depicted on the Plat shall be private easements created solely for the benefit of the Developer and Owners, their successors and assigns and all said easements and other rights created herein for the benefit of an Owner shall be appurtenant to the Lot of that Owner and all conveyances of title to the Lot shall include a conveyance of the easements and rights as are herein provided, even though no specific reference to such easements and rights appear in any of the instruments.

ARTICLE III

OWNERS ASSOCIATION

Section 1. Operation of Association. The Association shall be governed by the provisions of its Articles of Incorporation (Exhibit "B") and Bylaws (Exhibit "C") which are attached hereto.

Section 2. Limitation Upon Liability of Association. Notwithstanding the duty of the Association to maintain and repair, the Association shall not be liable for damages to any Owners, their invitees, licensees, and/or guests, caused by any acts of the Owners, their invitees, licenses, and/or assigns or for any latent conditions of the Property.

Section 3. Restraint Upon Assignment of Shares in Assets. The shares of Owners/Members in the funds, assets and property rights of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the subject Lot.

Section 4. Approval or Disapproval of Matters. Whenever the decision of an Owner is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same person who would cast the vote of such Owner if in an Association meeting, unless the joinder of record Owners is specifically required by this Declaration.

Section 5. Membership and Voting Rights.

(1) Membership. Every Owner of a Lot shall be a Member of the Association, including the Developer. Such Membership shall be mandatory Membership and all Members of the Association shall be governed and controlled by the Articles of Incorporation and Bylaws thereof in addition to this Declaration.

(2) Voting Rights. The Association shall have two (2) classes of voting Membership:

CLASS A: Class A Members shall be all Owners other than the Developer (who shall become a Class A Member when Developer's Class B Membership ceases as provided hereafter) and shall be entitled to one (1) vote for each lot owned. When more than one (1) person holds an interest in any lot, all such persons shall be Members. The vote for such lot shall be exercised as they, among themselves, determine; but in no event shall more than one (1) vote be cast with respect to any Lot.

CLASS B: The Class B Member shall be the Developer and shall be entitled to three (3) votes for each Lot it owns. The Class B Membership shall terminate and be converted to Class A Membership when the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership, or in the sole discretion of Developer prior to said date. The foregoing notwithstanding, after the earlier of the following events occurs: (a) Three months after 90 percent of the parcels in all phases of the community that

will ultimately be operated by the homeowners' association have been conveyed to members; or (b) Such other percentage of the parcels has been conveyed to members, or such other

date or event has occurred, as set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of parcels, Developer shall be converted to a Class A Membership.

(3) The other terms of this Declaration notwithstanding, Owners other than the Developer are entitled to elect at least a majority of the members of the Board of Directors of the Association three months after 90% of the lots in all phases have been conveyed to Owners other than the Developer. Additionally, the foregoing notwithstanding, the Developer is entitled to elect at least one member of the Board of Directors of the Association as long as the Developer holds for sale in the ordinary course of business at least 5% of the Lots in all phases. After the Developer relinquishes control of the Homeowner's Association, the Developer may exercise the right to vote any Developer-owned voting interest in the same manner as any other Owner, except for purposes of reacquiring control of the Association or selecting the majority of the members of the Board of Directors.

ARTICLE IV MAINTAINED AREA AND COMMON EXPENSES

Section 1. Maintenance and Operation. The preservation, maintenance and operation of the Maintained Area shall be a Common Expense.

Section 2. Assessments. The making and collection of assessments against Owners for Common Expenses shall be pursuant to the Bylaws and subject to the following provisions:

(1) Share of Common Expenses. Each Lot, other than those Lots owned by the Developer, shall be liable for an equally proportionate share of the Common Expenses and shall similarly share in the common surplus.

(2) Maximum Annual Assessment. Assessments shall be levied by the Board annually against all Lots as follows:

A. Until January 1 of the year following the conveyance of the first Lot by Developer to an Owner, the maximum annual assessment shall be One Hundred Dollars (\$100.00) per Lot.

B. From and after January 1 of the year immediately following conveyance of the first Lot by Developer to an Owner, the maximum annual assessment may be increased by the Board no more than ten (10%) above the previous year's assessment without a vote of the majority of the Members of the Association.

C. During the time that the Developer is in control of the Association, all Lots owned and unoccupied by the Developer shall not be assessed any annual assessment; however, during this time the Developer shall pay any operating expenses incurred by the Association that exceed the assessments receivable from the other Owners as required by Florida Statute 720.308.

(3) Special Assessments. In addition to the annual assessments authorized above, the Association may levy in any assessment year, special assessments applicable to that year only for the purpose of defraying in whole or in part the cost of any construction, re-construction, repair, or replacement of improvements upon the Maintained Area, including fixtures and personal property related thereto, and as authorized herein, including without limitation, the exterior of any building, landscaping, mail box, lamp post, or fences on any Lot in the development, provided that any such assessments shall have been approved by a vote of 51% of the total voting interests of the Members voting in person or by proxy, at the annual meeting or a meeting duly called for this purpose at which a quorum is present.

(4) Notices. Written notice of any meeting called for the purpose of taking action authorized by Paragraph 2 or Paragraph 3 of this Section shall be sent to all Members not less than thirty (30) days in advance of such

meeting by regular mail to the address shown on the records of the Association.

