

DECLARATION OF RESTRICTIVE COVENANTS

OF

WINDANCE SUBDIVISION UNIT THREE

WITNESSETH

WHEREAS, the Developer and Owner of Windance Subdivision, Unit Three, a real estate development in the First Judicial District of Harrison County, Mississippi, more particularly described in Exhibit "A," wishes to restrict the use of property in said development through the filing and recording of Restrictive Covenants applicable to the development.

NOW, THEREFORE, the Declaration is hereby stated so as to read in its entirety as follows and the Property shall be held, sold and conveyed subject to the following covenants, conditions and restrictions which shall run with the title to the Property, and the grantee of any deed conveying any portion of the Property shall be deemed by the acceptance of such deed to have agreed to all such covenants, conditions and restrictions and to have covenanted to observe, comply with and be bound by all such covenants, conditions and restrictions as follows:

1. DEFINITIONS. AS USED IN THIS DECLARATION, THE TERMS BELOW SHALL HAVE THE FOLLOWING MEANINGS:

A. "Association" means the entity known as Windance.

Property Owners Association, Inc., a Mississippi non-profit corporation. Unless otherwise specified herein, any actions required of the Association herein may be taken by its Board of Directors, defined hereinafter.

B. "Board" means the Board of Directors of the

Association, which has been duly elected and qualified in accordance with the Articles of Incorporation and By-Laws of the Association.

C. "Committee" means a committee composed of three or more Owners, appointed by the Board to exercise the functions delegated to it by the Board in connection with review and approval of architectural plans for improvements on the Lots.

D. "Declaration" means this Declaration of Restrictive Covenants and all exhibits attached hereto, as the same may be amended from time to time.

E. "Developer" means Lakewood Estates, Inc., its successor or assigns.

F. "Dwelling Unit" means any improved property located within the property and intended for use as a housing unit. A parcel of land shall be deemed unimproved until all improvements being constructed thereon are substantially complete.

C. "Owner" means the record owner of a residential Lot or a Dwelling Unit.

H. "Plat" means the plat of Windance Subdivision, Unit Three, recorded in Plat records in the Chancery Clerk's Office in the First Judicial District of Harrison County, Mississippi. If additional property is submitted to the terms and provisions of this Declaration by appropriate amendment, and if any of such property is platted, the term "Plat" shall also refer to the plat of such additional property.

I. "Development" means the overall development

constructed or planned to be constructed on the Property and includes, without limitation, all residential, business and recreational projects and improvements located, or to be located on such property.

J. "Roadways" means that portion of the Property designated on the Plat as roads together with any real property which may hereafter be platted as roads or any real property which may be described by metes and bounds in a subsequently recorded instrument executed by the Developer reciting that the property therein described shall be deemed to be a "roadway" and subject to the terms and provisions of this Declaration.

2. USE AND CONSTRUCTION RESTRICTIONS AND REQUIREMENTS

A. Residential Purposes. Each Lot shall be used exclusively for single-family residential purposes only, and no structure shall be erected on any Lot other than one detached single-family residence, and appurtenant buildings. No building or part thereof on any Lot shall be rented separately from the rental of an entire Dwelling Unit. However, the developer shall have the right to maintain facilities on the Property for sales and promotional activity, maintenance and recreation, and shall have the right to sell or lease improved or unimproved Lots.

B. Approval of All Plans and Specifications. In order to insure the development of the Property as a residential community of the highest quality in which all improvements are harmonious in architectural design and aesthetic appearance, the Developer reserves to the Association the exclusive power and discretion to control and approve all improvements placed on any Lot. No paved area, fence, wall, shrubbery, building, or any other structure or thing shall be placed or maintained upon any Lot, nor shall any

exterior addition, change (including change in exterior colors) or alteration be made to existing improvements thereon until detailed plans and specifications of the same, prepared by a duly licensed architect, engineer, landscape architect or other similarly qualified professional, are submitted to and approved in writing by the Association as to harmony of external design, compliance with the terms of this Declaration and location in relation to surrounding structures and topography.

