

Miller's Run at Bluewater Bay
Covenants, Conditions, and Restrictions

Key Lime Bluewater Corporation (Owner) and Key Lime Development Corporation (Developer), each a Florida corporation, 635 Birkdale Circle E., Niceville, Florida, 32578, are, respectively, the Owner and Developer and jointly the Declarant of the thirty-eight lots and all common areas of Miller's Run at Bluewater Bay, said lots and common areas referred to as the Property, a Planned Unit Development subdivision in Sections 22 and 23, Township 1 South, Range 22 West in Okaloosa County, Florida as recorded in Plat Book 16, Page of the Official Records of Okaloosa County. In order to enhance the value of the Property and to maintain the residential character and quality of the subdivision, the Declarant hereby encumbers and restricts the Property with the following covenants, conditions, and restrictions and declare that such covenants, conditions, and restrictions shall apply to and bind the Declarant, their successors, and assigns, the Miller's Run of Bluewater Bay Homeowner's Association, Inc. (Association) and any subsequent owner of any lot or the common areas, for the term set forth hereinafter and that said covenants, conditions, and restrictions shall run with the land.

1. Property Use: Each and all of the lots of the Property are for single family detached residential purposes only and shall exclude any duplexes or multifamily or apartment uses. No lot can be used for any purpose other than single family residential and no improvements constructed on the lots can be other than residential in appearance and in use. This requirement shall not prohibit the Developer from designating and utilizing from time to time various lots and improvements for model homes and for sales, construction, and general offices. The common areas of the Property are to be dedicated to and maintained by the Association for the common use and enjoyment of the members of the Association and their guests and invitees.

2. Building Setbacks: The setbacks for buildings shall be: all road frontage setbacks shall be no less than twenty (20) feet from any lot line along any road frontage; side yard setbacks shall be no less than five (5) feet from the side lot line at any point on the side lot line and each house shall be no less than ten (10) feet from any adjacent house; rear setback shall be no closer than ten (10) feet from the rear lot line at any point on the rear lot line, except for Lots 13 through 22 and Lots 25 through 27 where the rear setback shall be no less than thirty-five (35) feet from the rear lot line and Lots 23 and 24 where the rear setback shall be no closer than thirty (30) feet at any point on the rear lot line. For these covenants, eaves, air conditioning and heating units and pad, chimneys, patios, sidewalks, and driveways, shall not be considered part of the building. The Declarant reserve the right to grant, in writing, minor variances from these setback requirements.

3. Fencing: Any fencing must be approved by the Declarant and/or the Architectural Review Committee of the Association, whichever entity would be the appropriate one to make such approval. Requests to construct a fence must be written with a site plan showing lot dimensions, setbacks, location of improvements, existing fencing, and proposed fencing, including elevations, height, materials, colors, and other pertinent details of the proposed fencing. The preferred materials will be wood, brick, stucco, or vinyl and a height no more than six feet. The perimeter of any rear yard fence shall be at least three inches inside the rear lot line of the lot and the perimeter of any side yard fence shall be at least three inches inside the side lot line of the lot. The fence shall extend no farther than the front of the house that is constructed on the lot. Fencing is prohibited from the front building line to the front lot line. No metal, wire, or chain link fences are allowed.

4. Antenna: No exposed exterior radio or television transmission or receiving antenna shall be allowed on any lot or improvements. No satellite dish greater than twenty-four inches in diameter shall be permitted on any lot and such satellite dish can be installed only in a rear or side yard and shall not be visible from any street. Any lot with a permitted satellite disk must be fenced in the manner described within these covenants.

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5. House Defined: The word house, residence, building, structure, or dwelling as used herein shall include galleries, porches, projections, and every other permanent part of such improvements. No detached garages, outbuildings, or other detached structures shall be constructed on any lot in the subdivision unless the Declarant or the Architectural Review Committee, whichever is appropriate, shall have given written permission for such construction.

6. Completion of Construction: Construction of the improvements on the lot must proceed on a continuous and timely basis and must be completed within six months of the start of construction which shall be the earlier of the filing of the Notice of Commencement or the setting of foundation forms, whichever occurs first. No building materials or temporary building of any kind shall be placed or stored on the property until the lot owner is ready to commence construction and at that time such material or temporary building shall be placed within the property line of the lot upon which the improvements are to be constructed. No materials or temporary building shall be placed in the street or between the curb and the property line. Any such temporary building or structure and unused materials shall be removed from the lot immediately upon the completion of construction or within six months after such material or temporary building was placed thereon, whichever is sooner.