(5) Lien for Assessment. There shall be a lien for the unpaid assessments as set forth in Article X and herein. Any annual assessment not paid by January 1 of each year shall be deemed in default, shall be subject to a late fee of \$50.00, and in addition shall bear interest at the highest rate allowed by law. The Association may bring an action at law against the Owner personally obligated to pay the assessment, or may foreclose the lien against the Lot. No Owner may waive or otherwise escape liability for the assessments by non-use of the Maintained Areas or abandonment of the Owner's Lot.

ARTICLE V

LOTS

Section 1. Maintenance. Each Owner shall perform promptly all maintenance and repair work within his Lot which, if permitted to remain unrepaired, would affect the Property, or any portion thereof, or a Lot belonging to another Owner, and each Owner is expressly responsible for maintaining all Structures on his Lot and for damages and liability which result from his failure to promptly perform such maintenance and repair work. Additionally, each Owner shall be responsible for maintaining all Structures on his Lot, including but not limited to, the mail box and all light posts on his Lot and for other maintenance of his Lot including exterior and interior maintenance of his home. Vehicles, equipment, garbage cans, wood piles or storage areas shall be concealed from view of neighboring buildings, Maintained Areas, roads, and streets. Rubbish, trash or garbage shall be regularly removed and shall not be allowed to accumulate. Landscaping, including lawns, shrubs and trees, will be maintained by the Owner in a manner aesthetically consistent with the other Lots contained within the Property. Maintenance of landscaping will further mean the exercise of generally accepted garden management practices necessary to promote a healthy, weed-free environment for optimum plant growth. In addition, each Owner shall at his own cost maintain the Private Drainage Easement located on that Owner's Lot. If the Board determines in its discretion that any Owner has failed to fulfill the terms of this Article or to maintain any part of his Lot, including Structures or improvements in good order and repair free from debris, the Association by a majority vote of the Board, after giving ten (10) days notice to the Owner, shall have the right without liability to enter upon such Lot to correct, restore, paint and maintain any part of the Lot, Structures or improvements and to have any objectionable items removed or corrected. All costs related to such action shall be assessed to the Owner as an individual Lot assessment. As decided by the Association only, the Association shall be responsible for the maintenance, repair and replacement of the Maintained Areas and each Owner shall be liable for his pro rata share of such costs. The other term of this Deceleration notwithstanding, Owner shall also maintain at Owner's sole cost all of the Property located between Owner's Lot and the pavement of any road.

Section 2. Damage. If any Maintained Area or any part thereof is damaged due to the negligent or willful acts of an Owner, his family, guests or invites, the cost of any necessary repair shall be assessed to that Owner as an individual Lot assessment.

ARTICLE VI

INSURANCE

The Association may purchase public liability insurance in such amounts and with such coverage as shall be considered appropriate by the Board of Directors of the Association and such other insurance as the Board of Directors of the Association shall determine from time to time to be desirable. The Association may also purchase workers' compensation insurance to the extent necessary to comply with applicable law, and a standard fidelity bond covering all members of the board of directors of the association and all other employees of the association in an amount to be determined by the board of directors. Premiums shall be a Common Expense.

ARTICLE VII

USER RESTRICTIONS

Section 1. Residential Use. The Lots may be used for single family residential dwellings with a ground-floor square foot area, exclusive of porches or garages, of not less than eighteen hundred (1,800) square feet

heated and cooled and for no other purpose, except that individual residential dwelling units may be used as model homes by the Developer, its successors and assigns, for so long as the Developer has any interest in any Lot in the Property.

Section 2. Permitted Structures. No Structures of any kind shall be erected, altered, placed or permitted to remain on any of the Lots, within the Property, other than any structure specifically approved in writing by the Developer, its agents or assigns as consistent and compatible with the goals and specifications of the **Architectural Planning Criteria** and this document.

Section 3. Re-subdivision. The Developer may re-subdivide or replat the Property in any way it sees fit for any purpose whatsoever consistent with the development of the Property. The Restrictions herein contained, in case of any such replatting or re-subdividing, shall apply to each Lot as replatted or re-subdivided.

Section 4. Noxious or Offensive Activities. No trade or business or noxious activity, in the sole opinion of the Developer, shall be carried on or upon the Property nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No mobile homes, tents or shacks shall be placed on any Lot except mobile homes used temporarily as sales offices and construction offices with Developer's approval. No garage shall at any time be used as a residence, temporarily or permanently. No structure of a temporary character may be used as a residence.

Section 5. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot, except that dogs, cats and other household pets may be kept, provided that they are duly licensed if applicable; that they do not constitute an annoyance or nuisance; that they are not kept or bred for any commercial purposes; and further provided that such pets are not permitted to be present beyond the boundary of the Owner's Lot without being leashed or caged.

Section 6. Vehicle Parking. No automobile, truck, motorcycle, moped, boat, boat and trailer, trailer, house trailer, golf cart, riding lawn mower, mobile home, camper or other similar vehicle ("vehicle") shall be parked on any roadway and/or easement overnight. No vehicle described herein other than the Owner's principal automobiles or small truck (less than one ton) shall be parked for any period of time or stored or otherwise be permitted to remain on any Lot except in an approved garage or obscured from public view by either natural or artificial means. Recreational vehicles and boats may be parked on any Lot for no more than three (3) consecutive days in any two (2) week period. Boats may be stored on any Lot behind an approved fence if obscured from public view. No automobile, truck or other commercial vehicle which contains lettering or advertising thereon or which is identified with a business or commercial activity, shall be parked for any period of time, or stored or otherwise permitted to remain on any Lot except if totally enclosed in a garage attached to the residence. All non-operational or nonfunctional vehicles shall not be considered an Owner's principal automobile or small truck and shall be subject to these restrictions and shall at all times be obscured from public and adjoining neighbor's view by approved natural or artificial means.

