

P.C. Law
Johnnie A. Hill #400

DECLARATION OF RESTRICTIONS, CONDITIONS, EASEMENTS,
COVENANTS, AGREEMENTS, LIENS AND CHARGES

GlenEagle at Diamondhead

Phase I

BOOK 88-115 PAGE 404

THIS DECLARATION, made this 1st day of January, 1995, by
PURCELL CO., INC. (formerly DIAMONDHEAD CORPORATION), a Delaware
corporation, hereinafter called "Declarant";

W I T N E S S E T H:

WHEREAS, Declarant is the owner of that certain real property
located in Hancock County, Mississippi, as set forth on that
certain survey map or plat entitled:

"GlenEagle at Diamondhead
Hancock County, Mississippi"

consisting of two (2) sheets (hereinafter sometimes referred to as
"Map"), which map or plat is recorded in Plat Book 8, at Pages 19
and 20, in the Office of the Chancery Clerk of Hancock County,
Mississippi, said property also being particularly described on
said map; and

WHEREAS, it is the desire and intention of Declarant, its
successors and assigns, to sell the above described real property
and to impose upon it mutual, beneficial restrictions, conditions,
easements, covenants, agreements, liens and charges under a general
plan or scheme of improvement within Diamondhead as defined in that
certain Supplemental Agreement recorded in Book 2A97 at Page 491 in
the Office of the Chancery clerk of Hancock County, Mississippi,
for the benefit of all the said lands, and the future owners of
said land.

NOW THEREFORE, Declarant, for itself and its successors and
assigns, hereby declares that all of the property described above
is held and shall be held, conveyed, hypothecated or encumbered,
leased, rented, used, occupied and improved subject to the
following provisions, restrictions, conditions, easements,
covenants, agreements, liens and charges, all of which are declared
and agreed to be in furtherance of a plan for the subdivision
improvement and sale of the said real property and are established
and agreed upon for the purpose of enhancing and protecting the
value, desirability and attractiveness of said real property and
every part thereof, and all of which shall run with the land and
shall be binding on all parties having or acquiring any right,
title or interest in the described lands or any part thereof.

I

TERM

All of the provisions, restrictions, conditions, easements,
covenants, agreements, liens and charges set forth herein shall
affect each and all of the above described lots delineated on said
map, shall run with the land and shall exist perpetually and be
binding upon all parties and all persons claiming under them,
unless annulled, amended or modified pursuant to the provisions of
Article XX hereof.

II

MUTUALITY OF BENEFIT AND OBLIGATION

All of said restrictions, conditions, easements, covenants,
provisions, agreements, liens and charges set forth herein are made

for the mutual and reciprocal benefit of each and every lot shown on said map and are intended to create mutual, equitable servitudes upon each of said lots in favor of each and all other lots shown on said map; to create reciprocal rights between the respective owners of all the lots shown on said map; to create a privity of contract and estate between the grantees of said lots, their heirs, successors and assigns; and, shall as to the owner of each lot in said subdivision, his heirs, successors or assigns, operate as covenants running with the land for the benefit of each and all other lots in said subdivision and their respective owners.

III

LAND USE

All lots, tracts and parcels of the subdivision shall be used only as herein set forth and zoned, and such designated usage can be changed only by the approval of the GlenEagle Architectural Committee (hereinafter "Architectural Committee") as provided for herein. All lots of the subdivision shall be used only for single family residence, except those lots whose use is specifically indicated for purposes other than single family as set forth herein, except that nothing contained in this Declaration shall be construed to prevent Declarant or its successors or assigns, from erecting and maintaining, or authorizing the erection and maintenance of structures and signs for the development and sale of the subdivision while the same or any part thereof is owned by the Declarant, its successors or assigns.

IV

USE AND IMPROVEMENT

Each and every one of the lots and tracts of the subdivision described above shall be improved, occupied and used for the respective purposes and permitted uses as designated in the following Zoning Classifications:

A. ZONE R-S-2-2,000 Residential - Single Family - Two-story - 2,000 Sq. Ft.

Zone R-S-2-2,000 defined:

1. Improvements on each lot within this zone shall be used exclusively for the purpose of a single family residence.
2. A residence within this zone shall be limited to a maximum of two stories in height wherein a second story shall be defined as any floor level which lies at an elevation of more than five (5) feet but less than twelve (12) feet above any other floor level within the same residence.
3. The Architectural Committee has the authority to set up additional regulations as to the height and size requirements for all buildings and structures within this zone including fences, walls, eaves, trellises, copings and other surfaces, projections and appendages as will visibly affect the appearance of said buildings and structures.
4. A residence within this zone shall contain not less than two thousand square feet (2,000 sq. ft.) of fully enclosed floor area devoted to living purposes with a minimum of thirteen hundred square feet (1,300 sq. ft.) contained on the first floor. Said floor area shall be exclusive of roofed or unroofed porches, terraces, garages, carports and other out buildings and shall be computed from faces of exterior walls.
5. Permits and/or approvals for the construction of improvements on properties zoned R-S-2-2,000 shall be

issued only as a result of a thorough review of a complete and detailed set of construction plans of the proposed building by the Architectural Committee (construction shall thereafter commence only upon receipt of written approval or permit by the Architectural Committee). Plans submitted to the Architectural Committee for approval shall include the following:

- (a) Site development plan, including drives, paths, fences, decks, patios and all proposed improvements in connection with such building.
 - (b) Landscaping plan to include all trees, bushes and various plantings, etc.
 - (c) Complete and detailed construction plans and specifications to include all exterior elevations, materials to be used and colors.
6. The following lots are zoned R-S-2-2,000 and shall be improved only in strict conformance with the definitions and restrictions of that zoning classification:

Lots 1-9, inclusive;
 Lots 23-47, inclusive;
 Lots 103-112, inclusive;
 Lots 116-118, inclusive;
 Lots 120-122, inclusive;
 Lots 124-125, inclusive;
 Lots 130-132, inclusive; and,
 Lots 136-150, inclusive.

B. ZONE R-S-2-1,800 Residential - Single Family - Two-story - 1,800 Sq. Ft.

Zone R-S-2-1,800 defined:

1. Improvements on each lot within this zone shall be used exclusively for the purpose of a single family residence.
2. A residence within this zone shall be limited to a maximum of two stories in height wherein a second story shall be defined as any floor level which lies at an elevation of more than five (5) feet but less than twelve (12) feet above any other floor level within the same residence.
3. The Architectural Committee has the authority to set up additional regulations as to the height and size requirements for all buildings and structures within this zone including fences, walls, eaves, trellises, copings and other surfaces, projections and appendages as will visibly affect the appearance of said buildings and structures.
4. A residence within this zone shall contain not less than eighteen hundred square feet (1,800 sq. ft.) of fully enclosed floor area devoted to living purposes with a minimum of eleven hundred square feet (1,100 sq. ft.) contained on the first floor. Said floor area shall be exclusive of roofed or unroofed porches, terraces, garages, carports and other out buildings and shall be computed from faces of exterior walls.
5. Permits and/or approvals for the construction of improvements on properties zoned R-S-2-1,800 shall be issued only as a result of a thorough review of a complete and detailed set of construction plans of the proposed building by the Architectural Committee (construction shall thereafter commence only upon receipt of written approval or permit by the Architectural Committee). Plans submitted to the Architectural Committee for approval shall include the following:

- (a) Site development plan, including drives, paths, fences, decks, patios and all proposed improvements in connection with such building.
 - (b) Landscaping plan to include all trees, bushes and various plantings, etc.
 - (c) Complete and detailed construction plans and specifications to include all exterior elevations, materials to be used and colors.
6. The following lots are zoned R-S-2-1,800 and shall be improved only in strict conformance with the definitions and restrictions of that zoning classification:

Lots 10-21, inclusive;
 Lots 48-102, inclusive;
 Lots 113-115, inclusive;
 Lot 119;
 Lot 123;
 Lots 126-129, inclusive; and,
 Lots 133-135, inclusive.

C. ZONE PCD Planned Community Districts

Zone PCD defined:

Lots or tracts within the boundaries of the GlenEagle development that are reserved for future use to be determined by Declarant. Declarant may file of record a Supplementary Declaration(s) with respect to lots or tracts zoned PCD which Declaration(s) shall specifically address additional restrictions that Declarant may elect to impose upon said property pursuant to this Section IV(C).

- 1. A use permit, building permit, or other legal document which shall be construed as an approval to construct improvements on, alter, or otherwise affect the existing grades, vegetation, or other natural characteristics of property zoned PCD cannot be issued by any party other than Declarant.
- 2. Permits and/or approvals for the construction of improvements on properties zoned PCD shall be issued only as a result of a thorough review and thereafter approval by Declarant and the Architectural Committee of a complete and detailed set of construction plans for the proposed construction, which shall include the following:
 - (a) Site development plan to include drives, paths, fences, decks, patios, signs and all proposed improvements.
 - (b) Landscaping plan to include all trees, bushes, etc.
 - (c) Complete and detailed construction plans to include all exterior elevations, materials and colors.
 - (d) Concept sketch in color to include the entire subject site and peripheral areas illustrating the plan as it will appear in its completed state.
- 3. The following tracts are zoned PCD and shall be improved only in strict conformance with the definitions, restrictions and procedures of that zoning classification:

Lot 22;
 Lots 181-189, inclusive; and,
 Parcels B, C, G and H.