7. Pets: No pets or animals, other than domesticated dogs and cats, are allowed on any lot or improvements and no more than two in total of domesticated cats and/or dogs shall be permitted on any lot. Use of such pets as stock or breeding animals is prohibited. The dogs and cats are the responsibility of the owners and shall be confined to the lot and improvements unless leashed and under control of the owner. Owners of dogs and/or cats are responsible for maintaining their yards and houses clean from animal waste and smell and are responsible for preventing prolonged noise from their dogs and cats.

8. Permitted Uses and Related Matters: Only single family residential use is permitted on the Property and each lot in the Property and illegal activities are prohibited. Therefore, any storage or use of noxious, odoriferous, polluting, illegal, or dangerous materials of any type or nature is prohibited on each lot and improvements. No trash, garbage, or refuse shall be allowed to accumulate on any lot or the Common Area. Except on a day for trash collection, all trash containers shall be kept inside the garage or within a screened area at the side of the house. No fires are permitted for the burning of garbage, trash, refuse, leaves, clippings, etc. Each front yard and each side yard is to be kept free from being used for parking or storing any vehicle, boat, trailer, camper, or any type or form of equipment or device, including toys, bicycles, skateboards, and similar items. Driveways may not be used except to park automobiles and small trucks of 3/4 ton or less. No boat, camper, motorhome, motorcycle, or anything other than the above noted automobiles and trucks can be parked in the driveway.

9. Minimum Square Footage: The minimum square footages of any house shall be as follows: (A) Lots 1 through 12 and Lots 28 through 38: the minimum square footage shall be fourteen hundred (1400) square feet; (B) Lots 13 through 27: the minimum square footage shall be sixteen hundred (1600) square feet. The minimum square footages are of heated and cooled space and this minimum square footage shall be exclusive of garages, patios, breezeways, and porches. Each house shall have a garage and garage door with the garage capable of holding at least two automobiles. Garage doors shall be closed at all times other than when used to park or remove cars. There shall be no mobile homes nor modular homes allowed on any lot, except that roof and floor trusses can be manufactured offsite. The Declarant may use a trailer for construction, sales, and general purposes, but only during the time the Declarant has lots and/or houses for sale.

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10. Signs: Other than the subdivision identification signs of the Developer, the only signs that will be allowed on any lot or improvements will be a small sign advertising that the lot and/or improvements are for sale. These for sale signs shall be no more than three feet wide and no more than four feet high. Small lot identification signs are allowed. This provision shall not prohibit the Owner or the Developer from maintaining such signage as deemed necessary to carry out the sale of lots and/or houses owned by the Owner or the Developer.

11. Certain Prohibitions: On any and all lots, the following are prohibited: (1) any mining, surface or subsurface; (2) any exploration or production or storage of oil, natural gas, or any types of hydrocarbon or petroleum products; (3) any fuel tanks or storage tanks of any kind; (4) temporary structures of any kind except as required during construction of the improvements.

No window air conditioning or heating units of any kind may be placed in any window, door, or opening on the improvements. All conditioning systems are to be central air systems. The hanging of clothes on outside lines is prohibited.

All utility lines shall be underground and no overhead lines or wires or wiring of any kind will be allowed on any lot, including the improvements, other than temporary utility service lines needed for construction of the improvements.

No structure or planting shall be permitted on any lot or the Common Area if such structure or planting would unreasonably obstruct motor vehicle traffic.

12. Lot Owner Obligations: Each lot owner must reasonably maintain the lot, including but not limited to regular watering, fertilizing, mowing, trimming, and planting of the lawn and the landscaping. Each lot owner must reasonably maintain the improvements, including but not limited to painting, cleaning, and repairing the building and its components and the sidewalks, driveways, and patios. In the event of any partial or total damage or destruction of any building or improvements, the lot owner shall immediately commence to repair and rebuild the damage or destruction and to place the building and improvements in the same or better condition as existed prior to the damage or destruction. Each lot owner agrees to obtain and keep in place property damage insurance in amounts equal to the replacement value of the improvements and to apply insurance proceeds to the prompt repair and rebuilding of the improvements..

13. Terms of Covenants: These covenants and restrictions are to run with the land and are to be binding upon all parties for a period of twenty years from this date. These covenants and restrictions shall renew automatically for successive ten year periods unless amended in writing, in whole or in part, by seventy five percent of the lot owners with one vote for each lot. Such amendments must be properly recorded in the public records of Okaloosa County or its successor. For the time the Developer owns any lot, the approval of the VA and/or HUD may be required.