Section 7. Driveways. All driveways shall be constructed of concrete of natural color with prior approval from Developer. No driveway shall be constructed, maintained, altered or permitted to exist on any Lot if the driveway obstructs or impedes the flow of surface drainage over portions of a Lot encumbered by an easement or in the area adjacent to the Lot or in the street right-of-way or swale area adjoining or abutting the Lot. No curbing shall be altered except as authorized by Developer, its agents or assigns.

Section 8. Swimming Pools. Any swimming pool to be constructed on any Lot shall be subject to the requirements of the Developer, its agents or assigns, which include, but are not limited to the following:

- (1) Pools must be in-ground, composition to be of material thoroughly tested and accepted by the pool construction industry.
- (2) Any light of a pool or other recreational area shall be designed so as to buffer the surrounding residences from the lighting and shall be approved by the Developer, its agents or assigns.
- (3) Pools and pool screening must comply with the setback requirements specified in the Architectural Planning Criteria and/or the Plat.
- (4) Pools, pool enclosures and screenings must be maintained regularly in a manner consistent with frequent

use and all safety and health standards as established by any applicable Federal, State, County or Municipal laws or ordinances.

Section 9. Landscaping. The entire Lot, including easements, but not including the footprint of the house, shall be landscaped to include an acceptable percentage of grass sodding as required by Developer, immediately upon completion of the building, underground irrigation shall be required by Developer as it deems necessary, and maintained by the Lot owner. It shall be the goal of the Developer, its agents or assigns, in the approval of any landscaping plan, to preserve all existing trees where possible. Trees situated between the building setback lines and the boundary lines of Lots having a diameter of three (3) inches or more (measured four (4) feet from ground level) may not be removed without prior approval of the Developer, its agents or assigns. All requests for approval of tree removal shall be submitted to the Developer, its agents or assigns, along with a plan showing generally the location of such tree(s). In reviewing building plans, the Developer, its agents or assigns, shall take into account the natural landscape such as trees, shrubs and palmettos and encourage the Owner to incorporate them into his landscaping plan. No Owner shall be allowed to landscape in any manner deemed nonconventional, in Developer's sole discretion. The foregoing notwithstanding, pursuant to Section 720.3075(4) of the Florida Statutes, an Owner may implement Xeriscape or Florida-friendly landscape, as defined in Section 373.185(1). In no event shall Developer or the Association be required to install, or pay for, any landscaping.

Section 10. Solar, wind and other Energy-Generation Sources. The installation and/or addition of solar panels, windmills, or other forms of energy-generating equipment, are subject to the prior written approval of the Developer, its agents and assigns. Such equipment shall be installed or constructed in such manner as to conform to the architectural design of the approved dwelling, shall be concealed from public view as much as possible, and shall conform to the overall development and aesthetic scheme of the planned unit development, at the sole discretion of the Developer, its agents or assigns.

Section 11. Antennas. No outside antennas, poles, masts, towers, satellite receiving dishes, or the like shall be erected on any Lot without the prior written authorization of the Developer, its agents or assigns. The foregoing notwithstanding, a Lot owner may display one portable, removable United States flag in a respectable manner.

Section 12. Garbage and Trash Containers. No Lot may be used or maintained as a dumping ground for rubbish, trash or other waste. All trash, garbage and other waste shall be kept in sanitary containers within an enclosure constructed as part of each dwelling in a location approved by the Developer, its agents or assigns. All Lots shall be kept free of the accumulation of rubbish, trash, garbage, other solid waste materials, and all unsightly weeds and underbrush. No incinerators or other fixed equipment shall be used for the collection, storage or disposal of solid waste materials. Garbage containers shall not remain exposed to view except for the period six hours before and six hours after the scheduled collection and pick-up by the sanitation service provider.

Section 13. Lighting. No lighting shall be permitted which alters the residential character of the Property. No lighting of pools, tennis courts or outdoor activity areas shall be permitted without the prior written approval of Developer, its agents or assigns.

Section 14. Signs. No signs of any kind shall be erected, permitted to remain on, or displayed to public view on or from any Lot, except an approved sign giving the name of the occupant of the residence located on said Lot or an approved sign advertising the premises for sale or rent. Prior to display, all signs shall be approved in writing by the Developer, its agents or assigns. Notwithstanding the foregoing, for so long as the Developer has any interest in any Lot in the Property, nothing herein shall prohibit the Developer, its agents or assigns, from maintaining any signs within the Property.

Section 15. Utility Connections. Building connections for the utilities, including but not limited to water, electricity, telephone and televisions shall be run underground from the proper connection points to the building structure in such a manner that is acceptable to both the Developer and the governing utility authority.

Section 16. Installation and Maintenance. The Owner or Builder shall assume and pay, as and when the same shall become due, the costs of installation and maintenance of the underground utility system from primary utility lines.

Section 17. Water Service. All water service to a Lot shall be supplied by means of the central water supply

providing service to the Property. No well of any kind shall be dug or drilled on any Lot to provide potable water for use within any structure.