D. ZONE RSG Recreational - Scenic - GreenZone RSG defined:

A lot or tract devoted to the preservation of the existing natural characteristics of the region, or improved as a landscaped scenic area or park, or improved as an open recreation area for games, hiking, equestrian trails, botanical gardens, fossil study, golf courses, beaches, lagoons, landscaped median planters, landscaped buffer strips for vision, acoustical and wind control and such other uses as may be determined to be compatible with the uses permitted in this zone.

1. Structures to be erected on Zone RSG are restricted to those of a non-residential type and shall be specifically designed for serving a recreational orientated activity directly related to the same lot or tract on which they are constructed.
2. Permits and/or approvals for the construction of improvements on properties zoned RSG shall be issued only as a result of a thorough review of a complete and detailed set of construction plans of the proposed building by the Architectural Committee (construction shall thereafter commence only upon receipt of written approval by the Architectural Committee). Plans submitted to the Architectural Committee for approval shall include the following:
 - (a) Site development plan, including drives, paths, fences, decks, patios and all proposed improvements in connection with such building.
 - (b) Landscaping plans to include all trees, bushes and various plantings, etc.
 - (c) Complete and detailed construction plans and specifications to include all exterior elevations, materials to be used and colors.
3. The following tracts are zoned RSG and shall be improved only in strict conformance with the definition and restrictions of that zoning classification:

Parcels A, D, E and F.

E. APPROVAL TO BUILD

Property owners wishing to construct residences in any classification must submit two (2) sets of plans as set forth above for each classification, along with such applicable, reasonable fees as may be designated by the Architectural Committee, prior to and well in advance of the time they intend to commence construction, as it is not permissible to proceed with construction until such a time as written authorization and approval of such plans submitted have been received from the Architectural Committee. Construction shall comply with the requirements of the National Electrical Safety Code and Southern Building Code as may amended from time to time including hurricane amendments. Plans for approval should be mailed to the GlenEagle Architectural Committee, c/o Diamondhead Country Club and Property Owners Association, Inc., 5300 Diamondhead Circle, Diamondhead, Mississippi 39525.

F. BUILDING SETBACK - STANDARDS

Setbacks on each side from the side property line of all residential lots zoned R-S-2-2,000 or R-S-2-1,800 shall be

a minimum of five (5) feet; however, the minimum combination of the two side setbacks on any residential lot shall be fifteen (15) feet. Front setbacks shall be a minimum of twenty (20) feet from the front of each lot. Rear setbacks for said lots shall be a minimum of twenty (20) feet from the rear of each lot. In the event of any conflict between these requirements and any others later imposed by any governmental authority, such other shall govern.

G. MINIMUM BUILDING ELEVATIONS

No living area of any building shall be constructed with a finished floor level at an elevation of less than plus 12.5 feet above sea level without written notification to the Architectural Committee by the owner of the lot on which the building will be built, together with an approval in writing from the Architectural Committee authorizing said building to be constructed at a floor level of less than plus 12.5 feet. The Architectural Committee has the right to disapprove any plans which in locating the finished floor elevation will impair an adjacent lot's view.

H. SEWAGE DISPOSAL AND WATER SYSTEM

1. Owners of homes completed prior to the completion of the central sewage system and/or water system must make connection to such systems within thirty (30) days after completion of each such system.
2. No permits and/or approvals for the construction of improvements on any lots shall be granted or approved by the Architectural Committee unless and until the property owner desiring such approval shall have made satisfactory arrangements with a licensed plumber, for making connections to the central sewer system and the central water system for such property owner's lot in compliance with the rules and regulations of the Diamondhead Water and Sewer District.

I. TEMPORARY STRUCTURES

No structure of a temporary character, basement, tent, shack, trailer, camper, garage or any other outbuilding shall be used on any lot at any time as a permanent or temporary residence, or dwelling, except under a temporary written permit which may be granted, upon specific time limitations of such use, in the discretion of the Declarant. Nor shall such be placed on or erected on any lot or lots; provided however, that the Architectural Committee may grant permission for such temporary buildings or structures for the storage of materials during construction by the persons doing such work.