Notwithstanding the foregoing or anything herein otherwise provided, the Association shall have the right and a perpetual easement to locate, construct and maintain a fence around the perimeter of the Property or any portion thereof. The Association shall have the absolute right to refuse approval of any plans which in its opinion are not suitable or desirable or do not comply with this Declaration.

Prior to approval, the Association may require submission of all or any of the following documents, as are applicable to the proposed improvements:

- (i) Site plan showing all property lines, setbacks, easements, existing trees having a diameter of six (6) inches or more, drives, fences and underground trench locations, and existing and proposed surface contours and elevations of the Lot:
- (ii) Floor plan or plans;
- (iii) Elevations of all sides of the contemplated structure;
- (iv) A summary specification list of proposed materials and samples of exterior materials and colors which cannot be adequately described;

(v) Landscaping plans;

(vi) Such additional information and materials which, in the opinion of the Association may reasonably be required for its review.

The Association shall preliminarily approve or disapprove the proposed improvements within thirty (30) days from its receipt of all items required for its review. Failure of the Association to act within the thirty (30) day period shall constitute preliminary approval. Upon preliminary approval, final construction documents or plans shall be submitted to the Association, which shall approve or disapprove such final plans within thirty (30) days after receipt failure of the Association to act within that thirty (30) day period, shall constitute final approval. Upon approval of the final documents all approvals required shall be deemed to have been given and the work may begin.

The Association may delegate to the Committee all rights of approval granted to the Association pursuant to this paragraph 2.

C. Maximum Height; Minimum Square Footage. No residence or other permitted structure located on a Lot shall be in excess of two and one half stories in height unless written approval of the Association is first secured, which approval may be arbitrarily withheld, or shall contain less than 2,000 square feet of heated and air-conditioned enclosed living space; provided, however, there may be less than 2,000 square feet but not less than 1,800 square feet of heated and air-conditioned enclosed living space, with prior written approval of the Association, which approval may be arbitrarily withheld.

D. Setback Lines. Except where setback lines are otherwise shown on the Plat, the following setback lines are hereby established for buildings, structures, additions or accessories located on any residential Lot: 25 Feet from the front lot line; 15 feet from the rear lot line; 5 feet from interior side lot lines; and 15 feet from street side lot lines. The Association shall have the right to increase, decrease or otherwise modify any of the above requirements in the process of approval pursuant to paragraph 2B, so long as such changes shall preserve the general harmony of the Development and shall not materially impair the value or use of the Lot for which such approval is sought or of any other Lot.

For the purpose of this paragraph 2E, Fences, walls and unroofed and unscreened patios shall not be considered part of a building and may be erected outside of setback lines, subject to the prior written approval pursuant to paragraph 2B and subject to the provisions regarding easements in paragraph 4D.

E. Detached Structures and Objects. None of the following buildings, structures or objects shall be placed on any Lot unless contained wholly within the residence or are otherwise obscured from view from any Roadway, any adjacent Lot or any other Dwelling Unit:
pens, yards and houses for pets, hothouses,
greenhouses, above ground storage of construction materials, wood, coal, oil and other fuels, clothes racks and clothes lines, clothes washing and drying equipment, laundry rooms, appliances, tool shops and workshops, servants' quarters, guest houses, play houses, summer houses, tree houses, outdoor fireplaces, barbecue pits, swimming pools, dressing rooms, garbage and trash cans and receptacles, and above ground exterior air conditioning and heating equipment and other mechanical equipment and any other structures or objects determined by the Association to be of any

unsightly nature or appearance. Notwithstanding the foregoing, detached garages and carports are permitted provided they are compatible with the dwelling which they serve and the design is approved by the Architectural Committee.