Section 18. Construction. During construction of a dwelling or other improvements upon a Lot, the Owner shall be required to maintain the Lot in a clean condition, providing for trash and rubbish receptacles and disposal. Construction debris shall not be permitted to remain upon any Lot. All main Structures constructed upon the Property shall be completed within one (1) year after commencement of construction except where such completion is impossible due to strikes, fires, national emergencies, or natural calamities, or unless waived in writing by the Developer. The Developer may, at its option, establish reasonable hours for construction activities so as to result in minimal disturbance to Owners of Lots and to the land adjacent to the Property.

Section 19. Casualty Damage. In the event of damage or destruction by fire or other casualty to any improvements located upon a Lot, all debris must be removed and the Lot restored to an orderly condition within thirty (30) days of the damage or destruction and the Owner of such improvements shall repair or rebuild such damaged or destroyed improvements in a good and workmanlike manner within a reasonable time not to exceed one (1) year and in accordance with the provisions of these Covenants.

Section 20. Reconstruction or Renovation. Following completion of construction, an Owner of a Lot may not cause or permit any alteration, modification, renovation or reconstruction to be made to the structural components, roof, or exterior appearance of his dwelling or Structures, including driveways and parking areas, nor make any additions to the exterior of the dwelling without the prior written approval of the Developer, its agents or assigns; except that an Owner shall replace broken windows and doors with windows or doors of the same style and equal or better quality as originally installed as part of the construction. No garage shall be permanently enclosed or converted to another use without the prior written approval of the Developer, its agents or assigns.

Section 21. Construction Requirements and Architectural Control. No construction, modification, alteration or improvement of a structure, of any nature whatsoever, except for interior alterations not affecting the external structure or appearance of any house, shall be undertaken on or adjacent to any Lot unless and until a plan of such construction or alteration has been approved in writing by Developer, its agents or assigns. Modifications subject to Developer's approval specifically include, but are not limited to, painting or other alteration of the exterior appearance of a structure or an improvement (including doors, windows and roof), 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, addition of awnings, gates, flower boxes, shelves, statutes, or other outdoor ornamentation, patterned or brightly colored window coverings, any alteration of the landscaping or topography of the Property; including without limitation any cutting or removal of trees, planting or removal of trees, planting or removal of plants and creation or alteration of lakes or similar features of the Property and all other modifications, alterations or improvements visible from the Maintained Area, roads, streets, or other Lots.

Section 22. Architectural Planning Criteria. The Developer has created a set of Architectural Planning Criteria with respect to the construction, modification and alteration of any improvements upon the Property. All construction, modification, alteration and improvement of any nature whatsoever conducted on any Lot must be in accordance with the Architectural Planning Criteria. Until Developer no longer owns any portion of the Property, the Architectural Planning Criteria can be modified only by the Developer. Any modification or amendment to the Architectural Planning Criteria shall be consistent with the provisions of this Declaration. Notice of any modification or amendment to the Architectural Planning Criteria including a verbatim copy of such change or modification shall be delivered to each Owner. However, a receipt of a copy of a modification or amendment to the Architectural Planning Criteria shall not constitute a condition precedent to its effectiveness.

Section 23. Procedures - Architectural Review Committee. The Architectural Review Committee (the "ARC") shall consist of two (2) persons selected by the Developer for so long as Developer, their successors or assigns own a Lot in the Property. Thereafter, at least three Members shall be selected by the Board of Directors of the Association and appointed to the ARC. Decisions of the ARC on any application by an Owner shall be final and not subject to veto by the Board of Directors. Upon the death, disability, resignation or other inability to serve as a Members of the ARC, and until selection of a replacement by the appropriate entity, the remaining Member(s) shall exercise the ARC's authority. The initial Members of the ARC shall be Steven E. Mixon, 93 E Kathy Lane, Freeport, Florida 32439 and Charles Lingenfelter, 748 St. John Cove, Niceville,

Florida 32578. The ARC shall have the power to promulgate such standards, rules and regulations as it deems necessary to carry out the provisions and intent of the Developer, this Declaration and the Architectural Review Criteria. The ARC may employ personnel and consultants to act for it, and the expenses therefor shall be paid by the Association.

No Structure shall be erected, place, altered or permitted to remain on any Lot, nor shall any grading, excavation or tree removal be commenced, until plans for such have been review and approved in writing by the ARC, under the procedures as provided for herein or as promulgated from time to time by the ARC including, but not limited to, the following:

(a) Application. The items to be submitted to the ARC for approval shall include (i) the construction plans and specifications, if any, including all proposed landscaping, (ii) an elevation or rendering of all proposed improvements, if any, and (iii) such other items as the ARC may deem appropriate. An Owner or Owner's Agent shall not seek or apply for a variance of or modification to applicable zoning or development regulations without the prior written approval of the ARC.

(b) Basis for Decision. Approval shall be granted or denied by the ARC based upon compliance with the intentions of the Developer, the provisions of this Declaration, and the Architectural Planning Criteria, the quality of workmanship and materials, the harmony of external design with its surroundings and other standards or guidelines promulgated from time to time, the effect of the construction on the appearance from the surrounding Lots, and all other factors, including purely aesthetic considerations, which in the sole opinion of the ARC will affect the desirability or suitability of the construction.

(c) Uniform Procedures. The ARC may establish uniform procedures for the review of applications, including the assessment of review costs and fees, if any, to be paid by the applicant, and the requirement of a security deposit or compliance bond to ensure the full and timely compliance by the applicant within the conditions imposed by the ARC.