J. HOME CONSTRUCTION REQUIREMENT

1. Within four (4) years from the initial conveyance by Declarant of title to a lot in this subdivision, home construction on the property, in accordance with plans and specifications approved by the Architectural Committee as herein provided, must be substantially complete. This restriction constitutes a part of the consideration for the initial purchase of the property and is intended to allow and promote neighborhood development while discouraging speculation. If a property owner (his successors or assigns) fails to comply with this home construction requirement, then Declarant shall have the right, but not the obligation, to repurchase the property for the amount paid by initial purchaser to Declarant or the current fair market value of the property, whichever is less, plus the

cost or fair market value, whichever is less, of any improvements made in accordance with plans approved by the Architectural Committee. Any mortgage, deed of trust, or lien on the property, all closing costs for the repurchase and a resale fee of twenty percent (20%) shall be deducted from the amount paid to the owner by Declarant.

2. Unless notice of Declarant's intention to exercise the aforesaid repurchase option shall be filed of record in the land records of the Office of the Chancery Clerk of Hancock County, Mississippi, within thirty (30) days after the expiration of the said four (4) year construction term, Declarant's repurchase option shall automatically terminate.
3. The work of constructing, altering or remodeling any building on any lot or lots shall be pursued diligently from the commencement until completion thereof.

K. LOT GRADING AND FILLING

1. All planned lot grading shall be approved in advance by the Architectural Committee.
2. No lot may be filled to a point higher than the highest point on the lot in its natural state. All lot filling shall be approved in advance by the Architectural Committee.
1. Property owners shall be required to maintain their property in such a condition as to minimize off-site damage from erosion, sediment deposits and storm water. In the event of residence construction, the foregoing requirement shall be in effect from the beginning of site preparation, and property owner shall be responsible for any resultant damages suffered by off-site erosion, sediment deposit or storm water caused by such site preparation and/or construction.

L. NUISANCES

No noxious or offensive activity shall be carried on upon any of the development, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

M. BUSINESSES

No businesses shall be operated on residential lots except for the real estate sales business of Declarant.

N. REFUSE

No lot shall be used or maintained as a dumping ground for rubbish, refuse or garbage. Garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the disposal or storage of such matter shall be kept in a clean and sanitary condition, and all incinerators shall be approved by the Architectural Committee before installation or use.

O. BOAT AND TRAILER STORAGE

No boat, boat trailer, travel trailer, camp trailer, house trailer, mobile home, camper or other similar property shall be stored on any of the development without the prior written approval of the Architectural Committee.

P. RADIO AND TELEVISION ANTENNAE

No television or radio antennae, satellite dishes or towers may be erected or maintained anywhere upon the development without prior written consent of the Architectural Committee.

Q. LAUNDRY AND CLOTHES LINES

No outside laundry or clothes lines shall be permitted on any lot within the GlenEagle subdivision.

R. PETS AND OTHER ANIMALS

No livestock of any description may be kept or permitted on the property with the exception of dogs, cats and other animals which are qualified household pets, and which do not make objectionable noise or constitute a nuisance or inconvenience to owners of other lots nearby. No raising, breeding, training or dealing in dogs, cats or any other animals may be permitted on or from any lot. Horseback riding shall be limited to approved equestrian trails.

S. SIGNS

No signs, real estate "For Sale" signs, billboards or advertising structures of any kind shall be allowed on any of the lots or improvements thereon, except with written permission from the Architectural Committee.

T. OIL DRILLING

Oil drilling, oil development operations, refining, mining operations of any kind, or quarrying, shall not be permitted upon, in or under any of the lots, nor shall oil, wells, exposed oil or gas tanks, tunnels, mineral excavations or shafts be permitted upon or in any of the lots. Notwithstanding the restrictions set forth in the preceding sentence, Declarant may carry on such restricted activities, in its discretion.

U. PLAY EQUIPMENT

All playground equipment should be placed in the rear of property. Placing of basketball goals to the front of the house is not permitted without the prior written approval of the Architectural Committee.

V

CONSTRUCTION

A. WINDOWS AND DOORS

There shall be no mill-finish aluminum doors (including glass sliding doors) or windows of any kind; however, a factory painted or anodized finish aluminum, or wood, may be used, the color of which must be submitted for approval.

B. EXTERIOR COLOR SCHEDULE

All exterior colors shall be approved by the Architectural Committee in order to achieve a well coordinated color scheme throughout the entire development.

C. ROOFS AND ROOF VENTS

Roofs' colors shall be approved by the Architectural Committee. All roof vents and flashings protruding from roofs shall be painted the same color as the roof. Chimneys protruding through roofs shall be encased with rectangular or square (90 degree corners) wood or brick exteriors. No round or galvanized metal chimneys shall be permitted.

