

TOWNHOUSE AGREEMENT AND DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF POINTE PANAMA

THIS DECLARATION, made this 25th day of September, 1985,
by the undersigned property owners, herein referred to collectively as
"Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of separate townhouse units located in
Bay County, Florida, commonly known as Pointe Panama, a townhouse subdivision
which is located at 22522 West Highway 98, Panama City Beach, Florida 32407 and
which is more particularly described as:

LEGAL DESCRIPTION ATTACHED

NOW THEREFORE, Declarant hereby declares that all of the property
described above shall be held, sold and conveyed subject to the following
easements, restrictions, covenants and conditions, which are for the purpose of
protecting the value and desirability of, and which shall run with, the real
property and be binding on all parties having any right, title or interest in
the described properties or any part thereof, their heirs, successors and
assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I.

Section 1. Owners shall mean and refer to the record owner, whether
one or more persons or entities, of a fee simple title to any lot which is a
part of the property together with an undivided one-twenty fourth (1/24)
interest in the common area but excluding those having such interest merely as
security for the performance of an obligation.

Section 2. Property shall mean and refer to that certain real
property hereinabove described.

Section 3. Common area shall mean all property owned in common by the
owners for the common use and enjoyment of all the owners, including sidewalk,
parking areas and back yards. There will be restrictions in the back yards due
to the septic tanks. No vehicles allowed unless approved by a member of the
board.

Section 4. Lots shall mean and refer to Lots 1 through 24, Pointe
Panama, located in Bay County, Florida.

Section 5. Proportionate share of expenses shall mean a one-twenty

fourth (1/24) share of said expenses.

Section 6. Association shall mean and refer to "Pointe Panama Association", an unincorporated association, its successors or assigns.

ARTICLE II

EASEMENT AND PARKING RIGHTS

Section 1. Every owner shall have a right and easement of enjoyment in and to the common areas which shall be appurtenant to and shall pass with title to every lot.

Section 2. Any owner shall have the right to delegate his rights of enjoyment to the common areas to the members of his family, his tenants, guests and invitees.

Section 3. Every owner shall have a right and easement of use for ingress and egress on, over and across the common areas. No owner shall at any time or in any way block, restrict, or otherwise impede the access of another owner, his family, tenants, guests and invitees to the aforementioned common areas.

Section 4. Board members have the right to make owners remove items that are offensive, in the way of others, open to anything that will require on the spot correction.

ARTICLE III.

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Each owner of a lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay his proportionate share of the following:

- (a) Cost of maintenance, upkeep and repair of the common areas and drive ways;
- (b) Trash pickup;
- (c) Outside painting each three (3) years (except for wrought iron which will be maintained by each townhouse unit separately); and
- (d) Cost of liability insurance for common area if deemed necessary by vote of the association in accordance with the By-Laws.

Section 2. Each owner is obligated to pay his proportionate share of common expenses as provided for in Section 1 of this Article, which is secured by a continuing lien upon his lot and his undivided interest in the common areas. Any charges which are not paid when due shall be delinquent. If the charges are not paid within twenty (20) days after the due date, the charges shall bear interest from the date of delinquency, at the maximum interest rate

allowed by law and any owner paying said charges for the benefit of any owner may bring an action at law against the owner personally obligated to pay the same or foreclose lien against the property, and interest, costs, and reasonable attorney's fees of such action shall be added to the amount owed. No owner may waive, or otherwise escape liability for the charges provided for herein by non-use of the common area or abandonment of his lot.

Section 3. The lien for charges provided for herein shall be subordinate to tax liens and mortgage liens.

Section 4.(a) Each owner of a townhouse parcel shall be a member of the Association. The Association shall be governed by the By-Laws of the Association as set forth in Exhibit "A" attached hereto and made a part hereof and is charged with governing, operating, maintaining and managing the common areas of Pointe Panama.