14. Legal Enforcement: These covenants shall be construed under the laws of the State of Florida. Enforcement shall be by available proceedings under law or equity for those who violate these covenants or restrictions. The invalidation of any portion of these covenants or restrictions shall not invalidate or impair the other provisions of these covenants and restrictions.

15. Amendments: For the time the Declarant has ownership of one or more lots, it shall have the authority to: (1) amend these covenants and restrictions to cure any ambiguity or inconsistency of the covenants and restrictions; (2) to release any lot from violations that they deem to be minor in nature; and (3) to include in any lot deed additional restrictions that do not lower the standards of these covenants and restrictions. These powers shall be available to the Association in accordance with their by laws and articles of incorporation.

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16. Construction Approval: Prior to any construction or any addition to any construction located on any lot in the subdivision, the lot owner or contractor must submit a written request for approval to the Declarant or the Architectural Control Committee of the Association, as appropriate, and said request shall include the site plan including driveways and walks, the floor plan, the elevation of the proposed single family residence, the plan specifications, and any landscape plan, fence, deck, patio, or other addition or component. The approval or rejection shall be made in writing within thirty days of the date of the submittal. Failure to notify the lot owner shall mean that such submitted items have been approved.

17. Utility Easement: An easement on each lot in the subdivision is granted to the utility companies in order to service, maintain, and repair any overhead and underground utilities that service the lots. The utility companies shall be required to leave the lots in the same general condition as existed prior to said service, maintenance, and repair, except for removal, in whole or in part, of plants, including trees, that were the proximate cause of the service, maintenance, or repair.

18. Violations of Covenants: Violation of any restrictions or covenants shall give the Declarant or its duly appointed representative or the Association the right to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the property owner and such abatement or removal shall not be deemed as trespass. If any owner, tenant, or occupant of any property shall violate or attempt to violate any of the covenants or restrictions, it shall be lawful for the Declarant, its duly authorized representative, or any other person or persons having any ownership interest in any other lot within the subdivision, to prosecute any proceeding at law or in equity against such owner, tenant, or occupant and to either prevent them from the violation or recover damages from such violation.

In the event the Declarant or its duly authorized representative or the Association shall commence any proceeding to enforce these covenants, conditions, and restrictions or to defend any such suit regarding 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 the Declarant or its duly authorized representative or the Association all costs, including reasonable attorney's fees, for the bringing or defending of such action. In no event shall a violation of any covenant, condition, or restriction herein contained work a forfeiture or reverter of title.

19. Assessments and Dues and the Common Areas: The common areas of the Property shall be dedicated and maintained by the Association for the mutual benefit of the members of the Association. The Association shall be authorized to collect dues and assessments from the lot owners to pay for all costs associated with the ownership and maintenance of the common areas. The initial costs of maintenance of the common areas shall be the responsibility of the Owner until such time as Florida law allows such these costs to be borne by the Association. The initial dues and assessments of the Association are projected to be no more than \$100.00 per lot per year.

20. Architectural and Construction Guidelines: The design of the homes on the lots shall follow a traditional style. The exterior of the homes shall be of brick, stucco, siding, or a combination of such materials. The homes shall be no more than two stories in height and shall have a minimum roof pitch of six to twelve (6/12). All yards shall be fully sodded by the contractor, except that the rear setback may be a combination of sod and landscape, and the front of the home shall be landscaped with a minimum of thirty plants and shrubs. Each lot shall have its mailbox and exterior lamp pole approved by the Developer. Each lot owner and its contractor shall use reasonable and prudent effort to retain mature trees on the lot.

21. Effective Period: These covenants, conditions, and restrictions and any amendments shall run with the land and be effective until December 31, 2037. Thereafter, they shall remain in effect until two-thirds of the Lot Owners vote to extinguish them.

22. Amendments: These covenants, conditions, and restrictions may be amended when two-thirds of the lot owners and the Declarant vote to make such amendments.

23. The Association:

(A-1) Membership: Every lot owner shall be a member of the Association. Membership shall be appurtenant to and inseparable from the ownership of any lot. When more than one person holds an ownership interest in any lot, all such persons shall be members and all such persons shall determine how the vote for their lot is exercised, but in no event shall more than one vote be allowed for any one lot.

(A-2) Classes of Membership: The Association shall have two classes of voting membership: (1) Class A: All Owners except the Declarant while Declarant is a Class B member. Each Class A membership shall be entitled to one vote for each lot owned but only one vote per lot. (2) Class B: The Class B member shall be the Declarant and its designated successors and assigns. The Class B member shall be entitled to three votes for each lot owned. The Class B membership shall cease and be converted to Class A membership when the Declarant or its designated successors or assigns ceases to be a record owner of any lot or by December 31, 2001, whichever occurs first.