D. BRICK

There will be no white looking brick, no weeping mortar joints and no black mortar. Brick samples must be submitted for approval to the Architectural Committee before construction begins.

VI

ARCHITECTURAL COMMITTEE

- A. All plans and specifications for any building, swimming pool, fence, wall or other structures whatsoever to be erected on or moved upon or to any lot, and the proposed location thereof on any lot or lots, the roofs and exterior color schemes thereof, any later changes or additions thereto after initial approval thereof, and any remodeling, reconstruction alterations, or additions to any building or other structures on any lot shall be subject to and shall require the approval, in writing, of the Architectural Committee, as the same is from time to time composed, before any such work is commenced.
- B. The Architectural Committee is composed of the following three (3) members as appointed by Declarant:
- P. Holcomb Hector
Billy G. Alexander
Carl H. Joffe
- C. Any vacancy shall be filled by the remaining member or members of said Architectural Committee. The Architectural Committee may appoint advisory committees from time to time to advise it on matters pertaining to the subdivision. The GlenEagle Architectural Committee may, upon the unanimous consent of its then members, and upon such terms and conditions as it deems advisable and appropriate assign all or a portion of the duties and responsibilities of the GlenEagle Architectural Committee to the Diamondhead Architectural Committee of the Diamondhead Country Club and Property Owners Association, Inc., and upon such an assignment, the property subject to this Declaration shall additionally be subject to the duly adopted rules and regulations of said Diamondhead Architectural Committee. There shall be submitted to the Architectural Committee two (2) complete sets of plans and specifications of any and all improvements, the erection or alteration of which is desired, and no structures or improvements of any kind shall be erected, altered, placed or maintained upon any lot unless and until the final plans, elevations and specifications therefor have received such written approval as herein provided. Such plans shall include plot plans showing the location on the lot of the building, wall, fence or other structure proposed to be constructed, altered, placed or maintained, together with the proposed color scheme for roofs and exteriors thereof.
- D. The Architectural Committee shall approve or disapprove plans, specifications and details within thirty (30) days from the receipt thereof. One (1) set of said plans and

specifications and details with the approval, or disapproval, endorsed thereon, shall be returned to the person submitting them, and the other copy thereof shall be retained by the Architectural Committee.

- E. The Architectural Committee shall have the right to disapprove any plans, specifications or details submitted to it as aforesaid in the event such plans, specifications and details are not in accordance with all of the provisions of this Declaration, if the design or color schemes of the proposed building or other structure is not in harmony with the general surroundings of such lot or with the adjacent buildings or structures, or in the event the Architectural Committee deems the plans, specifications or details submitted are incomplete, or in the event or details, or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the real property subject hereto, or the owners thereof, all in the sole discretion of the Architectural Committee. The decisions of the Architectural Committee shall be final.
- F. Neither the Architectural Committee, the Diamondhead Architectural Committee, Diamondhead Country Club and Property Owners Association, Inc., Declarant nor any architect or the agent thereof shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing, nor for any structural or other defects in any work done according to such plans and specifications.

VII

PARKING REQUIREMENT

- A. There shall be a minimum of two (2) automobile parking stalls of at least eight (8) feet by eighteen (18) feet each, for each single family residence or dwelling unit constructed on any lot or tract.
- B. Said two (2) parking stalls shall be constructed entirely within the building setback area as defined herein, and at least one stall of same shall be sheltered.
- C. Enclosures, shelters, screens and other improvements constructed for the purpose of automobile parking and other vehicles shall be attached to and a part of the structure of the house constructed on any lot.

VIII

VARIANCES

- A. The Architectural Committee may allow reasonable variances and adjustment of these conditions and restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the regulations contained herein; provided, however, that such is done in conformity to the intent and purposes hereof; and, provided, also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood. Variances and adjustments of height, size and setback requirements may be granted hereunder. The Architectural Committee, in addition to such reasonable permit, building and administrative fees as may from time to time be adopted by the Architectural Committee, may additionally impose fees and/or charges in connection with the granting of variances, which charges may be punitive in nature in order to promote future compliance with the provisions of this Declaration.

- B. The Architectural Committee may also determine and allow in the respective classifications of lots, additional uses which are of the same character.
- C. In the event there shall be governmental regulations which conflict with or prevent works of construction or improvements in the manner as required by the within regulations, these circumstances shall be deemed to constitute practical difficulties justifying allowances of variances and adjustments of said regulations in order to prevent unnecessary hardship; provided, however, that in every instance the variance or adjustment shall not be materially detrimental or injurious to property or improvements in the neighborhood.