Section 5.(b) ASSESSMENTS LIENS

Each owner of a townhouse parcel, by acceptance of a deed therefore, 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 and By-Laws when due. Unless otherwise expressly stated, the date that said costs, charges, and assessments are due shall be ten (10) days after demand payment is made by another owner or by the Association. If said costs, charges and assessments are not paid when due, the Association or any owner may pay same and upon payment, the owner who failed to pay said costs, charges and assessments shall be liable to the paying party for the amount paid plus interest at the highest rate allowed by law (not to exceed twenty-five (25%) percent) which amount shall be secured by a lien against said townhouse parcel of the defaulting owner. Said lien shall attach from and after the recording of a claim of lien in the Public Records of Bay County, stating the description of the townhouse parcel, the name of the record owner, the amount due and due date and the provisions of this Declaration upon which the claim is based. The lien, which shall also secure reasonable attorney's fees and court 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 6.(c) ENFORCEMENT

The Association or any owner shall have the right to enforce by any proceeding at law or in equity any covenants, conditions, restrictions,

reservations, liens and charges now or hereafter imposed by the provisions of this Declaration and in any such proceeding, the prevailing party shall be entitled to recover reasonable attorney's fees and costs. The failure of the Association or any owner to enforce any covenant, condition, restriction, reservation, lien or other provisions of this Declaration shall in no way be deemed a waiver of the right to do so thereafter.

Section 7.(d) CORRECTING VIOLATIONS

In addition to the rights and remedies granted to the Association or to any owner by this Declaration, each owner by the acceptance of any deed conveyed subject to these recorded Declarations, does hereby irrevocably consent to and grant to the Association or any other unit owner the right and license peacefully to enter upon his property for the purpose of correcting any conditions which may be in violation of this Declaration.

Section 8. It is hereby established Pointe Panama Owners Committee shall be composed of three persons who shall serve as President, Vice-President and Secretary respectively. New officers will be elected on an annual basis. The initial officers designated hereinbelow shall serve until their successors are nominated and appointed by the property owners. These officers shall serve without compensation of any description whatever. The initial officers are as follows:

Bill Moseley - President
Charles Jones - Vice President
Judy Radwick - Secretary/Treasurer

ARTICLE IV

ARCHITECTURAL CONTROL

No building, fence, wall, clothes line, antennae, or other structures shall be commenced, erected or maintained upon the properties other than those presently existing, nor shall any exterior addition to or change or alteration, including the changing of the existing color of paint or of roofing materials therein shall be made until the plans and specifications showing the nature, kind, shape, heights, materials and location of the same shall have been submitted to and approved in writing as to the harmony of the external design and location in relation to surrounding structures by the Board.

ARTICLE V.

GENERAL PROVISIONS

Section 1. Any owner shall have the right to enforce, by any

proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. The covenants and restrictions of this declaration shall run with and bind the land, for a term of thirty (30) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended by an instrument signed by not less than seventy-five percent (75%) of the lot owners. Any amendment must be recorded.

ARTICLE VI

MAINTENANCE

Section 1. Every owner shall perform promptly all maintenance and repair work within his townhouse, which, if omitted, would affect the property in its entirety or in a part belonging to other owners, being expressly responsible for damages, and liability which his failure to do so may cause. The owner of each lot shall be liable and responsible for the maintenance, repair and replacement, as the case may be, of all air conditioning and heating equipment, including the compressor therefore located upon the property, as well as for any fixtures and their connections required to provide water, light, power, telephone, cable television, sewage and sanitary services to his lot and which may now or hereafter be situated on or in his lot. Such owner shall further be responsible and liable for the maintenance, repair and replacement of any and all interior walls, ceilings, and floor surfaces, painting, decorating and furnishings, and all other accessories which such owner may desire to place or maintain his townhouse on his lot.

Section 2. The owners, in their proportionate shares, shall be responsible for the maintenance, repair and replacement of all common areas, driveways, sidewalks and all conduits, plumbing, wiring and other facilities located in or on the common area or on any lot which conduits, plumbing, wiring and other facilities are for the benefit of more than one lot. It is expressly understood that septic tanks servicing two adjoining units are not to be considered a part of the common area and the townhouse owners serviced by the septic tanks will be responsible for their own maintenance and repair. The

aforesaid maintenance, repair and replacement shall be a common expense of the lot owners, and shall be paid by assessments so provided in Article III, Section 1 and 2 hereof.

