

RAINBOW BAY RESTRICTIONS AND CONDITIONS

All deeds and conveyances of property in the Subdivision of Rainbow Bay are required to contain a stipulation that the said hereditaments and premises are subject to certain restrictive covenants and conditions contained in an Indenture of Conveyance made the Second Day of October A.D. 1972 and now of record in the Registry of Records of the Commonwealth of the Bahamas in Volume 2039 at pages 567 to 578. Moreover, the Purchasers covenant that any person deriving title under them will at all times hereafter observe and perform the said restrictive covenants and conditions as set forth below.

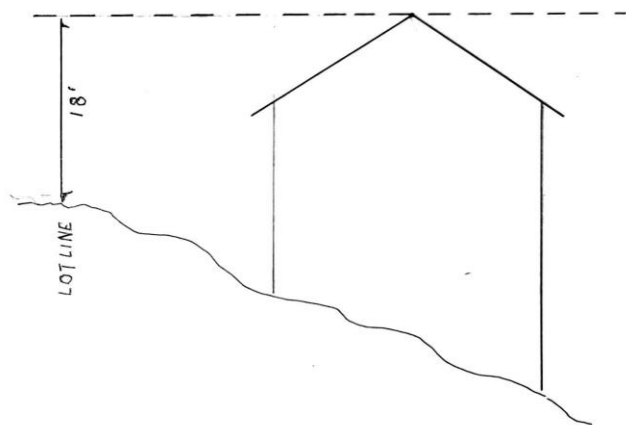
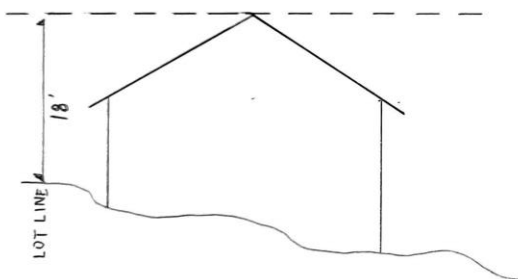
It is intended that the Conveyance of every Lot in the Rainbow Bay Subdivision shall contain a covenant on the part of the Purchaser thereof to observe and perform in respect of the Lot (therein to be referred to as "the said hereditaments") restrictions and conditions in the following form:

RESTRICTIONS AND CONDITIONS APPLICABLE TO ALL LOTS

1. No building or structure of any kind shall be built or constructed nor shall any land be altered on the said hereditaments, nor shall there be any alteration to any land, building, or structure of any kind unless and until a lot owner submits an application to the Approving Authority which shall be in writing in the manner and format as prescribed by the Board and lot owner receives approval as defined in the Application process.
2. No temporary building of any kind (including tents and trailers) shall be built or maintained on the said hereditaments except sheds or workshops to be used only for the work incidental to the erection of any permanent buildings thereon. No such temporary building shall be permitted to exist on the premises for a period of more than 2 years from the date construction of any such temporary building commenced. Prior to the commencement of construction of any temporary building the applicant shall post a bond (or check) of \$2,000 with the Association to ensure that such temporary building is demolished or removed within such 2 year period. In the event that demolition or removal has not been completed within such time period, the Board may use such bond (or check) to cover the costs of demolition and removal of such temporary building and, in the event that the costs of demolition and removal exceed \$2,000, hold the applicant liable for such balance. By signing this Building Application, the applicant hereby irrevocably appoints the Board as his Attorney in fact to enter the premises and effectuate such demolition and removal, if required in the absolute discretion of the Board. Failure to demolish and remove any such temporary building within such 2-year period may also result in the Board rescinding its approval of the applicants building application.
3. No fences or hedges may be erected or maintained that will unreasonably obstruct the view from adjoining Lots. No generators or pumps shall be left exposed without a suitable enclosure. Also, the said hereditaments may not be used as a junkyard, dumping ground or burial ground. No garbage shall be kept thereon except in covered containers. No maintenance, care, cultivation or breeding of either animals or fowl shall be conducted or permitted upon any Lot in Rainbow Bay, provided however that household pets and in the case of Commercial Lots, pet shops and veterinary services, shall be excluded from this restrictions.

RESIDENTIAL LOTS

1. No trade, manufacture, business or commercial undertaking (including the business of a guest house proprietor, boarding housekeeper, or hotel operator) shall be carried on upon the said hereditaments nor shall any building be constructed or erected thereon or used for any purposes other than of a private single family residence or dwelling house and the appurtenances thereon. Nothing herein contained shall be deemed to be a prohibition against the renting of single family residences or dwelling houses constructed upon the said hereditaments, or against professional consulting of doctors, dentists and professional people within the confines of their residences.
2. Not more than one private residence or dwelling house with appropriate outbuildings (including rooms for the accommodation of guests, servants' quarters, garage or combined garage and apartment) shall be built upon the said hereditaments or upon each lot comprised therein as delineated on the said Plan and no private residence or dwelling house including the appropriate outbuildings shall be built on any subdivided portion of the said hereditaments comprising less than one lot as delineated on the said plan, provided always that nothing herein contained shall be deemed to restrict the building of one private residence with appropriate out-buildings on more than one lot of land in the said Subdivision.
3. No building or structure of more than 18 feet to the top of the building ridgepole at the highest natural elevation of the lot, prior to the commencement of construction, shall be constructed on the said hereditaments unless specifically approved by the Approving Authority as set forth in Application Package. Such 18 foot height restriction shall apply with equal force and effect to any structure of any kind erected on the premises, including without limitation, any windmill, wind turbine or similar energy-saving structure. See below diagram for clarification.