(A-3) Powers and Duties: The Association shall have the powers as provided in its By-laws and such other powers legally available to operate the Association and carry out the duties and responsibilities of the Association. The Association shall have the duty and obligation to keep the Common Area in a first class condition, to maintain and operate the Association pursuant to its By-laws and this Declaration, and to perform such duties and obligations imposed by this Declaration and the Association by-laws to protect the Property and the Common Area.

(B) Property Rights: Every lot owner shall have a right and easement of use and enjoyment to the Common Area and such right and easement shall run with the each lot, subject to : (1) the right of the Association to suspend the voting rights of any lot owner for any period during which any assessment against his lot is past due; (2) the right of the Association to sell or dedicate or transfer all or any part of the Common Area as approved by no less than two-thirds of each class of members; (3) the right of the Association to levy reasonable dues and/or assessments for the maintenance of the Common Areas and any improvements, for the operation of the Association, for the operation and maintenance of any permitted or exempted stormwater management system and/or stormwater drainage system and for any other related cost. Subject to Association rules, the Lot Owner may delegate his Common Area right and easement to members of his family, guests, and tenants. The Lot Owner will remain responsible for the acts of those to whom he has delegated such right and easement of use.

(C) Covenant for Assessments: The Declarant, for each lot within the Property, hereby covenants and each subsequent owner of any lot, whether or not it shall be so expressed in a deed or other conveyance instrument, is deemed to covenant and agree to pay to the Association: (1) annual assessments, dues, or charges; (2) special assessments for capital improvements or other approved expenditures; (3) special assessments or charges imposed upon an individual lot owner for repair or maintenance necessitated by the willful or negligent act of the lot owner and/or the lot owner's family, guests, tenants, invitees, and agents. The annual and special assessments, together with interest, costs, and reasonable attorney fees, shall be a charge on the lot and shall be a continuing lien upon the lot against which such assessment is made. Each such assessment shall also be a personal obligation of each person who was a lot owner at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title unless expressly assumed by them.

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(D) Purpose of Assessments: Assessments levied by the Association shall be used to promote the recreation, health, safety, and welfare of the residents of the lots and for the operation of the Association and for the maintenance, operation, and improvement of the Common Areas. Annual assessments may be used to maintain the private roads and the attendant landscaping, SIGNAGE, lighting, including street lighting, watering system, utility charges, property and other taxes, insurance, and other expenses necessary to the operation of the Association. All or part of the annual or special assessments may be applied to a sinking fund to provide for future repairs, maintenance, and replacement of the Common Area private roads. If the need for maintenance or repair is necessitated by the willful or negligent act of the lot owner and/or the lot owner's family, guests, tenants, invitees, and agents, the cost of such maintenance or repair shall be added to and become a part of the assessment to which such lot and lot owner are subject.

(E) Annual Assessments: The Association's Board, with the approval of a majority of the members present and voting at a meeting of the membership called for such purposes, shall establish the amount of the annual assessment which must be fixed at a uniform rate for all lots, except additional assessments applied to specific lots as necessitated by the willful or negligent act of the lot owner and/or the lot owner's family, guests, tenants, invitees, and agents. Annual assessments may be collected in advance and/or on a monthly, quarterly, or annual basis as established by the Board. The maximum annual assessment may be increased by no more than 10% of the previous annual assessment unless two-thirds of the members approve a greater increase.

(F) Special Assessments for Capital Improvements: In addition to the annual assessment, the Association may levy in any year a special assessment for the purpose of defraying, in whole or in part, the cost of any addition or repair or replacement of a capital improvement upon the common area. Each special assessment shall have the approval of at least two-thirds of the votes of all lot owners who vote in person or in proxy at a meeting duly called for this purpose.

(G) Notice and Quorum: Written notice shall be sent to all members of any meeting called for the purpose of taking any action on or about the annual or special assessments. The notice shall be sent no more than sixty days before and no less than ten days before the meeting. At the initial called meeting, the presence of fifty percent of the eligible members votes, in person or proxy, shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum of the subsequent meeting shall be fifty percent of the required quorum of the previous meeting. No such subsequent meeting shall be held more than thirty days following the preceding called meeting.