(d) Notification. Approval or disapproval of applications to the ARC shall be given to the applicant in writing within thirty (30) days of receipt by the ARC in accordance with the procedures adopted by the ARC. In the event approval or disapproval is not forthcoming within thirty (30) days of submission, unless an extension is agreed to by the applicant and the ARC, the application shall be deemed denied.

(e) Governmental Review. If Okaloosa County, or any other regulatory agency having jurisdiction, requires any alteration, modification, or change to plans which have been previously approved by the ARC, an Owner or Owner's Agent shall submit the altered, modified, or changed plans to the ARC for review and approval. The approval or disapproval of revised plans by the ARC shall be made in writing with thirty (30) days of submission of the revised plans (or within thirty (30) days after receipt of all further documentation required by the ARC, whichever is later) or else the request shall be deemed denied.

(f) Liability. Approval by the Developer and ARC of an application by an Owner shall not constitute a basis for any liability of the Members, the Association, the Developer, or the ARC for any reason including, without limitation, (i) failure of the plans to conform to any applicable building codes, or (ii) inadequacy or deficiency in the plans resulting in defects in the improvements.

(g) Limitations. Nothing shall be erected, constructed, planted, or otherwise placed in such a position (subsequent to the initial construction of improvements on the Property by Developer) so as to create a hazard or block the vision of motorists upon any of the Common Roads, which are part of, adjacent to or near the Property. No modification, alteration or improvement shall interfere with those easements or other rights set forth in this Declaration.

Section 24. Fences. All fences on all Lots must be approved in writing by the Developer and ARC prior to construction. Lot fencing shall not exceed six feet (6') in height and shall be consistent with the Architectural Review Criteria. Front lot fencing shall be set back a minimum of fifteen feet (15') from each principal corner of the residential structure. Gates shall be consistent with the fence design. Materials and design must comply with the Architectural Review Criteria and be approved by the Developer and Architectural Review Committee prior to construction.

Section 25. Developer's Rights of Modification, Variances, Additions. Developer, or its agents or assigns, reserves the right hereafter to modify, amend, or grant variances to any of the matters set forth in this

Declaration when, in the sole discretion of Developer or its successors or assigns, such modification, amendment or variance is deemed useful or proper. Developer or its successors or assigns may also make other restrictions applicable to each Lot by appropriate provisions in the Deed, without otherwise modifying the general plan herein outlined, and such other Deed restrictions shall inure to the benefit of other Lot Owners and shall bind the grantees and their respective heirs, successors or transferees in the same manner as though they had been expressed in this Declaration.

Section 26. Mailboxes and Lamp Posts. All mailboxes and lamp posts shall be of common design approved by and purchased from the Developer for cost at the Owner's expense. Mailboxes and lamp posts shall be maintained of the same make and model and color throughout CARNEGIE HILLS. No modification or alteration of appearance of any mailbox or lamp post within CARNEGIE HILLS shall be made without the prior written approval of the Developer and the ARC. Each Lot Owner shall pay for the installation of his mail box and lamp post(s) located on his Lot. Additionally, said Lot Owner shall pay for the electricity for the lamp post(s).

Section 27. Clotheslines. Outdoor clotheslines and outdoor clothes-drying activities are prohibited on the Lot except within an area in the rear yard of a lot and only when the area is screened with landscaping so as to bar viewing of the drying activities from all public roads. No permanent type of outdoor clotheslines may be maintained on a Lot; rather, only a reel type clothesline may be used and the line must be rewound on it when not in use. Further, in no event may the clothesline remain extended after the clothes on it have been dried.

Section 28. Drainage Easements. No Structure shall be constructed, placed, maintained, altered or permitted to exist on any Lot if the structure obstructs or impedes the flow of surface drainage over portions of a Lot encumbered by an easement or in the area adjacent to the Lot or in the street right-of-way or swale area adjoining or abutting the Lot.

Section 29. Disputes as to Use. In the event there is any dispute as to whether the use of the Residential Property or the Maintained Area is subject to the provisions of this Declaration or complies with the covenants and restrictions contained in the Declaration (including any Addendum to it), the dispute will be referred to the Board, and a determination rendered by the Board with respect to the dispute will be final and binding on all concerned parties. However, any use by Developer of the Residential Property or the Maintained Area will be deemed a use which complies with the Declaration and will not be subject to a determination to the contrary by the Board.

Section 30. Restrictions on Lease of Residential Property. All rental and lease agreements (referred to as the "Lease Agreements") between an Owner and a tenant or lessee of the Owner's Lot and/or residence must be in writing and provide that the Lease Agreement is subject to all terms and provisions of CARNEGIE HILLS, and that any failure by the tenant or lessee under the Lease Agreement to comply with the terms and conditions will be treated as a material default and breach of the Lease Agreement.

ARTICLE VIII

COMMON TAXES

In the event that any taxing authority having jurisdiction over the Property shall levy or assess any tax or special assessment against the Maintained Area, then such tax or special assessment shall be separately levied and collected as a special assessment by the Association against all of the Owners. Such special assessment by the Association shall be separately identified by the Association and unless otherwise expressly stated, shall be due, payable and collectable as provided for assessments in Article X.