F. Temporary, Movable Structures. Other than temporary construction sheds and sanitary toilet facilities used during actual construction of the main residence and other buildings permitted on any Lot, no shed, shack, trailer, tent or other temporary or movable building or structure of any kind shall be erected or permitted to remain on any Lot.

G. Grading. No Lot or part thereof or any portion of the Property shall be graded, and no changes in elevation of any portion of the Property shall be made which would adversely affect any adjacent property, without the prior written consent of the Association.

3. GENERAL COVENANTS AND RESTRICTIONS

A. Nuisances. No noxious or offensive activities shall be carried on upon any portion of the Property; nor shall anything be done thereon which is or may become a nuisance or annoyance.

B. Trash. Burning of trash, rubbish, garbage, leaves or other materials in the open, by an incinerator or otherwise, is prohibited. All garbage and trash must be stored in closed containers and in such location so as to be hidden from view from any adjacent Dwelling Unit, Lot or roadway.

C. Window Air Conditioner. No window air conditioner unit shall be installed in any building without the prior written

consent or the Association.

D. Antennas. No radio or television aerial or antenna or any other exterior electronic or electric device of any kind shall be installed or maintained on or as a part of any Dwelling Unit until the Association shall have approved the location, size and design thereof and the necessity therefore. Such approval may be for a limited period of time or until the occurrence of an event specified in such approval.

E. Mail Boxes. There shall be no mail boxes or newspaper boxes or receptacles unless approval therefore is given by the Association as to the initial and continued location, size and design of such boxes or receptacles.

F. Signs. A sign denoting the street address of the residence located and designed in accordance with approved standards, shall be required on each Dwelling Unit. In addition, one small sign may be used to denote the name of the resident, subject to the prior written approval of the Association with regard to size, shape, design, color and location of such sign. No other signs or any kind shall be displayed to the public view on any Lot, Dwelling Unit, or any vehicle parked on any part of the Property; provided, however, that nothing herein shall be construed to restrict in any manner the Developer from placing signs and advertising on the Property or any portion thereof.

C. Parking; Storage; repairs No vehicles or boats (including but not limited to boats, boat trailers, travel trailers, camp trailers, motor homes, mobile homes) or any similar property shall be kept on any Roadway, or stored on any Lot except within a garage or an enclosed screened area and except that private passenger automobiles of the occupant of a

Dwelling Unit and guests, having no commercial signs, may be temporarily parked in the driveway or parking area of the Dwelling Unit and except that other vehicles may be parked in such driveway or parking area during the time necessary for delivery and pickup service and solely for the purpose of such service. No repairing or overhauling of any vehicle is allowed on any part of a Dwelling Unit, a Lot, or any roadway.

H. Condition of Dwelling Units and Lots. Each Owner shall maintain in good condition his entire Dwelling Unit or Lot (and the improvements thereon) at all times, but no Owner shall plant any living tree having a trunk diameter greater than six (6) inches without the prior approval of the Association. No trash, garbage, rubbish, debris or refuse or unsightly object shall be allowed to be placed, accumulated or suffered to remain anywhere on the Property, unless stored as provided in paragraph 3D. Nothing herein shall be construed as requiring the Association to clear or maintain property owned by it so long as such property is unimproved.

I. Animals. Not more than two (2) domesticated dogs, not more than two (2) domesticated cats, and not more than two (2) domesticated birds may be kept in any Dwelling Unit or on any Lot. All such pets must be kept for the pleasure and use of the Owner, and not for commercial purposes, and must not be permitted to run free. No other animals, livestock or poultry of any kind shall be kept on any Lot or other portion of the property.

If the Association, in its sole discretion, determines that any pet is dangerous or an annoyance or nuisance to the other residents of the Property, or surrounding areas, or destructive of wildlife or property, such pet may not thereafter be kept on the Property and shall promptly be removed by the Owner.