IX

FENCES AND BOUNDARY PLANTING

- A. No wall, coping or fence exceeding five (5) feet in height measured from the adjoining ground surface inside the wall may be erected or maintained on any lot except as hereinbefore provided. Boundary planting along side and rear lot lines, except trees with single trunks, shall not be permitted to grow higher than eight (8) feet. No wall, coping or fence shall be erected in the front yard of any lot.
- B. No wall, coping, fence or boundary planting on any lot may be constructed, grown or maintained in such a manner as to interfere with vision of drivers at any intersection of streets or roads. Fence construction shall be made with wood, brick or stucco materials. No chain-link, chicken wire or barbed-wire fences shall be allowed. An unfinished side of any wall, coping or fence shall face the interior of the lot.
- C. No wall, coping or fence may be constructed on any lot which adjoins the golf course which obstructs the golf course view of adjoining property owners or interferes with golf course play, and no such wall, coping or fence shall be constructed without the prior written permission of the Architectural Committee.

X

UTILITY AND DRAINAGE EASEMENTS

- A. The right is reserved to construct and maintain public or private utilities on the streets and roads of the subdivision either above or below ground and to make all necessary slopes for cuts or fills upon the lots shown on the herein referred to survey map in the original grading of said streets and roads; and Declarant reserves perpetual utility and drainage easements under, over and across a strip five (5) feet (unless otherwise noted on the survey map herein referred to, in which case said map shall govern) in width adjacent to and along the side yard lines of each lot zoned R-S-2-1,800 and R-S-2-2,000 for the purpose of placing, laying, erecting, constructing, maintaining and operating, or of authorizing the placement, laying, erection, construction, maintenance and operation of drainage systems and utilities (including, without limitation, sewage, water, electricity, gas, telephone, television and telegraph); Declarant reserves perpetual easements under, over and across a strip ten (10) feet (unless otherwise noted on the survey map herein referred to, in which case said map shall govern) in width adjacent to and along the front and back yard lines of each lot zoned R-S-2-1,800 and R-S-2-2,000 and Lot 22 for the

purpose of placing, laying, erecting, constructing, maintaining or operating or of authorizing the placement, laying, erection, construction, maintenance and operation of utilities and drainage systems; and, Declarant reserves perpetual easements under, over and across a strip five (5) feet (unless otherwise noted on the survey map, herein referred to, in which case said map shall govern) in width adjacent to and along the front yard lines of each lot zoned PCD, except Lot 22, Parcel B and Parcel C, for the purpose of placing, laying, erecting, constructing, maintaining or operating or of authorizing the placement, laying, erection, construction, maintenance and operation of utilities and drainage systems. No change in the natural drainage shall be made by any lot owner without prior written approval from the Architectural Committee. The rights to utilize the non-exclusive utility and drainage easements herein reserved are hereby concurrently assigned to the Diamondhead Water and Sewer District, Coast Electric Power Association, Diamondhead TV Cable, Inc., Bell South Telecommunications, Diamondhead Country Club and Property Owners Association, Inc. and their respective successors and assigns.

- B. The interest conveyed by Declarant to any of said lots by contract, deed or other conveyance, shall not in any event be held or construed to include the title to the water, gas, sewer, storm sewer, electric light, power, telephone, television and telegraph lines, poles or conduits, or any other utility or appurtenances thereto constructed by Declarant, or its agents, or by any utility company along or upon said lots, or any part thereof, to serve said property. The right to sell, convey or lease water and sewer lines and their appurtenances erected by or on behalf of Declarant is hereby expressly reserved in Declarant.

XI

APPEARANCE OF LOTS, REMOVAL OF TREES

- A. Each lot, at all times, shall be kept in a clean, sightly and wholesome condition. No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any lot so they are visible from any neighboring lot or road, except as necessary during a period of construction.
- B. All service yards, woodpiles and storage piles shall be walled in or kept screened by adequate solid fencing or walls in such manner as to conceal them from neighboring lots and roadways.
- C. No lot shall be used in whole or in part for the storage of any property or thing that will cause such lot to appear in an unclean, disorderly or untidy condition or that will be otherwise obnoxious. No obnoxious or offensive activity shall be carried on upon any lot nor shall anything be done, placed or stored thereon which may be or become an annoyance or nuisance to the neighborhood or occasion any noise or odor which will, or might, disturb the peace, quiet, comfort or serenity of the occupants of nearby lots.
- D. No trees shall be removed without first obtaining written consent of the Architectural Committee.