ARTICLE IX

APPURTENANCES TO LOTS

The Owner of each Lot shall own a share and certain interest in CARNEGIE HILLS, which share and interest are appurtenant to the Lots and subject to adjustments by the addition of Lots or subsequent phases as follows:

(a) Share of Association. Each Owner shall own an undivided share and interest in the assets of the Association, including the Maintained Area, equal to a fraction, the numerator of which is one (1) and the denominator of which is the number of Lots included within CARNEGIE HILLS from time to time. The undivided share will decrease from time to time if and when additional Lots and subsequent phases of CARNEGIE HILLS are added to the Project.

(b) Easements. Each Owner shall be entitled to the use, benefit and enjoyment of the various easements designated for the benefit of the Owners as described in Article II hereof.

ARTICLE X

ASSESSMENT LIENS

Section 1. Lien for Assessment. Each Owner of a Lot, by acceptance of a deed therefor, whether expressly so stated in such deed, is deemed to covenant and agree to pay the various costs, charges and assessments set forth in this Declaration when due. Unless otherwise expressly stated, the date that said costs, charges and assessments are due shall be ten (10) days after demand for payment is made by the Association. If said costs, charges and assessments are not paid when due, the Owner who failed to pay said costs, charges and assessments shall be liable to the Association for said amount plus interest at the highest rate allowed by law, which amount shall be secured by a lien against the Lot of the defaulting Owner. Said lien shall attach from and after the recording of a claim of lien in the public records of Okaloosa County stating the description of the Lot, the name of the record Owner, the amount due and due date and the provision of this Declaration upon which the claim is based. The lien, which shall also secure reasonable attorney's fees and costs, may thereafter be foreclosed in the manner provided by law. Upon payment, the holder of the lien shall deliver a satisfaction of the lien.

Section 2. Subordination of the Lien to First Mortgages. The assessment lien provided for herein shall be subordinate to the lien of any first mortgage which is recorded before the recording of the assessment lien or a Notice of Lis Pendens in a suit seeking to foreclose an assessment lien. Sale or transfer of any Lot shall not affect the assessment lien; except that the sale or transfer of any Lot pursuant to the foreclosure of a first mortgage which is recorded before the recording of the assessment lien or a Notice of Lis Pendens in a suit seeking to foreclose an assessment lien or any proceeding in lieu thereof, shall extinguish the lien of such assessment as to payments which became due prior to such foreclosure or proceeding, unless the assessment lienor Notice of Lis Pendens in a suit seeking to foreclose an assessment lien was recorded prior to the recording of such mortgage. Any assessments not paid by such mortgagee shall thereafter be assessed against the Owners as a Common Expense; however, the Association may then seek said amount(s) from the defaulting Owner by filing suit for a personal money judgment against said defaulting Owner, because the Association shall not then have a lien against said defaulting Owner's Lot.

ARTICLE XI

ANNEXATION OF ADDITIONAL LANDS

Section 1. Developer's Rights. Developer expressly reserves the right, at Declarant's sole discretion, but is not obligated, to expand the subdivision or otherwise expressly make additional land subject to this Declaration and, in such event, the term "Property" as used herein shall be deemed to include such additional land and improvements, as the case may be. Additional lands may also be annexed to the Property upon the affirmative vote of 2/3 of the Members of Class A plus the consent of the Class B Member for so long as the Class B Member exists, at a regular meeting of the Association or at a special meeting duly called for such purpose, together with municipal approvals, if any, required by law. Nothing contained in this Declaration shall limit, modify or restrict the Developer's rights to, (i) allow the Maintained Areas to be used by Owners of Lots in future phases, (ii) increase the Maintained Areas, (iii) cause a decrease in the undivided share of the Association appurtenant to each Owner's Lot, or (iv) take such other actions as the Developer may determine from time to time to be necessary or convenient to complete CARNEGIE HILLS; provided that the Developer's rights to expand CARNEGIE HILLS shall terminate no later than ten (10) years from the date of recording this Declaration.

Section 2. Amendment of Declaration. As the Developer determines from time to time, in its sole discretion, to submit additional property to this Declaration, the Developer may file amendments to this Declaration which will submit to this Declaration the additional lands and improvements described therein. Any and all such amendments

need be signed and acknowledged only by the Developer and need not be approved by the Association, its Members, the Owners or by any lienors or mortgagees of any of the Lots or the Maintained Area, whether or not elsewhere required for an amendment.

Section 3. Effect of Amendment. In the event of an amendment to this Declaration to reflect the expansion of CARNEGIE HILLS to include additional Lots or phases, (i) the definitions used in this Declaration shall be expanded to encompass and refer to CARNEGIE HILLS so expanded and (ii) the recording of the amendment in the public records of Okaloosa County, Florida shall be effective to vest in the Owners of CARNEGIE HILLS as it existed prior to the expansion, their respective undivided shares in the Association, and (iii) the recording of the amendment in the public records of Okaloosa County, Florida shall be effective to vest in the Owners of CARNEGIE HILLS as it existed after the expansion, their respective undivided share of the Association based on the formula in Article IX.

Section 4. Mergers. Upon a merger or consolidation of the Association with another similar association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger; provided, however, that such merger shall have been approved by the vote of 80% of the total voting interests of the Class A membership and the consent of the Class B membership, if any, at a regular meeting or special meeting duly called for such purpose. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the Subdivision, together with covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change, or addition to the covenants established by this Declaration within the Subdivision.

ARTICLE XII

GENERAL PROVISIONS

Section 1. Violations of any Covenants, Conditions and Restrictions.