J. Resubdividing; Replatting; Access Restrictions.

Without the prior written approval of the Association, no Lot shall be resubdivided or replatted. In the event of such approved replatting or resubdividing, all of the provisions of this Declaration shall apply to the portion of the Property so resubdivided or replatted and no such resubdividing or replatting shall affect any easement shown on the Plat or reserved in this Declaration except easements reserved along the side lot lines, as provided in paragraph 4D, shall only apply to the resubdivided or unplatted Lot. The Association shall have the right to approve the use of one or more contiguous Lots, all or part of any Lot, all of one Lot and part of a contiguous Lot or Lots or any combination of contiguous parts of Lots which will form an integral unit of land suitable for use as a residential building site.

K. Roadways; Easements; Traffic Control.

(i) All of the roadways are and shall remain privately owned and shall be the sole and exclusive property of the Developer, its successors, assigns, grantees and nominees, if any. Developer may relocate, extend or close any part of such Roadways, so long as all Owners (and mortgagees) of any Lot

contiguous to that part of any Roadway being relocated, closed or extended consent thereto and so long as no Lot is denied reasonable access to a public dedicated street by such actions. Developer shall have the sole and absolute right at any time to dedicate to the public all or any part of the Roadways and all or any part of the easements reserved herein. Whenever Developer so elects, it may assign and convey all interest in the roadways to the Association and when the Developer is no longer the owner of any Lot in the property, it shall assign and convey all interest in the Roadways (but subject to easements reserved thereto) to

the Association. All costs of such transfer shall be paid by The Association. Upon such conveyance, the Association shall succeed to all rights thereto of the Developer hereunder including, without limiting the generality of the foregoing, the rights reserved to the Developer under subparagraphs (ii) and (iii) of this paragraph 3K.

(ii) Developer hereby grants to the present and future Owner of each Lot and each Dwelling Unit and to the lawful occupants of any buildings thereon, and to their guest, invitees and domestic help, and to delivery, pickup and fire protection services, police and other authorities of the law, mail and parcel carrier, representative of utilities authorized to serve the Property and/or Adjoining Property holders of mortgage liens on the Property and/or Adjoining Property or any part thereof and such other persons as Developer may from time to time designate, the non-exclusive and perpetual right of ingress and egress over and across the Roadways, subject however, to the right of Developer to install, erect, construct and maintain cable, utility lines and facilities in such roadways. Notwithstanding the foregoing provisions of this paragraph, Developer reserved and shall have the unrestricted and absolute right to deny ingress to any person who, in its opinion, may create or participate in a disturbance or nuisance on any part of the Property and shall have the unrestricted and absolute right to restrict or in any manner limit the ingress of any party through the use of a controlled or guarded entranceway to the Property upon such terms and conditions as the Developer may reasonably determine.

(iii) In addition, Developer shall have the right, but no obligation, from time to time to control and regulate all types of traffic or vehicles (including without limitation

Motorcycles and ("go-carts") which, in the sole opinion of Developer would or might result in the damage to the Roadways or pavement or other improvements thereon, or create a nuisance for the residents of the Property, and the right, but no obligation, to control and prohibit parking on all or any part of the roadways. Developer shall have the right, but no obligation, to remove or require the removal of fence, wall, hedge, shrub, bush, tree or other thing, natural or artificial, placed or located on any Lot, if the location of the same will, in the sole judgment and opinion of Developer, obstruct the vision of a motorist upon any of the Roadways. Developer shall also have the right to enforce claims for damage against any Owner responsible for damages to any roadway. In the event and to the extent that the Roadways referred to in this paragraph or easements over and across such Roadways for ingress and egress shall be dedicated to or otherwise acquired by the public, the preceding provisions of this paragraph relating to Roadways thereafter shall be of no further force or effect.

