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**DECLARATION OF PROTECTIVE COVENANTS,  
CONDITIONS, RESTRICTIONS  
AND EASEMENTS  
FOR  
CARTERGROVE PLANTATION**

**DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,  
RESTRICTIONS AND EASEMENTS FOR**

***CarterGrove Plantation Subdivision***

THIS DECLARATION is made on the date hereinafter set forth by CarterGrove Plantation LLC, a Georgia Corporation (hereinafter called "Declarant").

Declarant is the owner, or if not the owner, has the written consent of the owner of the real property described in Article II, Section 1, of this Declaration. Declarant desires to subject the real property described in Article II, Section 1, hereof to the provisions of this Declaration to create a residential community of single-family housing and to provide for the subjecting of other real property to the provisions of this Declaration.

Declarant intends by this Declaration to impose upon the Community (as defined herein) mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of real property within the Community. Declarant desires to provide a flexible and reasonable procedure for the overall development of the Community and to establish a method for the administration, maintenance, preservation, use and enjoyment of such real property as is now or hereafter subject to this Declaration.

Declarant hereby declares that the real property described in Article II, Section 1, of this Declaration, including the improvements constructed or to be constructed thereon, is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens, hereinafter set forth, which shall run with the title to the real property hereby or hereafter made subject hereto, and shall be binding on all Persons having any right, title, or interest in all or any portion of the real property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

***Article I***  
**Definitions**

Unless the context shall prohibit, certain words used in this Declaration shall have the definitional meaning set forth in Exhibit "A", attached hereto and by reference made a part hereof.

***Article II***  
**Property Subject To This Declaration**

2.1. Property Hereby Subjected To This Declaration. The real property which is, by the recording of this Declaration, subject to the covenants and restrictions hereafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed,

used, occupied, and mortgaged or otherwise encumbered subject to this Declaration is the real property described in Exhibit "B" attached hereto and by reference made a part hereof.

2.2. Other Property. Only the real property described in Section 1 of this Article II is hereby made subject to this Declaration; provided, however, by one or more amendments to this Declaration, Declarant and the Association have the right, but not the obligation, to subject other real property to this Declaration, as provided in Article XI (Sections 11.1 and 11.2) herein below.

### *Article III*

#### **Neighborhoods and Exclusive Common Property**

3.1. Creation of Neighborhoods. The Declarant, in its sole discretion, may establish Neighborhoods within the Community. Exhibit "B" to this Declaration and any amendment which submits additional property to this Declaration may assign the property described therein or property already submitted to this Declaration to a specific Neighborhood by name, which Neighborhood may be then existing or newly created. If Neighborhoods are established, all Lots not specifically assigned to a Neighborhood shall be deemed assigned to the same Neighborhood. The Lots within a particular Neighborhood may be subject to additional covenants and/or the Owners within the Neighborhood may be mandatory members of a Neighborhood Association in addition to the Association. However, a Neighborhood Association shall not be required except as required by law. Any Neighborhood, which does not have a Neighborhood Association, shall have a Neighborhood Committee, as described in the By-Laws, to represent the interests of Owners of Lots in such Neighborhood.

3.2. Modification of Neighborhoods. The Declarant may unilaterally amend this Declaration or any amendment, which submits additional property to this Declaration from time to time to establish or to redesignate Neighborhood boundaries; provided, however, two (2) or more Neighborhoods shall not be combined without the consent of Owners of a Majority of the Lots in the affected Neighborhoods. If Neighborhoods are established, the Owner(s) of a Majority of the total number of Lots within any Neighborhood may at any time petition the Board to divide the property comprising the Neighborhood into two (2) or more Neighborhoods. Such petition shall be in writing and shall include a plat of survey of the entire parcel, which indicates the boundaries of the proposed Neighborhood(s) or otherwise identifies the Lots to be included within the proposed Neighborhood(s). Such petition shall be granted upon the filing of all required documents with the Board unless the Board denies such application in writing within thirty (30) days of its receipt thereof. The Board may deny an application only upon determination that there is no reasonable basis for distinguishing between the areas proposed to be divided into separate Neighborhoods. All applications and copies of any denials shall be filed with the books and records of the Association and shall be maintained as long as this Declaration is in effect.