XII

EASEMENT FOR USE OF STREETS

Declarant hereby grants, conveys, assigns and sets over unto the owners of all lots reflected on the referred map and affected

hereby, an easement and full and mutual right of use of, for the purpose of access, ingress and egress, all of the areas designated as streets upon said map referred hereinabove. The Declarant reserves the right at any time hereafter to convey such streets to Diamondhead Country Club and Property Owners Association, Inc. or to dedicate and convey such streets to any appropriate governmental body or to the Public.

XIII

TRAFFIC REGULATION

Declarant shall have the right, power and option to establish and enforce rules and regulations governing the operation of vehicles and conveyances, motor powered or otherwise, on the streets and roads of the subdivision. Such rule and regulation making power and option shall include, but is in no way limited to, the establishment and enforcement of speed limits, stop signs, yield signs, no parking zones, traffic control signals, safety zones and other traffic control and safety devices, rules and regulations together with reasonable remedies, including fines for violations of such rules or regulations. The right, power and option herein given to Declarant in this Article may be assigned to Diamondhead County Club and Property Owners Association, Inc. and/or to any appropriate governmental body or authority.

XIV

CHARGES AND ASSESSMENTS BY
DIAMONDHEAD COUNTRY CLUB AND PROPERTY OWNERS ASSOCIATION, INC.

Each purchaser of a lot or lots in the subdivision shall by acceptance of a deed thereto or the signing of a contract or agreement to purchase the same, whether from Declarant or a subsequent owner of such lot or lots bind himself, his heirs, personal representatives and assigns, to pay all charges and assessments (including, but not limited to, fees for the operation and maintenance of common amenities, lot consolidation, variances, building permits, lot transfers, security fees and traffic fines) as shall be determined and levied upon such lot and/or purchaser by the Diamondhead Country Club and Property Owners Association, Inc., including interest on such charges and assessments and collection costs thereof, if any, including attorneys' fees; and the obligation to pay such charges, assessments, interest and costs thereby constitutes an obligation running with the land. All charges and assessments as shall be determined and levied upon such lot and/or purchaser by the Diamondhead Country Club and Property Owners Association, Inc. shall be applied to each lot and/or purchaser governed hereby on an equal basis except that lots shall be exempt from said charges and assessments while owned by Declarant.

All liens herein provided for shall be enforceable by appropriate legal proceedings, in the manner provided by law. No proceedings for enforcement of any such lien or liens shall be commenced except upon the expiration of four (4) months from and after the date the charge or assessment giving rise to such lien becomes due and payable.

Liens of first mortgages and/or first trust deeds placed upon any of said lots for the purpose of purchasing or constructing a residence or other improvement thereof and recorded in accordance with the laws of the State of Mississippi, shall be, from the date of such recordation, superior to any and all liens provided for herein. Declarant may, if requested, execute instruments to subordinate any and all liens provided for herein to such liens of first mortgages and/or first trust deeds.

Declarant may, at its option, by appropriate written instrument recorded in accordance with the laws of the State of Mississippi,

subordinate any and all liens provided for herein to the liens of other mortgages, deeds of trust and/or other encumbrances.

XV

REMEDIES FOR VIOLATIONS

- A. All provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein shall be binding on all of the lots in the subdivision and the owners thereof, and their heirs, successors, personal representatives, guests, renters and assigns, regardless of the source of title of such owners, and any breach thereof, if continued for a period of thirty (30) days from and after the date that Declarant, or its successors or assigns, or any other property owners, shall have notified in writing the owner or resident in possession of the lot upon which or as to which such breach has been committed to refrain from a continuance of such action and to correct such breach, shall warrant the Declarant, its successors or assigns, or other lot owner, to apply to any court of law or equity having jurisdiction thereof for an injunction or other proper relief, and if such relief be granted, the court shall award to the plaintiff in such action reasonable expense in prosecuting such suit, including attorneys' fees.
- B. Violations of any of the foregoing provisions, restrictions, conditions, easements, covenants, agreements, liens and charges shall not defeat or render invalid the lien of any mortgage or deed of trust made in good faith for value as to any lot or portion thereof in the subdivision but such provisions, restrictions, conditions, easements, covenants, agreements, liens and charges shall be enforceable against any portion thereof acquired by any person through foreclosure or by deed in lieu of foreclosure for any violation of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein contained occurring after the acquisition of said property through foreclosure, or deed in lieu of foreclosure.
- C. In the event of violation or breach of any of said provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein contained, Declarant and also the owners of each of the other lots shall have the right to enter upon the lot or lots on which, or as to which such violations or breach exists, and summarily to abate or remove, at the expense of the owner thereof, any structure, thing or condition that may exist therein contrary to the intent and meaning hereof, and, Declarant, and its successors and assigns, shall not or shall any other of the lot owners be deemed guilty of any manner of trespass for or by reason of such entry, abatement or removal.