L. Waterways; Other Lands of the Association. With respect to the lakes, ponds, creeks and streams (hereinafter "waterways") now existing, or which may be hereafter created, either within the Property, or adjacent or near thereto, no power boats with motors in excess of 25 horsepower shall be permitted on such waterways and no Owners shall have any right to construct bulkheads, docks, piers or other similar facilities on such waterways nor any right to pump or otherwise remove any water from such waterways for the purpose of irrigation or other use nor to place rocks, stones, trash, garbage, sewage, storm or other waste water, rubbish, debris, ashes or other refuse in such waterways or on any other portion of the Property, without the written consent of the Association. The Association shall have the sole and absolute right to control the water level of such

waterways, to construct bulkheads, docks, piers or other similar facilities and to control the growth and eradication of insects, plants, Cows, reptiles, animals, fish and fungi in and on such waterways, and to control the height, grade and contour of any embankment.

M. Additional Covenants and Restrictions. Other than the Developer, no Owner of any part of the Property shall without prior written approval of the Association, impose any additional covenants or restrictions on any part of the Property.

4. UTILITY SERVICES

A. Garbage Collection. Garbage, trash and rubbish shall be removed from the Lots only by parties, companies or agencies approved by the Association and each Owner agrees to pay when due the periodic charges or rates for such garbage collection service made by the party, company or agency providing same.

B. Easements. The Developer, for itself and its successors and assigns, hereby reserves perpetual, alienable easements, privileges and rights for the installation, maintenance, transmission and use of wires, conduits, mains, utility, cable and lines, drainage ditches and facilities on, under and across the roadways as well as a strip 15 feet in width along the front lot line of each Lot and a strip 15 feet in width along the interior side and rear lot lines of each Lot for drainage purposes and for the use of electric, telephone, cable TV, sewerage, water, gas and other public and private utilities. Additional easements may be reserved or granted by the Developer at any time prior to the time a Lot affected by such easements is conveyed by the Developer. Within the easement areas on the Lots, no structure or other improvements or landscaping shall be

placed or Permitted to remain which may damage or unreasonably interfere with the installation and maintenance of utilities and drainage facilities and the Owners of the Lots shall bear the risk of loss of any such structure, improvement or landscaping except as otherwise provided in paragraph 2D. Within the boundaries of any Lot, all easement areas, areas within any setback line, and all improvements therein, shall be maintained continuously by the Owner. All utility lines serving the Lot only from the point where such line connects to the main line shall be maintained by the Owners.

5. ASSESSMENTS

The Association shall have the authority to levy assessments as provided herein against the Dwelling Units and the Lots, and each Dwelling Unit and Lot, is subjected thereto as Hereinafter provided:

A. Purposes. The Association may levy assessments for the purpose of enabling the Association

- (i) To pay all ad valorem taxes assessed against the portions of the Property developed for the benefit of the overall Development or used in common by all Owners, including roadways and appurtenant security facilities, waterways, and other common areas, whether or not owned by or leased to the Association;
- (ii) To pay all ad valorem taxes assessed against any properties, real or personal, or any interest therein, owned by or leased to the Association, and to pay any other taxes, including income taxes, payable by the Association.
- (iii) To pay all expenses required for the reasonable

repair and maintenance of the portions of the Development

described in subparagraph A(1) above, including without limitation paving, irrigation, landscaping, drainage and for the reasonable repair and maintenance and insurance of any buildings or other improvements owned by or leased to the Association;

(iv) To pay all expenses of providing security for the Development including salaries of security men, maintenance of security gate houses and other related facilities, insurance on security gate houses and related facilities and any and all other expenses incurred in providing such security;

(v) To pay for the expense of lighting and maintaining the Roadways, including patching and repairing, replacement of bulbs, poles (if any), wiring and any and all other expenses in connection therewith;

(vi) To pay for all expenses incurred in providing mosquito and other pest control for the Development;

(vii) To pay for all expenses incurred in providing fire protection for the Development;

(viii) To pay for the expense of maintenance, improvement and operation of drainage easements and facilities;

(ix) To pay for the expenses of maintaining, repairing and replacing directional markers, signs and traffic control devices and costs of controlling and regulating traffic on the Roadways;

(x) To pay all charges of trash and garbage collection and removal unless a separate charge is made to each Owner by the

company providing such service.