3.3. Powers of the Association Relating to Neighborhoods. The Association shall have the power to veto any action taken or is contemplated to be taken by any Neighborhood that the Board reasonably determines to be adverse to the interests of the Association or its members or inconsistent with the Community-Wide Standard. The Association also shall have the power to

require specific action to be taken by any Neighborhood in connection with its obligations and responsibilities hereunder or under any other covenants affecting the Community. Without limiting the generality of the foregoing, the Association may (a) require specific maintenance or repairs or aesthetic changes to be effectuated by the Neighborhood and (b) require that a proposed Neighborhood budget include certain items and that expenditures be made therefor.

Any action required by the Association in a written notice pursuant to the foregoing paragraph to be taken by a Neighborhood shall be taken within the reasonable time frame set by the Association in such written notice. If the Neighborhood fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the Neighborhood. To cover the Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the requirements of the Association, the Association shall assess the Lots in such Neighborhood for their prorata share of any expenses incurred by the Association in taking such action in the manner provided in Article V, Section 9. Such assessments may be collected as a specific assessment hereunder and shall be subject to all lien rights provided for herein.

3.4. Exclusive Common Property. Certain portions of the Common Property may be designated as Exclusive Common Property and reserved for the exclusive use or primary benefit of Owners and Occupants of Lots within a particular Neighborhood or Neighborhoods. By way of illustration and not limitation, Exclusive Common Property may include entry features, landscaped medians and cul-de-sacs, ponds and other portions of the Common Property within a particular Neighborhood or Neighborhoods. All costs associated with maintenance, repair, replacement, and insurance of Exclusive Common Property shall be assessed as a Neighborhood Assessment against the Owners of Lots in those Neighborhoods to which the Exclusive Common Property is assigned.

Initially, any Exclusive Common Property shall be designated as such and the exclusive use thereof shall be assigned in the deed by which the Declarant conveys the Common Property to the Association or on the plat of survey relating to such Common Property; provided, however, any such assignment shall not preclude the Declarant from later assigning use of the same Exclusive Common Property to additional Lots and/or Neighborhoods, so long as the Declarant has a right unilaterally to subject additional property to this Declaration. Thereafter, a portion of the Common Property may be assigned as Exclusive Common Property of a particular Neighborhood or Neighborhoods and Exclusive Common Property may be reassigned only upon the vote of members holding a Majority of the Total Association Vote, including a Majority of the votes within the Neighborhood(s) to which the Exclusive Common Property is assigned, if applicable, and within the Neighborhood(s) to which the Exclusive Common Property is to be assigned. As long as the Declarant owns any property described on Exhibits "B" or "C" for development and/or sale, any such assignment or reassignment shall also require the consent of the Declarant.

The Association may, upon approval of a Majority of the members of the Neighborhood Committee or board of directors of the Neighborhood Association for the Neighborhood(s) to which certain Exclusive Common Property is assigned, permit Owners of Lots in other Neighborhoods to use all or a portion of such Exclusive Common Property and may charge reasonable user fees for such use, which fees shall be used to offset the Neighborhood Expenses attributable to such Exclusive Common Property.

*Article IV*  
*Association Membership and Voting Rights*

4.1. Membership. Every Person who is the record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration shall be deemed to have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor office held for each Lot owned.

4.2. Voting. Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one Person seeks to exercise it.

*Article V*  
*Assessments*

5.1. Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

5.2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) Base Assessments to fund Common Expenses for the general benefit of all Lots; (b) Neighborhood Assessments to fund Neighborhood Expenses benefitting only Lots within a particular Neighborhood or Neighborhoods; (c) special assessments, such assessments to be established and collected as hereinafter provided; and (d) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration.

All such assessments, together with late charges, interest, not to exceed the maximum rate permitted by law (but not to exceed sixteen percent (16%) per annum), costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of such Lot at the time the assessment fell due. Each Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Lot, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided,

however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings or deed in lieu of foreclosure.

The Association shall, within ten (10) days after receiving a written request therefor and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot shall be binding upon the Association as of the date of issuance.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice, of assessments for delinquents. Unless otherwise provided by the Board, the assessments shall be paid in annual installments.