4. No separate living unit shall be constructed thereon without its own private inside toilet facilities.
5. No private residence or dwelling house with an interior floor area or less than six hundred (600) square feet shall be built on the said hereditaments. Garages, carports, porches, patios and terraces shall not be taken into account in calculating the minimum square feet area required by this covenant.
6. No buildings or structures including porches or projections of any kind shall be built or constructed at a less distance than twenty (20) feet from any street drive, road, lane or front property line and fifteen (15) feet from the rear Lot line, or a distance of ten (10) feet from any side Lot line except by written permission of the Approving Authority aforesaid. For the purpose of this and preceding paragraphs, the rear boundary of the said hereditaments shall be the boundary opposite the road boundary of the said hereditaments and in the case of the hereditaments comprising a corner Lot the rear boundary shall be the shorter of the two boundaries opposite the road boundaries of the corner Lot.

In the case of the hereditaments comprising a Lot bounded by both the Queen's Highway and another road running parallel to or roughly parallel to the Queen's Highway, the boundary on Queen's Highway is considered the rear of the Lot except in the case of corner Lots in which case the rear boundary shall be the shorter of the two boundaries opposite the two roads other than Queen's Highway.

COMMERCIAL LOTS

1. No buildings on the said hereditaments shall be used other than for the carrying on of retail or wholesale or combination retail and wholesale business. stores, shops and services catering to the general public.
2. No business or service shall be conducted on the said hereditaments without a building and no commercial building with an interior floor area of less than four hundred (400) square feet shall be constructed on the said hereditaments except for supplementary buildings used in conjunction with a main building having a floor area of four hundred (400) square feet or more.
3. No building or Structure of more than one story shall be constructed on the said hereditaments except by written permission of the Approving Authority as aforesaid.
4. No buildings or structures of any kind shall be built or constructed or maintained at a less distance than twenty (20) feet from the front Lot line or a distance of less than ten (10) feet from any alley, planting strip or rear Lot line and ten (10) feet from any sideline except by special written permission of the said Approving Authority. Nothing herein contained shall be deemed to restrict the building of one commercial structure with appropriate outbuildings on more than one Lot of land in the Subdivision. For the purposes of this and the preceding paragraphs the front boundary or Lot line of the said hereditaments shall be the boundary facing the interior parking plaza of the commercial area. In the case of the Lots bounded by Queen's Highway the boundary on Queen's Highway is considered the rear of the Lot except in the case of Lot One (1) of Block 24 and Lot One (1) of Block 25 of Section B, in which cases the boundary on Queen's Highway is considered the side of the Lot. All structures built on the said hereditaments must have their main entrance at the front of the Lot facing the said parking plaza, except by special written permission of the Vendors or of the Residents' Association as aforesaid.
5. No materials, merchandise, tools, supplies or equipment shall be stored on the said hereditaments unless under a roof or confined to the rear thereof, or in the case of corner Lots, shielded from view by a suitable enclosure such as a fence, wall or dense shrubbery to a minimum height of five (5) feet.

MULTIPLE DWELLING LOTS

1. No buildings on the said hereditaments shall be used other than as single family dwellings, two, three and four family dwellings, hotels, inns, apartment houses, motels, guest cottages and cooperative apartments.
2. No building with a first story interior floor area of less than twelve hundred (1200) square feet shall be built or maintained on the said hereditaments except for supplementary buildings used in conjunction with a main building having a first story interior floor area of twelve hundred (1200) square feet or more. Garages, carports, porches, patios and terraces shall not be taken into account in calculating the minimum square feet area required by this covenant.
3. No building or structure of more than two stories at the highest elevation of the Lot shall be constructed on the said hereditaments except by written permission of the Approving Authority as aforesaid. No separate living unit shall be constructed thereon without its own private inside toilet facilities.
4. No building or structure of any kind shall be built or constructed or maintained at a less distance than thirty (30) feet from any road, street or front property line, fifteen (15) feet from the rear Lot line and ten (10) feet from any sideline except by special written permission from the Approving Authority as aforesaid. Nothing herein contained shall be deemed to restrict the building of one multiple dwelling structure with appropriate outbuildings on more than one Lot of land in the Subdivision.