(xi) To pay for all expenses of operating the Association, including without limitation management fees, legal and accounting fees, payrolls and general office operating expenses, and the expenses of doing any and all other things necessary or desirable in the judgment of the board to keep the Development neat and attractive, to preserve or enhance the value of the Property, to eliminate fire, health or safety hazards, and to pay for such other expenses, including, but not limited to, liability insurance, which in the judgment of the Board may be of general benefit to the residents.

(xii) To repay funds, together with interest thereon, borrowed by the Association and used for purposes referred to herein;

(xiii) To accumulate reasonable reserves for the foregoing purposes.

It shall not be necessary for the Association to allocate or apportion the funds collected pursuant hereto or expenditures there from among the various purposes specified herein and the judgment of the Board in the expenditure of such funds shall be final. The Association in its discretion may hold such funds invested or uninvested, and may reserve such portions of the funds as it determines advisable for expenditure in years following the year for which the regular maintenance assessment was assessed.

B. Regular Assessments. Except as provided in paragraph 5E, each Dwelling Unit and Lot is hereby subjected to regular maintenance assessments as provided below, payable on a monthly

basis beginning with the 1st day of the first full month following the date of original sale of such Dwelling Unit or Lot by the Developer to a third party, and continuing on the first day of each month thereafter. Except as provided in paragraph 5F, the Assessments shall be uniform in dollar amount for each category (lots and dwelling units) and shall be set by the Board, subject to approval of the Association. The regular maintenance assessment may be adjusted from month to month by the Board as required to meet the expenses and other charges for which same are assessed. Regular maintenance assessments shall become delinquent if not paid by the tenth (10th) of the month for which assessed and shall bear interest at the rate of nine (9%) per annum from that date until paid. Assessments as a Dwelling Unit on any Lot shall not begin until completion of construction of the improvements thereon; and whenever the assessment begins for a Dwelling Unit all previously applicable assessments above shall cease.

C. Increase in Assessments. Assessments on dwelling units and lots may be increased or decreased from time to time as may be necessary to meet the obligations of the Association and to meet its responsibilities as set forth in 5A above.

D. Special Assessments. The Board may impose special assessments to meet expenses of an extraordinary or emergency nature, provided that if such special assessment exceeds \$100.00 per Lot or per Dwelling Unit during any twelve (12) month period, then Owners (other than the Developer) of two-thirds (2/3) in number of such Dwelling Units or Lots theretofore conveyed by the Developer must approve the levy in writing. All special assessments shall be imposed upon Lots and Dwelling Units in the same ratio as the regular assessments set forth in subparagraph 5B above. Any special assessment which is not paid within

fifteen (15) days after the Owner receives written notice of same shall bear interest at the rate of nine (9%) per cent per annum.

E. Property of Developer. Notwithstanding anything herein to the contrary, no assessment shall be charged and no lien shall attach against any Lot, Dwelling Unit or other portion of the Development so long as same is owned by the Developer and the Developer shall not be required to pay any such assessments, it being understood that the Developer will bear much of the expense of the Association until the Association

G. Lien. Each regular and special assessment and interest thereon as provided herein shall constitute a debt from the owner of the property against which the same shall be assessed, and shall be secured by a lien upon that property and all improvements thereon. Such lien shall attach as of the date a notice of lien is filed with the Chancery Clerk of the Harrison County, Mississippi, and may be enforced as any other lien in Mississippi by any other proceeding in equity or at law and the Association shall be entitled to recover in such proceedings. Each such lien shall be subordinate and inferior to the line of any institutional mortgage encumbering the Lot or the Dwelling Unit as the case may be, if that mortgage was recorded in the public records of Harrison County, Mississippi, prior to the above recording date of such lien. Upon request, the Association shall furnish any Owner or mortgagee a certificate showing the unpaid assessments, if any, against any Lot or Dwelling Unit.