The monthly costs of operating the Association may fluctuate dramatically during each budget year. Therefore, the Board is not required to prorate any assessment obligation of any Owner who has not lived in the Community for a full year. For example, if the bulk of the costs of operating the Association are likely to be incurred in the summer months, any Owner moving into the Community after the beginning of the budget year but prior to the summer months may be required to pay the full amount of any assessments.

5.3. Computation of Base Assessment. It shall be the duty of the Board to prepare a budget covering the estimated Common Expenses of the Association during the coming year, which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the budget and the Base Assessment to be levied against each Lot for the following year and to be delivered to each member at least thirty (30) days prior to the end of the current fiscal year (or at least thirty (30) days prior to the due date of the first installment in the case of the initial budget).

The Base Assessment shall be levied equally against all Lots subject to assessment. The first annual Base Assessment shall be fixed by the Board and shall not exceed One Hundred Eight and No/100 Dollars (\$108.00). Thereafter, the Board may not impose an annual Base Assessment per Lot which is greater than one hundred ten percent (110%) of the annual Base Assessment for the immediately preceding fiscal year without the affirmative vote or written consent, or any combination thereof, of Members representing at least a Majority of the Total Association Vote.

Other than as provided above, the Base Assessment delivered to each member by the Board shall become effective unless disapproved at a meeting by Members representing at least two-thirds (2/3) of the Total Association Vote. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the upcoming year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the immediate prior year shall continue for such upcoming year.

5.4. Computation of Neighborhood Assessments. It shall be the duty of the Board to prepare a separate budget covering the estimated Neighborhood Expenses to be incurred by the Association for each Neighborhood on whose behalf Neighborhood Expenses are expected to be incurred during the coming fiscal year, which may include a capital contribution or reserve

in accordance with a capital budget separately prepared for capital items within the Neighborhood. The Board shall cause the budget and the Neighborhood Assessment to be levied against each Lot for the following year and to be delivered to each member subject to such assessment at least thirty (30) days prior to the end of the current fiscal year (or at least thirty (30) days prior to the due date of the first installment in the case of the initial budget).

Neighborhood Assessments shall be levied equally against all Lots within the Neighborhood benefitted by the Neighborhood Expenses incurred on its behalf. The first annual Neighborhood Assessment for each Neighborhood shall be fixed by the Board at the time Neighborhood Expenses are first incurred on behalf of such Neighborhood. Thereafter, the Board may not impose an annual Neighborhood Assessment per Lot within such Neighborhood which is greater than one hundred ten percent (110%) of the annual Neighborhood Assessment for the immediately preceding fiscal year without the affirmative vote or written comment, or any combination thereof, of at least a Majority of the Owners of Lots in the Neighborhood to which the Neighborhood Assessment applies.

Other than as provided above, the Neighborhood Assessment shall become effective unless disapproved at a meeting by at least a Majority of the Owners of Lots in the Neighborhood to which the Neighborhood Assessment applies. However, there shall be no obligation to call a meeting for either purpose described above except on petition of Owners of at least ten percent (10%) of the Lots in such Neighborhood. Notwithstanding the foregoing, however, in the event the Owners with a Neighborhood disapprove a proposed budget or the Board fails for any reason so to determine the budget for the upcoming year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the immediate prior year shall continue for such upcoming year.

5.5. Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments in any year. A special assessment may be levied against the entire membership, if such special assessment is for Common Expenses, or against the Lots within any Neighborhood, if such special assessment is for Neighborhood Expenses. So long as the total amount of special assessments allocable to a Lot does not exceed One Hundred Dollars (\$100.00) in any one fiscal year, the Board may impose the special assessment. Except as provided in Article IX, Section 2, hereof, any special assessment which would cause the amount of special assessments allocable to any Lot to exceed this limitation shall be effective only if approved by at least a Majority of the Total Association Vote, if for Common Expenses, or by at least a Majority of the Owners of Lots in the relevant Neighborhood, if for Neighborhood Expenses. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

5.6. Lien for Assessments. All sums assessed against any Lot pursuant to this Declaration, together with late charges, interest, costs, and reasonable attorneys fees actually incurred, as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens of ad

valorem taxes; (b) liens for all sums unpaid on a first Mortgage; or (c) liens for all sums on any Mortgage to Declarant duly recorded in the land records of the county where the Community is located and all amounts advanced pursuant to such Mortgage and secured thereby in accordance with the terms of such instrument.