(a) Violation of any covenants, conditions, or restrictions shall give the Developer, or its agents or assigns, the right to enter upon the Property where such violation exists and summarily abate or remove the same at the expense of the Owner, and such entry and abatement or removal shall not be deemed as trespass.

(b) If any Owner, tenant or occupant of any Lot shall violate or attempt to violate any of these covenants, conditions, or restrictions while in force and effect, it shall be lawful for the Developer, its agents or assigns, or any other person or persons having any Ownership interest in any other Lot to prosecute any proceeding at law or in equity against any person violating or attempting to violate such covenants, conditions, or restrictions and either to prevent them from doing so or to recover damages for such violation. In the event Developer or its agents or assigns shall commence any proceeding to enforce these covenants, conditions, and restrictions or be required to defend any such suit regarding such covenants, conditions, and restrictions and prevail in any such obligation regarding enforcement or upholding of such covenants, conditions and restrictions, then, in such event, the party against whom such action has been brought or defended shall be responsible to pay Developer a reasonable attorney's fee for the bringing or defending of such action.

(c) In no event and under no circumstances shall a violation of any covenant condition, or restrictions herein contained work a forfeiture or reverter of title.

(d) Invalidation of any of these covenants, conditions, and restrictions by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

Section 2. Compliance and Default. Each Owner shall be governed by and shall comply with the terms of this Declaration, the Articles of Incorporation and Bylaws of the Association and the regulations adopted pursuant to those documents, and all of such as they may be amended from time to time. In addition to the other remedies allowed in this Declaration, failure of an Owner to comply with such documents and regulations shall entitle the Association or other Owners to the following relief in addition to the remedies provided by the law:

(a) Negligence. An Owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by his negligence or by that of any member of his family or their guests, employees, agents or lessees.

Any such expense paid by the Association shall constitute a lien against the Lot owned or occupied by the violator as set forth in Article X hereof unless paid within ten (10) days of the date assessed.

(b) Fines. The Board of Directors of the Association may, upon notice and hearing before said Board, fine, assess, and charge any offending Member a sum not to exceed \$500.00 for each infraction of the provisions of this Declaration, the Articles, Bylaws, or rules and regulations of the Association. Any such fines and any such expense paid by the Association constitute a lien against the Lot owned or occupied by the violator as set forth in Article X hereof unless paid within ten (10) days of the date assessed.

(c) Costs and Attorney's Fees. In any proceeding arising because of an alleged failure of an Owner or the Association to comply with the terms of this Declaration, Articles of Incorporation of the Association, the Bylaws, or the regulations adopted pursuant to them, and the documents and regulations as they may be amended from time to time, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the Court. Similarly, an Owner shall pay the Association's attorney's fees and costs if that Owner is provided a demand letter by the Association's attorney or the Association otherwise incurs attorney's fees or costs arising from an Owner's failure to comply with the terms of this Declaration.

(d) No Waiver of Rights. The failure of the Association or any Owner to enforce any covenant, restriction, or other provision of this Declaration, the Articles of Incorporation of the Association, or the Bylaws shall not constitute a waiver of the right to do so thereafter.

Section 3. Term of Declaration. The covenants, conditions, and restrictions and other matters set forth in this Declaration shall run with and bind the Property from time to time submitted to this Declaration and shall inure to the benefit of and be enforceable by the Declarant and any Owner so long as any building in useful condition exists upon such Property.

Section 4. Amendment. Prior to the time the earlier of the following events occurs: (a) Three months after 90 percent of the parcels in all phases of the community that will ultimately be operated by the homeowners' association have been conveyed to members; or (b) Such other percentage of the parcels has been conveyed to members, or such other date or event has occurred, as set forth in the governing documents in order to comply with the requirements of any governmentally chartered entity with regard to the mortgage financing of parcels, the Developer reserves and shall have the exclusive right to: (i) amend these covenants and restrictions for the purpose of curing any ambiguity in or any inconsistency among the provisions contained in the Declaration; (ii) include in any deed or any other instrument any additional covenants and restrictions applicable to the particular Lot which do not lower the standards of the covenants and restrictions contained in this Declaration; and (iii) release any Lot from any part of the covenants and restrictions which have been violated if the Developer, in its sole discretion, determines such violation to be minor or insubstantial. After the conveyance of the last Lot by Developer, the power set forth in (iii) above may be exercised by the Board of the Association. Other than as set forth above, this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than seventy five percent (75%) of the total voting interests of the Lot Owners. Any amendment must be recorded.

In addition to any other method of amending this Declaration provided for elsewhere herein, the Developer reserves the right and power to record a special amendment (Special Amendment) to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Association, the Veteran's Administration, or any other governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure, or guarantee first mortgages covering Lots, (iii) to bring this Declaration into compliance with Florida law, or (iv) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer to make or consent to a Special Amendment on behalf of each Owner. Each deed, mortgage, or other instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgment of, and a consent to the reservation of, the power to the Developer to make, execute and record Special Amendments. The reserved rights of the Developer under this Article shall terminate seven (7) years from the date of recording of this Declaration.

Section 5. Termination of Covenants Conditions and Restrictions. These covenants, conditions, and restrictions are to run with the Property, and shall be part of all deeds and contracts or conveyances of any and all Lots and

shall be binding on all parties and all persons claiming under them until January 1, 2023, at which time said covenants, conditions, and restrictions shall be extended for additional successive periods of ten (10) years each unless a written agreement of 3/4ths of the record Owners is recorded in the public records of Okaloosa County, Florida on or before December 31, 2022, or one of such successive ten-year anniversary dates thereafter.