XVI

ACCEPTANCE OF DECLARATION

Each purchaser and grantee of any of the properties included within this Declaration, by acceptance of a deed conveying title thereto, shall accept such title upon and subject to each and all of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein contained, and also the jurisdiction, rights and power of this Declarant, and by such acceptance, shall for themselves, their heirs, personal representatives, successors and assigns, covenant, consent and agree to and with the Declarant, and to and with the grantees and

subsequent owners of each of said lots within the subdivision to keep, observe, comply with and perform said provisions, restrictions, conditions, easements, covenants, agreements, liens and charges and each thereof.

XVII

NO RIGHTS WAIVED BY DELAY

No delay or omission on the part of the Declarant, or its successors or assigns in interest or the owner or owners of any lot or lots in said property, in exercising any right, power or remedy herein provided for in the event of any breach of any of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein contained shall be construed as a waiver thereof or acquiescence therein, and no right of action shall accrue, nor shall any action be brought or maintained by anyone whomsoever against Declarant, its successors or assigns, for or on account of its failure or neglect to exercise any right, power or remedy herein provided for in the event of any such breach, or for imposing herein provisions, restrictions, conditions, easements, covenants, agreements, liens and charges which may be unenforceable.

XVIII

PARTIAL INVALEDITY

In the event that any one or more of the provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein set forth shall be held by any court of competent jurisdiction to be null and void, all remaining provisions, restrictions, conditions, easements, covenants, agreements, liens and charges herein set forth shall continue unimpaired and in full force and effect.

XIX

REMEDIES CUMULATIVE

The various rights and remedies of Declarant and the owners of lots as heretofore set out are and shall be cumulative. All of them may be used, relied upon, resorted to and enforced without in any way affecting the ability of Declarant or the said property owners to use, rely upon, resort to or enforce the others, or any of them.

XX

AMENDMENTS

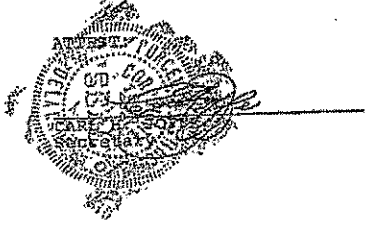
Any or all of the provisions of these restrictions, conditions, easements, covenants, liens and charges may be annulled, amended or modified at any time by the consent of the owner or owners of record of seventy-five percent (75%) of the lots in Phase I of GlenEagle at Diamondhead.

XXI

CAPTIONS

The captions of the various paragraphs of this Declaration are for convenience only and are not a part of the Declaration, and do not in any way limit or amplify the terms or provisions thereof.

IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed the day and year first above written.



PURCELL CO., INC.
(formerly DIAMONDHEAD CORPORATION)

By: P. Holcomb Hector
P. HOLCOMB HECTOR
Vice President

STATE OF MISSISSIPPI
COUNTY OF HANCOCK

Personally appeared before me, the undersigned authority in and for the said county and state, on this 1st day of January, 1995, within my jurisdiction, the within named P. Holcomb Hector and Carl H. Joffe, who acknowledged that they are the Vice President and Secretary, respectively, of PURCELL CO., INC., a Delaware corporation, and that for and on behalf of the said corporation, and as its act and deed they executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

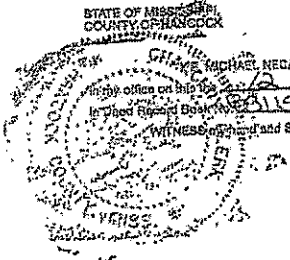
Wini Beasley Thomas
NOTARY PUBLIC

My Commission Expires:



THIS INSTRUMENT PREPARED BY/RETURN TO:
Carl H. Joffe
Counsel
Purcell Co., Inc.
4401 East Alpha Drive
Diamondhead, MS 39525
601-255-9130

STATE OF MISSISSIPPI
COUNTY OF HANCOCK



E. MICHAEL NECAISE, Clerk of the Chancery Court of said County, certify that the within instrument was filed for record in this office on this 1st day of January, 1995, at 8:55 o'clock A. M., and duly recorded in Book 88, Page No. 115.
WITNESS my hand and Seal of Office, this 1st day of January, 1995

E. MICHAEL NECAISE, Chancery Clerk
By: Shelia P. Smith, D.C.