All other Persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in such records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

5.7. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments or installments thereof, which are not paid when due, shall be delinquent. Any assessment or installments thereof delinquent for a period of more than ten (10) days shall incur a late charge in such amount as the Board may from time to time determine. The Association shall cause a notice of delinquency to be given to any member who has not paid within ten (10) days following the due date. If the assessment is not paid within thirty (30) days, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest, not to exceed the maximum rate permitted by law (but not to exceed sixteen percent (16%) per annum) on the principal amount due, and all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after sixty (60) days, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the same.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the Lot. No diminution or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

All payments shall be applied first to costs and attorney's fees, then to late charges, then interest and then to delinquent assessments.

5.8. Date of Commencement of Assessments/Assessment Obligation of Declarant.  
 (a) The assessments provided for herein shall commence as to all Lots then existing and subject to assessment under this Declaration on the first day of the month following the conveyance of the first Lot by the Declarant to a Person other than Declarant; provided, however, each Lot which is owned by a Person which constructs houses for resale to consumers in the ordinary



course of such Person's business and which purchased such Lot for the purpose of constructing a house thereon for resale to consumers (hereinafter a "Builder") shall not be subject to any assessment provided for herein for a period of time equal to the earlier of (i) three (3) years from the date such Lot was first conveyed by the Declarant to a Person other than Declarant, or (ii) the sale or conveyance of such Lot with a house completed or substantially completed thereon to a consumer or other Person other than a Builder. Assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide.

(b) Notwithstanding anything to the contrary herein, assessments charged to the Special Maintenance Property (whether as a specific assessment or as a Neighborhood assessment) shall commence upon the initial installation of the sod or other final grassing or landscaping by the owner or builder of a residence on a Lot.

(c) After the commencement of assessment payments as to any Lot, Declarant, on behalf of itself and its successors and assigns, covenants and agrees to pay the full amount of the assessments provided herein for each Lot it owns containing an occupied residence; provided, however, each Lot owned by Declarant which does not contain an occupied residence shall not be subject to any assessment provided for herein.

(d) Any Lot which has been approved by Declarant for use as a model home for marketing and sales purposes shall not be deemed to be occupied for residential purposes and shall not be subject to assessments under this Declaration whether owned by Declarant or any other Person, so long as such Lot is approved for use as a model home and is not occupied for residential purposes.

(e) Notwithstanding anything to the contrary herein, the Declarant may contribute assessments due from it in services or materials or a combination of services and materials, rather than in money (herein collectively called "in kind contribution"). The amount by which monetary assessments shall be decreased as a result of any in kind contribution shall be the fair market value of the contribution. If the Declarant and the Association agree as to the value of any contribution, the value shall be as agreed. If the Association and the Declarant cannot agree as to the value of any contribution, the Declarant shall supply the Association with a detailed explanation of the service performed and material furnished, and the Association shall acquire bids for performing like services and furnishing like materials from three (3) independent contractors approved by the Declarant who are in the business of providing such services and materials. If the Association and the Declarant are still unable to agree on the value of the contribution, the value shall be deemed to be the average of the bids received from the independent contractors.

5.9. Specific Assessments. The Board shall have the power to specifically assess pursuant to this section as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this section. Fines levied pursuant to Article XVI, Section 1, of this Declaration and the costs of maintenance performed by the Association, which the Owner is responsible for under Article VI, Section 2, of this Declaration, shall be specific assessments. The Board, in its sole discretion and without any obligation to do so, may also specifically assess Lots for the following Association expenses (except for

expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association as provided herein):

- (a) Expenses of the Association which benefit less than all of the Lots may be specifically assessed equitably among all of the Lots which are benefitted according to the benefit received.
- (b) Expenses of the Association which benefit all Lots, but which do not provide an equal benefit to all Lots, may be assessed equitably among all Lots according to the benefit received.