Section 6. Severability. Invalidation of any one of the covenants, conditions, restrictions, or other provisions of this Declaration by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Developer herein, has hereunto set his hand and seal this 8th day of March, 2006.

Signed, sealed and delivered in the presence of these witnesses:

DEVELOPER:
LANDCREST DEVELOPMENT, LLC,
a Florida limited liability company

Patricia G. Nixon
PATRICIA G. NIXON (Printed Name)

BY: Steven E. Mixon
Steven E. Mixon
Its: Managing Member

John T. Brown (Printed Name)

BY: Charles Lingenfelter
Charles Lingenfelter
Its: Managing Member

Sheron Y. Lingenfelter
Sheron Y. Lingenfelter (Printed Name)

John T. Brown (Printed Name)

STATE OF FLORIDA
COUNTY OF OKALOOSA

I HEREBY CERTIFY that on this 8th day of March, 2006 before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared Steven E. Mixon and Charles Lingenfelter, as Managing Members of LANDCREST DEVELOPMENT, LLC, who are personally known to me or who have produced the identification identified below, who are the persons described in and who executed the foregoing instrument, and who after being duly sworn say that the execution hereof is their free act and deed for the uses and purposes herein mentioned.

SWORN TO AND SUBSCRIBED before me on the day and year last aforesaid.

To me personally known

Identified by Driver's License Number issued by the State of

JOHN T. BROWN
Notary Public, State of Florida
My comm. exp. Sept. 9, 2008
Comm. No. DD 320306

Notary Public John T. Brown
Typed Name:
My Commission Expires:
Commission No.:

HEREBY CONSENTED TO BY THE UNDERSIGNED LENDER:

LENDER:
REGIONS BANK

Joel V. Huse
Joel V. Huse (Printed Name)
Vice President

BY:
Its:

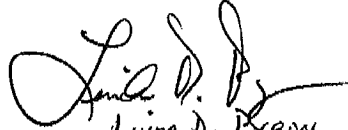
(Printed Name)

STATE OF FLORIDA
COUNTY OF OKALOOSA

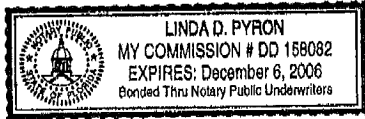
I HEREBY CERTIFY that on this 10TH day of MARCH, 2006 before me, an officer duly authorized in the State aforesaid and in the County aforesaid, to take acknowledgments, personally appeared Joel V. Unger, as Vice President of Regions Bank, who is personally known to me or who has produced the identification identified below, who is the person described in and who executed the foregoing instrument, and who after being duly sworn says that the execution hereof is his free act and deed for the uses and purposes herein mentioned.

SWORN TO AND SUBSCRIBED before me on the day and year last aforesaid.

X To me personally known
____ Identified by Driver's License Number
issued by the State of


LINDA D. PYRON

Notary Public
Typed Name:
My Commission Expires:
Commission No.:



This instrument prepared by
and returned to:

John T. Brown, Esquire
126 NE Eglin Parkway
Fort Walton Beach, Florida 32548

G:\MIXON\ASSOCIAT\DECLERAT.2

EXHIBIT "A"

Carnegie Hills

Commence at the Northeast corner of Section 30, Township 4 North, Range 23 West, Okaloosa County, Florida; thence South 00 degrees 15'11" West, 2652.87 feet along the center of Lake Silver Road, a County Road; thence North 89 degrees 28'45" West, 33.00 feet to the West right of way line of said Road, also being the point of beginning; thence continue North 89 degrees 28'45" West, 2579.26 feet; thence South 00 degrees 11'28" West, 1316.86 feet along said right of way line; thence South 88 degrees 59'58" East, 2578.62 feet to the West right of way line of Lake Silver Road; thence North 00 degrees 15'11" East, 1338.24 feet along said right of way line to the point of beginning. Containing 78.62 acres, more or less

Carnegie Hills Phase I

Commence at the Northeast corner of Section 30, Township 4 North, Range 23 West, Okaloosa County, Florida; thence South 00 degrees 15'11" West, 2652.87 feet along the center of Lake Silver Road, a County Road; thence North 89 degrees 28'45" West, 33.00 feet to the West right of way line of said Road, also being the point of beginning; thence continue North 89 degrees 28'45" West, 1289.88 feet; thence South 00 degrees 13'19" West, 1327.55 feet; thence South 88 degrees 59'58" East, 1289.31 feet to the West right of way line of Lake Silver Road; thence North 00 degrees 15'11" East, 1338.24 feet along said right of way line to the point of beginning. Containing 39.47 acres, more or less.

Carnegie Hills Phase II

Commence at the Northeast corner of Section 30, Township 4 North, Range 23 West, Okaloosa County, Florida; thence South 00 degrees 15'11" West, 2652.87 feet along the center of Lake Silver Road, a County Road; thence North 89 degrees 28'45" West, 1322.38 feet to the point of beginning; thence continue North 89 degrees 28'45" West, 1289.88 feet to the East right of way line of Oak Hill Road, a County Road; thence South 00 degrees 11'28" West, 1316.86 feet along said right of way line; thence South 88 degrees 59'58" East, 1289.31 feet; thence North 00 degrees 13'19" East, 1327.55 feet to the point of beginning. Containing 39.15 acres, more or less.