

Document 2: COVENANT AGREEMENT



John H. Rice

1st Judicial District

Instrument 2006 8270 D -J1

Filed/Recorded 9 14 2006 9 4 A

Total Fees 12.00

5 Pages Recorded

The space above is reserved for Recordation

Return Document to:

Reznick Mississippi LLC
1625 E. County Line Road #200-111
Jackson, MS 39211-1832

Prepared by:

John H. Rice, Esq.
Balch & Bingham, LLP
Post Office Box 130
1310 Twenty Fifth Avenue
Gulfport, MS 39502-0130
Phone: 228/864-9900

Grantor(s):

RICHARD JOEL SMITH JR COURTNEY BAILEY SMITH

Grantee:

Mississippi Development Authority
Post Office Box 849
Jackson, MS 39205

50 53RD CIRCLE
GULFPORT, MS 39507
(228) 575-4228

Indexing Instructions 1 (As Identified by Mortgage):

DECLARATION OF
COVENANTS RUNNING WITH THE LAND
HURRICANE KATRINA

THIS DECLARATION OF COVENANTS RUNNING WITH THE LAND ("Covenants") is made by the undersigned homeowner(s) ("Owner") effective as of the date set forth herein below.

RECITALS

The Owner is the fee simple owner of the property described on Exhibit "A" ("Property") attached hereto. The residence located on the Property was damaged or destroyed by Hurricane Katrina on August 29, 2005. The Owner has been awarded a grant from the United States of America under the HUD Community Development Block Grant ("CDBG") Program, which Program is being administered by the Mississippi Development Authority ("MDA").

Document 2: COVENANT AGREEMENT

AGREEMENTS

NOW, THEREFORE, for and in consideration of the grant proceeds, the receipt of which is duly acknowledged, as a condition of Owner receiving such grant proceeds, and in order to mitigate future damage from hurricanes and similar natural disasters, Owner hereby makes the following covenants and agreements, which covenants and agreements shall constitute perpetual covenants and restrictions running with and encumbering the Property.

1. **Covenant as to Flood Elevation: Rebuilding.** If a structure on the Property was destroyed by Hurricane Katrina or if there is hereafter a tearing down or destruction of a structure located on the Property, any rebuilding of a new structure shall conform to the latest (most recent) elevation requirement(s) issued by FEMA, or its successors, pursuant to the National Flood Insurance Program, or a successor program, whether advisory, preliminary or final.

2. **Covenant as to Flood Insurance:** Any dwelling on any part of the Property shall, at all times, be insured under a policy of Flood Insurance in the amount of One Hundred Per Cent (100%) of the full insurable value as determined by a property insurer. If the Property ceases to be used for residential purposes, any commercial structure located on Property shall, at all times, be insured under a policy of flood insurance in the amount of One Hundred Per Cent (100%) of the full insurable value as determined by a property insurer.

3. **Covenant as to Building Codes:** (i) *Repair.* (a) If the existing structure located on the Property was not destroyed by Hurricane Katrina and has been fully or partially repaired as of the date of execution of these Covenants, the completed repairs shall conform to the minimal building codes in effect at the time of repair in effect in the applicable governmental authority having jurisdiction over the Property. Any further repairs commenced on or after the date of execution of these Covenants, shall conform to the minimal standards set by the 2003 International Residential or Commercial Building Code. (b) If the existing structure located on the Property was not destroyed by Hurricane Katrina and repairs have not been commenced as of the date of execution of these Covenants, the repaired structure shall conform to the minimal standards set by the 2003 International Residential or Commercial Building Code. (ii) *Rebuilding.* If a structure on the Property was destroyed by Hurricane Katrina or if there is hereafter a tearing down or destruction of a structure located on the Property, any rebuilding of a new structure shall conform to the minimal standards set by the 2003 International Residential or Commercial Building Code.

4. **Covenant as to Manufactured Housing:** If housing hereafter placed on the Property shall be manufactured housing, such housing shall comply with the Federal Manufactured Housing Code required by HUD at the time of placement on the Property and shall conform to the latest (most recent) elevation requirement(s) issued by FEMA, or its successors, pursuant to the National Flood Insurance Program, or a successor program, whether advisory, preliminary or final.