The Association may also levy specific assessments against any Lot or Neighborhood to reimburse the Association for costs incurred in bringing the Lot or Neighborhood into compliance with the provisions of this Declaration, any other applicable covenants, the Articles, the By-Laws, and the rules and regulations of the Association. Such specific assessments may be levied upon the vote of the Board after notice to the Owner or Neighborhood, as applicable, and an opportunity for a hearing.

5.10. Budget Deficits During Declarant Control. For so long as the Declarant has the authority to appoint the directors and officers of the Association, Declarant may (a) advance funds to the Association sufficient to satisfy the deficit, if any, between the actual Common Expenses of the Association (but specifically not including an allocation for capital reserves), and the sum of the assessments collected by the Association in any fiscal year, and such advances shall be evidenced by promissory notes from the Association in favor of the Declarant, or (b) cause the Association to borrow such amount from a commercial lending institution at the then prevailing rates for such a loan in the local area of the Community. The Declarant in its sole discretion may guarantee repayment of such loan, if required by the lending institution, but no Mortgage secured by the Common Property or any of the improvements maintained by the Association shall be given in connection with such loan.

5.11. Failure to Assess. The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Neighborhood Assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association.

5.12. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from payment of Base Assessments, Neighborhood Assessments, special assessments, and specific assessments:

- (a) all Common Property (including any Exclusive Common Property);
- (b) all property dedicated to and accepted by any governmental authority or public utility, including, without limitation, public schools, public streets, and public parks, if any; and
- (c) property owned by any Neighborhood Association for the common use and enjoyment of its members, or owned by the members of a Neighborhood Association as tenants-in-common.

*Article VI*  
*Maintenance*

6.1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Property. The Association shall maintain all entry features for the Community and street signs originally installed by the Declarant, if any. The Association may, but shall not be obligated to, construct and thereafter to maintain, repair and replace a fence or wall, and to install and thereafter maintain and replace certain landscaping (grass, trees and/or seasonal plantings, at the Association's discretion), on certain portions of the Golf Club along Belmont Drive and Summit Ridge Drive and the main entry road to the Community. The Association may, but shall not be obligated to, maintain, repair or replace, as necessary, all mailboxes or mailbox posts located within the Community.

With respect to (and only with respect to) the real property described on Exhibit "C-1" attached hereto and made a part hereof (as defined herein, the "Special Maintenance Property") and as to any other property which Declarant (as owner or with the consent of the owner thereof) may hereafter, by written amendment to this Declaration duly recorded, designate as "Special Maintenance Property", the Association shall also have the exclusive right and obligation to maintain the front lawns of all Lots within the Special Maintenance Property upon which single family residences are constructed and following the initial installation of sod on or other final grassing or landscaping of such Lot and residence by the owner or builder of such Lot and residence. Such maintenance of front lawns of Lots within the Special Maintenance Property shall include the cutting or trimming of grass and the treatment with fertilizers or other chemicals to promote healthy and attractive lawns. The cost of such maintenance of Special Maintenance Property shall be charged to all Lots within the Special Maintenance Property or to a separate Neighborhood consisting solely of Special Maintenance Property and any Exclusive Common Property included as part of such Neighborhood. Declarant may, but shall not be required to, from time to time designate all or portions of the Special Maintenance Property as one or more Neighborhoods.

The Association shall also maintain all property outside of Lots located within the Community which was originally maintained by Declarant. In addition, the Association shall have the right, but not the obligation, to maintain property not owned by the Association where the Board has determined that such maintenance would benefit all Owners.

The foregoing maintenance shall be performed consistent with the Community-Wide Standard.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Common Property and all other maintenance work described or authorized herein shall be a Common Expense to be allocated among all Lots as part of the Base Assessment; provided, however, all costs associated with maintenance, repair and replacement of Exclusive Common Property (if any) shall be a Neighborhood Expense assessed as a Neighborhood Assessment solely against the Lots within the Neighborhood(s) to which the Exclusive Common Property is assigned.

6.2. Owner's Responsibility. All maintenance of the Lot and all structures, parking areas, landscaping, and other improvements thereon shall be the sole responsibility of the Owner

thereof, who shall maintain such Lot in a manner consistent with the Community-Wide Standard and this Declaration, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or a Neighborhood pursuant to any other covenants which may be applicable to such Lot.