6 MEMBERS AND VOTING RIGHTS

A. Memberships. Every Owner shall be a member of the Association. In addition, the owner of the Golf Course shall be a member and the Developer shall be a member as provided below.

B. Classes. Membership shall be divided into three (3) classes as follows:

(i) The Class A members shall be all Owners, other than the Developer, as long as Class C membership shall exist, owning Lots or Dwelling Units located thereon.

(ii) The Class B member shall be the owner of the Golf Course.

(iii) The Class C member shall be the Developer, or its successors and assigns.

Class A and Class B memberships shall be appurtenant to ownership of a Lot, a Dwelling Unit, or the Golf Course within Development and shall not be separated from such ownership.

C. Voting Rights. Until such time as the Developer has conveyed to third parties at least 607 of the Lots, the Class C member shall have sole voting rights in the Association and the Class A and Class B members shall have no voting rights. After conveyance of 607 of the lots by the Developer, voting rights shall be as follows: Each Class A member shall have one vote on all matters to come before the Association. The Class B and Class C members shall not have voting rights on any other matter before the Association except for altering or amending the Articles of Incorporation or Bylaws of the Association, which

rights shall be as provided in the Articles of Incorporation.

7. RIGHTS OF DEVELOPER

In addition to rights elsewhere reserved, Developer hereby reserves to itself, its successors and assigns, the following rights and privileges:

A. Rights regarding Temporary Structures, Etc. Developer hereby reserves the right to erect or maintain such dwellings, model houses, sales offices or other structures, and commercial and display signs as Developer, in its sole discretion, may deem advisable for development and marketing purposes. Nothing contained in this Declaration shall be construed to restrict the foregoing rights of Developer.

B. Enforcement. Developer reserves the right, but shall have no obligation, to enter upon any Dwelling Unit or Lot to remove rubbish, signs, structures, plants or other things or to take such other action, all at the expense of the Owner, as Developer deems necessary in order to enforce this Declaration. Such entry, enforcement and removal shall not be deemed a trespass or make Developer liable in any respect for any damages on account thereof. The Owner of such Dwelling Unit or Lot shall pay Developer on demand the actual cost of such enforcement plus ten (10%) per cent of the cost in performing such service as a service fee. "In the event that such charges shall not be paid on demand, such charges shall bear interest at the maximum legal rate of interest from the date of demand. All Dwelling Units and Lots shall be subject to a lien in favor of the Developer for all such costs and fees and Developer may, at its option, bring an action at law against the Owner personally obligated to pay the same, or upon giving the Owner ten (10) days notice of an

intention to file a claim of lien against a Dwelling Unit or Lot, may file and thereafter foreclose such lien.

In addition, Developer, any Owner or the Association shall be entitled to bring action at law for damages or in equity for injunctions against those so violating or attempting to violate this Declaration, for the purpose of curing, correcting, preventing or enjoining any violation or attempted violation of the terms of this Declaration. All costs and expenses, including but not limited to reasonable attorney's fees, incurred by Developer, any Owner or the Association to cure, correct, prevent, or enjoin any violation of the terms of this Declaration shall be recoverable against the Owner occasioning such violation. All remedies herein shall be cumulative to any and all other remedies provided elsewhere herein or at law or equity. The failure to bring any action to enforce this Declaration or to correct any violation of this Declaration shall not be deemed a waiver of the right to do so thereafter as to the same breach or as to one occurring prior or subsequent thereto, nor shall such failure give rise to any claim or cause of action by any Owner of any other party against the Developer or the Association.

8. MISCELLANEOUS

A. Rights of Mortgagees. Notwithstanding anything in this Declaration to the contrary, the lien of the Developer or the Association for charges incurred in enforcing this Declaration shall be subordinate and inferior to the lien of any institutional mortgage on any Dwelling Unit or Lot recorded prior to the recording of such claim of lien. In addition, any institutional mortgagee who acquired title thereto as a result of foreclosure or by deed in lieu of foreclosure or any party who purchased same at a foreclosure sale shall not be liable for the

charges pertaining to such Dwelling Unit or Lot which are chargeable to the former Owner and which became due prior to such acquisition title.