ARTICLE VII

PARTY WALL

Section 1. Each wall which is built as a part of the original construction of the homes upon the properties and placed upon the dividing line between the lots shall constitute a party wall and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use.

Section 3. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof, in proportion to such use without prejudice, however, to the right of any such owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Notwithstanding any other provision of this Article, an owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. The right of any owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

ARTICLE VIII

INSURANCE

Section 1. Each owner shall obtain fire and extended coverage insuring all of the insurable improvements on his lot. The insurance shall be in an amount which shall be equal to the maximum insurable replacement value. The premiums for such coverage and other expenses in connection with said insurance shall be paid by the owner.

Section 2. Proceeds of insurance policies received by the owner shall be used in the following manner:

(a) The reconstruction and repair of the townhouse. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, with remittance to owners and their mortgagees being payable jointly to them. This is a covenant to the benefit of any mortgagee of a townhouse and may be enforced by such mortgagee.

Section 3. Each owner has the obligation to purchase public liability insurance to protect himself against claims due to accidents within his townhouse and on his lot and shall purchase casualty insurance on the contents within said townhouse.

ARTICLE IX.

RECONSTRUCTION OR REPAIR AFTER CASUALTY

Section 1. If any part of the property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(a) If the damaged improvement is upon common area, the damaged property shall be reconstructed or repaired, unless it is otherwise determined by a majority of the owners of lots that it not be reconstructed.

(b) If the damage is to a townhouse or townhouses and any improvements on a lot or lots, damage improvements shall be repaired within one hundred twenty (120) days after the casualty.

Section 2. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original townhouses; or if not, then according to plans and specifications approved by a majority of the owners of the lots.

ARTICLE X.

USE RESTRICTIONS

Section 1. All common property shall at all times remain unobstructed.

Section 2. The throwing of garbage or trash outside of disposal installations is prohibited.

Section 3. Townhouses shall be occupied and used by their respective owners only as private dwellings for such owners, their families, tenants and social guests, and for no other purpose whatsoever.

Section 4. Residents shall exercise due care about making noises or playing music which may disturb other residents of townhouses.

Section 5. Residents of townhouses shall be permitted to keep domestic animals only if such animals do not disturb or annoy other residents of townhouses. Residents keeping domestic animals shall abide by all municipal ordinances pertaining to their regulation and shall be responsible for any inconvenience or damage caused by such animals.

Section 6. Owners shall not take or cause to be taken within their townhouses any action which would jeopardize the soundness or safety of any part of the townhouse development or impair any easement or right appurtenant thereto or affect the common property without the unanimous consent of all owners of townhouses who might be affected thereby.

Section 7. Owners shall not permit anything to be done or kept in their units that would increase the rate of fire insurance thereon.

Section 8. No immoral, improper, offensive, or unlawful use shall be made of a townhouse or any part thereof, and each owner shall, at his own expense, comply with all city, state, federal laws, statutes, ordinances, regulations, orders or requirements affecting his townhouse.

IN WITNESS WHEREOF the undersigned, being the Declarants herein, have hereunto set their hands and seals.

A. <u>Michael J. Radwick</u> Owner	<u>Judy J. Radwick</u> Owner
B. <u>Ann A. Hewlett</u> Owner	_____ Owner
C. <u>Dawn L. Gardner</u> Owner	_____ Owner
D. <u>Toni & Kay Wilson</u> Owner	_____ Owner
E. <u>Virginia W. Hill</u> Owner	_____ Owner
F. <u>Emily C. Cole</u> Owner	<u>Priscilla D. Gray</u> Owner
G. <u>Colleen L. Luff, Jr.</u> Owner	<u>James S. Mitchell</u> Owner
H. <u>Will L. Monday, Sr.</u> Owner	<u>Annelle H. Jones</u> Owner
I. <u>_____ Owner</u>	_____ Owner
J. <u>_____ Owner</u>	_____ Owner