With respect to Special Maintenance Property, no Owner shall perform, or permit the performance by any Person other than the Association, a Neighborhood Association, or the designated agent of either such Associations, of any lawn maintenance on the front lawn of a Lot within the Special Maintenance Property for which such Association has maintenance responsibility. Without limiting the foregoing prohibition or restriction, no Owner shall cut or trim, fertilize or otherwise maintain any front lawn area for which the Association has responsibility.

If the Board of Directors of the Association determines that (a) any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair, or replacement of items for which such Owner is responsible hereunder; or (b) that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the family, guests, lessees, or invitees of any Owner, and is not covered or paid for by insurance, in whole or in part, then, the Association may perform the repair, replacement or maintenance and shall, except in the event of an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement, at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have ten (10) days within which to complete such maintenance, repair, or replacement, or, in the event that such maintenance, repair, or replacement is not capable of completion within a ten (10) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot.

6.3. Neighborhood's Responsibility. Upon resolution of the Board or pursuant to additional covenants applicable to the Neighborhood, a Neighborhood may be delegated responsibility for operating, maintaining and insuring certain portions of the Common Property and, with respect to Special Maintenance Property front lawns, which are the responsibility of the Association within or adjacent to such Neighborhood. This may include, without limitation, maintaining any signage, entry features, right-of-way and green space between the Neighborhood and adjacent public roads, private streets within the Neighborhood, and ponds within the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all Neighborhoods which are similarly situated shall be treated the same. The costs of such operation, maintenance, and insurance shall be paid by the Owners within such Neighborhood through either Neighborhood Assessments established by the Board or assessment of the Owners within such Neighborhood by the Neighborhood Association assigned such responsibility.

Any Neighborhood having responsibility for maintenance of all or a portion of the property within such Neighborhood shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If any Neighborhood fails, in the opinion of the Board, to perform its maintenance responsibility as required herein and in any additional

covenants, the Association may perform it and assess the costs against all Lots within such Neighborhood as provided in Article V, Section 9, of this Declaration. In addition, the Association may assume such maintenance responsibility by agreement with the Neighborhood and assess the costs thereof as a Neighborhood Assessment against those Lots within the Neighborhood to which the services are provided. The provision of services in accordance with this paragraph shall not constitute discrimination within a class.

6.4. Standard of Performance. Unless otherwise specifically provided herein or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants. Neither the Association, the Declarant, any Owner nor any Neighborhood shall be liable for any damage or injury occurring on, or arising out of the condition of, property which it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities hereunder.

6.5. Party Walls and Party Fences.

(a) General Rules of Law to Apply. Each wall or fence built as a part of the original construction of the Lots which shall serve and separate any two (2) adjoining Lots and which is not common property of any Neighborhood shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this section, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions.

(c) Damage and Destruction. If a party wall or fence is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the wall may restore it, and if the other Owner or Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(e) Arbitration. In the event of any dispute arising concerning a party wall or fence, or under the provisions of this section, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a Majority of all three (3) arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other.

*Article VII*  
*Architectural Standards*

7.1. General. No exterior construction, alteration or addition of any improvements of any nature whatsoever (including, without limitation, staking, clearing, excavation, grading, filling, construction of impervious surface, building, exterior alteration of existing improvements, change in the exterior color of any existing improvement and planting and removal of landscaping materials), shall be commenced or placed upon any part of the Community unless, installed by the Declarant or an affiliate of the Declarant, approved in accordance with this Article, or otherwise expressly permitted under this Declaration. Any Owner may remodel, paint or redecorate the interior of structures on the Lot without approval hereunder. However, modifications to the interior of porches, patios and similar portions of a structure visible from outside the Lot shall be subject to approval. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of the Declarant, affiliates of the Declarant, or to improvements to the Common Property by or on behalf of the Association. This Article may not be amended without the written consent of the Declarant until (a) the Declarant no longer has the right to unilaterally annex additional property to the Community; and (b) each Lot has been improved with a dwelling for which a certificate of occupancy has been issued.