B. Term. The terms and provisions of this Declaration shall run with the title to the Property and any part thereof and shall bind all persons in interest, all Owners and their heirs, legal representatives, successors and assigns until December 31, 2015, at which time this Declaration and Restrictions shall be automatically extended for successive periods of ten years. This Declaration may not be amended in any respect except by the execution of an instrument signed by owners having not less than 75% of the votes as provided herein. After December 31, 2015 this Declaration may be amended or terminated by an instrument signed by owners having 55% of the votes provided herein.

C. Disclaimer. Neither the Developer nor the Association shall be liable to any Owner or other person for any loss or damage arising from any cause whatsoever, including without limitation the provision of, failure to provide, or negligence in provision of security, maintenance, repairs or other services by the Developer or the Association or either of them.

D. Invalidity of Part. The invalidation of any one of the terms or provisions of this Declaration shall in no wise affect any other provisions, which provisions shall remain in full force and effect.

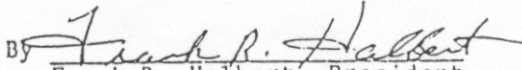
E. Headings. The paragraph headings herein have been inserted for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

F. Assignment of Developer. The Developer shall have the sole and exclusive right at any time to transfer and assign any or all rights, powers, privileges, authorities and reservations it may have under any paragraph of this Declaration to such other person or entity as it shall elect. No such assignment shall require the consent of any Owner and in the event any such right is assigned, the Assignee shall assume all obligations of the Developer so assigned and the Developer, its officers, directors and stockholders shall thereupon be relieved of any and all obligation or liability with respect thereto.

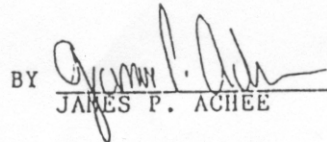
G. Joinder of Mortgage. First Guaranty Bank for Savings, being a creditor of Lakewood Estates, Inc. and holding a deed of trust on the Development, hereby joins in the recording of this Declaration of Restrictive Covenants in all respects.

IN WITNESS WHEREOF, the Developer and Owner has executed this Declaration of Restrictive Covenants on this the 23rd day of APRIL, 1987.

Lakewood Estates, Inc.,
Developer and Owner

BY 
Frank R. Halbert, President

FIRST GUARANTY BANK FOR SAVINGS

BY 
JAMES P. ACHEE

THIS DAY Personally appeared before me, the undersigned authority in and for said State and County, the within named Frank R. Halbert, President of Lakewood Estates, Inc., who acknowledged that he signed and delivered the above and foregoing instrument on the day and year therein mentioned as the act and deed of Lakewood Estates, Inc., after first having been authorized so to do.

GIVEN under my hand and seal of office, this 23 day of April, 1986.

[Signature]
Notary Public
Kenneth R. Barhanovich

My Commission Expires:
25 November 1989

STATE OF MISSISSIPPI
COUNTY OF HARRISON



Personally appeared before me, the undersigned authority in and for the above county and state, James P. Achee, Authorized Representative of First Guaranty Bank For Savings, a Mississippi corporation, who acknowledged to me that he signed, sealed and delivered the above and foregoing instrument on the day and in the year therein stated, as and for the act and deed of said corporation being duly authorized so to act.

Witness my hand and official seal on this the 23 day of April 1986.
January, 1986.

[Signature]
Notary Public
Kenneth R. Barhanovich

My Commission Expires:
25 November 1989



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STATEMENT OF FEES
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STATE OF MISSISSIPPI, COUNTY OF HARRISON, FIRST JUDICIAL DISTRICT:
I hereby certify that this instrument was recorded and...