(H) Date of Commencement of Annual Assessment: The first annual assessment for all lots shall be due and payable on the first of January in the year that follows the first lot transfer (in title) from the Owner or the Developer to a third party. Each annual assessment shall be set by the Association Board no later than thirty days prior to January 1 of each year and each member shall be notified in writing of the assessment and the due date. The Association, upon demand and for a reasonable charge, shall furnish a certificate, signed by an Association officer, that state whether the assessments on a specified lot have been paid. At the time of lot conveyance, dues and assessments for the current year shall be prorated and any past due moneys collected, subject to the provisions herein.

(I) Non payment and Association Remedies: Any dues and/or assessment more than thirty days past due shall bear interest from the due date at a rate of eighteen percent per annum or the maximum legal rate, whichever is less. The Association may bring an action at law against the lot owner and/or foreclosure of the lien against the lot. No owner may waive or otherwise escape liability for the assessments provided for herein by the non-use of the Common Area or by abandonment of its lot.

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(J) Subordination of Lien: The lien of the assessments provided for herein shall be subordinate to any first mortgage. Sale or transfer of a lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability from any assessment thereafter becoming due or from the lien thereof.

(K) Declarant's Veto: The Declarant, so long as it holds title to any lot within the subdivision, shall have the right to veto any action of the Board and shall further have the right to appoint all Directors to the Board as the Declarant shall see fit. Declarant shall retain this right until all lots are sold by the Declarant, unless Declarant gives written notice to forego this right. Declarant shall not be obligated to pay assessments except in that sum which the Declarant determines to be reasonable and appropriate. Lots owned by the Declarant are not subject to assessment liens.

24. Definitions:

Association - the Miller's Run at Bluewater Bay Homeowner's Association, Inc. and its successors and assigns.

Board/Board of Directors: the elected body of the Association.

Common Area: The real property of Miller's Run at Bluewater Bay that is designated on the plat as "Private Road" and is to be dedicated to the Association for the common use of the members of the Association; any future real and personal property owned by the Association.

Common Expense: the expenses of operating the Association and the Common Areas, including any reasonable reserve, as may be determined by the Association and its Board, by-laws, Articles of Incorporation, and these covenants, conditions, and restrictions.

Declarant: Key Lime Bluewater Corporation and Key Lime Development Corporation, respectively the Owner of the Property and the Developer of the Property and their duly authorized successors and assigns.

Developer: Key Lime Development Corporation and its duly authorized successors and assigns.

Lot Owner: The person and/or entity and/or persons and/or entities who have title to or in one or more Lot/Residence in the subdivision.

Lot/Residence: Lot or Residence shall mean any of the thirty-eight lots, including all improvements, of the Property. The Common Area is specifically excluded from the definition of Lot/Residence.


Member: A person or persons or entity or entities entitled to the rights and obligations of the Association with the understanding that there will be only one Association vote per Lot/Residence.

Person: A natural person, a corporation, partnership, and any other legal entity.

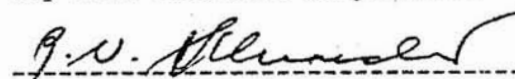
Property: Miller's Run at Bluewater Bay, the real property as recorded in the official records of Okaloosa County, Plat Book 16 Page 96.

In witness thereof, the undersigned has caused these covenants and restrictions to be signed as of this 21 day of August, 1997.

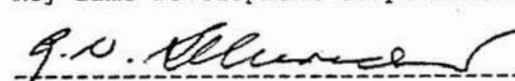
Witnesses


MICHAEL W. MEAD
~~Isabel Treadway~~
ISABEL TREADWAY

Key Lime Bluewater Corporation

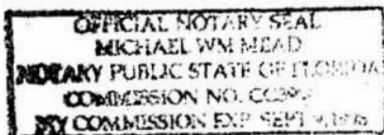

R. V. Schroeder, President

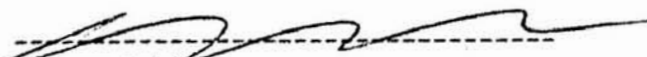
Key Lime Development Corporation


R. V. Schroeder, President

State of Florida
County of Okaloosa

Before me, the undersigned authority, appeared R. V. Schroeder, personally known to me and who is the President of Key Lime Development Corporation, a Florida corporation and who did not take an oath, and acknowledged the execution thereof to be his free act and deed for the uses and purposes therein expressed.
Witness my hand and official seal this 21 day of August, 1997.




Notary Public:
My Commission Expires:



FILE # 1571024 RCD: Aug 25 1997 @ 02:45PM
Newman C. Brackin, Clerk, Okaloosa Cnty Fl