7.2. Guidelines and Procedures. Except as provided above, no exterior construction, addition or alteration shall be made unless and until plans and specifications shall have been submitted in writing to and approved by the Declarant. Such plans and specifications shall be of sufficient detail to allow the Declarant to make its review and to the extent required by the Declarant shall show the nature, kind, shape, height, materials and location of the proposed improvement. The Declarant may adopt written design and development guidelines and application and review procedures, which may provide for a review fee. The Declarant shall have sole and full authority to prepare and to amend, from time to time at its sole discretion and without notice, the architectural guidelines. The Declarant shall make the architectural guidelines available to Owners and builders who seek to engage in construction upon all or any portion of the Community and such Owners and builders shall conduct their operations strictly in accordance therewith. If the Declarant fails to approve or to disapprove submitted plans and specifications within thirty (30) days after receipt of all required plans and specifications, such approval shall be deemed to have been given. As a condition of approval under this Article, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance to and on any improvement, change, modification, addition or alteration. In the discretion of the Declarant, an Owner may be required to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest. The Declarant shall be the sole arbiter of such plans and may withhold approval for any reason, including, without limitation, purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. The Declarant and its representatives shall have the right, during reasonable hours and after reasonable notice, to enter upon any property in the Community to inspect for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such Persons shall not be deemed guilty of trespass by reason of such entry. If construction does not commence on a project for which plans have been

approved within 12 months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to resubmit the plans to the Declarant for reconsideration.

7.3. Limitation of Liability. Plans and specifications are not approved for engineering or structural design or quality of materials, and by approving such plans and specifications the Declarant assumes no liability or responsibility therefore or for any defect in any structure constructed from such plans and specifications. Neither Declarant, the Association, nor the officers, directors, members, employees and agents of any of them shall be liable in damages to anyone submitting plans and specifications to any of them for approval or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every Person who submits plans and specifications and every Owner agrees that such Person or Owner will not bring any action or suit against Declarant, the Association or the officers, directors, members, employees and agents of any of them to recover any damages and hereby releases, remises, quitclaims and covenants not to sue for all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

7.4. No Waiver. The approval of the Declarant of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring approval or consent of the Declarant, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications or drawings or matters whatever subsequently or additionally submitted for approval or consent.

7.5. Variances. Notwithstanding anything to the contrary contained herein, the Declarant shall be authorized to grant individual variances from any of the provisions of this Declaration and the architectural guidelines if it determines that waiver of application or enforcement of the provision in a particular case is dictated by unique circumstances, such as, but not limited to, topography, natural obstructions, hardship, aesthetic considerations or environmental considerations and would not be inconsistent with the overall scheme of development for the Community. No variance shall (a) be effective unless in writing, (b) be inconsistent with the overall scheme of development for the Community, or (c) stop the Declarant from denying a variance in other similar circumstances. For purposes of this provision, the inability to obtain approval of any governmental agency or the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

7.6. Enforcement. Any structure or improvement placed or made in violation of this Article shall be deemed to be nonconforming. Upon written request from the Declarant, Owners shall, at their own cost and expense, remove such nonconforming structure or improvement and restore the land to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, the Declarant and its agents shall have the right to enter the property, remove the nonconforming structure or improvement, and restore the property to substantially the same condition as previously existed. All costs, including, without limitation, attorney's fees, may be assessed against the Lot as a specific assessment. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the architectural guidelines may be excluded by the Declarant from the Community, subject to any applicable notice and hearing

procedures contained in the Bylaws. In such event, neither the Declarant, the Association nor the officers, directors, members, employees and agents of any of them shall be held liable to any Person for exercising the rights granted by this paragraph. In addition to any other remedies available to the Declarant, in the event of noncompliance with this Article, the Declarant may record in the appropriate land records a notice of violation hereunder naming the violating Owner. In addition to the foregoing, the Declarant shall have the authority and standing to pursue any and all remedies available at law and equity to enforce the provisions of this Article.