5. **Covenants Running With The Property:** These Covenants shall constitute covenants running with the Property and shall be binding upon the Owner, the Owner's successors and assigns, and all other persons and parties claiming through the Owner.

6. **Enforcement of Covenants:** These Covenants shall be enforceable, at law or in equity, by the county or municipality where the Property is located, the State of Mississippi, or the United States of America, and hereby agree that the State of Mississippi or the United States of America can utilize injunctive relief.

7. **Release:** On the request of the then owner of the Property, and joined by any first lien holder, these Covenants may be released, in whole or in part, by the Mississippi Development Authority, its successor, or such other authority designated by the Governor of the State of Mississippi, if, in its judgment, the Covenant to be released no longer serves its intended purpose or if it is otherwise in the best interests of the public to do so. Such Release shall be duly recorded in the respective land deed records of the Office of the Chancery Clerk.

8. **Definitions:** The terms "repair," "repaired," "rebuilt," and "rebuild" as used in these Covenants shall be determined and interpreted by the local building officials of the governmental authority having jurisdiction over the Property. A duly issued certificate of occupancy, or its equivalent, issued by the governmental authority having jurisdiction over the Property shall be prima facie evidence that these Covenants have been complied with as of the date of the issuance thereof.

Document 2: COVENANT AGREEMENT

These Covenants shall be recorded in the land deed records of the Office of the Chancery Clerk of the County, and, if applicable, Judicial District, in which the Property is located.

This the 5 day of September 2006.

OWNERS

HOMEOWNER: RICHARD JOEL SMITH JR Print Name: Signature: <i>[Signature]</i>	CO-HOMEOWNER 1: COURTNEY BAILEY SMITH Print Name: Signature: <i>Courtney Bailey Smith</i>
CO-HOMEOWNER 2 Print Name: Signature:	CO-HOMEOWNER 3: Print Name: Signature:
CO-HOMEOWNER 4: Print Name: Signature:	CO-HOMEOWNER 5: Print Name: Signature:
CO-HOMEOWNER 6: Print Name: Signature:	CO-HOMEOWNER 7: Print Name: Signature:

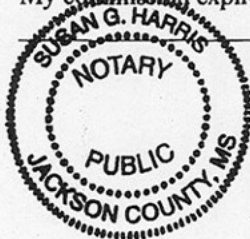
STATE OF MISSISSIPPI
COUNTY OF Harrison

5 Personally appeared before me, the undersigned authority in and for the said county and state, on this 5 day of September 2006, within my jurisdiction, the within named RICHARD JOEL SMITH JR, COURTNEY BAILEY SMITH, who acknowledged that (he)(she)(they) executed the above and forgoing instrument.

Susan G. Harris
NOTARY PUBLIC

SEAL

My commission expires:



Notary Public State of Mississippi
At Large
My Commission Expires
August 7, 2010
BONDED THRU
HEIDEN, BROOKS & GARLAND, INC.

Document 2: COVENANT AGREEMENT

STATE OF MISSISSIPPI
COUNTY OF _____

Personally appeared before me, the undersigned authority in and for the said county and state, on this _____ day of _____, 2006, within my jurisdiction, the within named RICHARD JOEL SMITH JR, COURTNEY BAILEY SMITH, who acknowledged that (he)(she)(they) executed the above and forgoing instrument.

NOTARY PUBLIC

SEAL

My commission expires:

Document 2: COVENANT AGREEMENT

Exhibit "A"

Residence Address: 50 53RD CIRCLE GULFPORT, MS 39507

Tax Parcel Number: 0909J-02-086.000

County of Residence: HARRISON

Legal Description: LOT 17, BLOCK 2, FIFTH ADDITION TO GULFPORT BAYOU VIEW SUBDIVISION, A SUBDIVISION ACCORDING TO THE OFFICIAL MAP OR PLAT THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE CHANCERY CLERK OF THE FIRST JUDICIAL DISTRICT OF HARRISON COUNTY, MISSISSIPPI, IN PLAT BOOK 22 AT PAGE 9.

Indexing Instructions: LOT 17 BLOCK 2 FIFTH ADDITION GULFPORT BAYOU VIEW, HARRISON COUNTY, MISSISSIPPI.