7.7. Architectural Review Committee. Until (a) the Declarant no longer has the right to unilaterally annex additional property to the Community; and (b) each Lot has been improved with a dwelling for which a certificate of occupancy has been issued, the Declarant shall have the sole right, power and authority under this Article. There shall be no surrender of this right except in a written instrument in recordable form executed by Declarant and recorded in the land records of the Clerk of the Superior Court of the county where this Declaration is recorded. Upon expiration or earlier surrender in writing of all or a portion of such right and authority, the Board of Directors shall appoint an Architectural Review Committee of the Association, which shall then have such jurisdiction over architectural control under this Article as may have been relinquished by the Declarant. The Declarant may in its sole discretion relinquish architectural control as to certain types of improvements or modifications to the Architectural Review Committee while retaining control over all other building and construction in the Community. For example and without limitation, the Declarant may relinquish control over modifications of existing structures to the Architectural Review Committee while retaining all authority to review and approve new home construction. Any right, power or authority of the Declarant which may be relinquished to the Association prior to the termination of the rights of Declarant hereunder shall be by written recorded instrument only and no such right, power or authority shall be relinquished by implication or otherwise. The establishment of an advisory Architectural Review Committee shall not be deemed to be a relinquishment by Declarant of any of its right, power and authority hereunder. After the termination of all rights of Declarant hereunder, the Architectural Review Committee shall have all right, power and authority to review and approve building and construction activity within the Community hereunder and this Article shall then be read and interpreted as if any reference to the Declarant in this Article VII were a reference to the Architectural Review Committee.

### *Article VIII*

#### *Use, Restrictions and Rules*

8.1. Rules and Regulations. The Board of Directors may, from time to time, without a vote of the members, promulgate, modify or delete rules and regulations applicable to the Community. Such rules and regulations shall be distributed to all Owners prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants-until and unless overruled, canceled or modified by a majority of the Total Association Vote and the consent of Declarant.

8.2. Residential Use. Each Lot shall be used for residential purposes exclusively. Leasing of a Lot for residential occupancy shall not be considered a business or business activity. No trade or business of any kind may be conducted in or from a Lot, except that the Owner or Occupant residing in the residence on a Lot may conduct business activities within the residence so long as the business activity: (a) does not otherwise violate the provisions of the Declaration or Bylaws; (b) is not apparent or detectable by sight, sound or smell from the exterior of the Lot;



(c) does not unduly increase traffic flow or parking congestion; (d) conforms to all zoning requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; and (h) does not threaten the security or safety of other residents of the Community, all as may be determined in each case in the sole discretion of the Board of Directors. The Board may issue rules regarding permitted business activities. The terms “business” and “trade”, as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider’s family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) the activity is engaged in full or part- time; (ii) the activity is intended to or does generate a profit; or (iii) a license is required for the activity.

8.3. Signs. No sign of any kind shall be erected by an Owner or Occupant within the Community without the prior written consent of the Declarant, or after the termination of the rights of Declarant hereunder, the Architectural Review Committee. Notwithstanding the foregoing, the Board and the Declarant shall have the right to erect reasonable and appropriate signs. “For Sale” signs and security signs consistent with the Community-Wide Standard and any signs required by legal proceedings may be erected upon any Lot. The provisions of this Section shall not apply to any Mortgagee in possession due to foreclosure of a first Mortgage or as grantee pursuant to and deed in lieu of such foreclosure.

8.4. Vehicles: Parking. Vehicles shall be parked only in appropriate parking spaces serving the Lot or other designated areas, if any. No on street parking, other than in connection with special events as approved by the Board of Directors, shall be permitted within the Community. All parking shall be subject to such rules and regulations as the Board may adopt. The term “vehicles,” as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, mini bikes, scooters, go-carts, golf carts, trucks, campers, buses, vans and automobiles. The term “parking areas” shall refer to the number of garage parking spaces and the spaces located in the driveway of each Lot. All homes shall contain a garage; carports shall not be permitted. Garage doors should be kept closed at all times, except during times of ingress and egress from the garage. No vehicle may be left upon any portion of the Community, except in a garage or other area designated by the Board, for a period longer than five days if it is unlicensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle shall be considered a nuisance and may be removed from the Community by the Board of Directors. Any towed vehicle, boat, recreational vehicle, motor home, trailer, motorcycle, mini bike, scooter, go-cart, golf cart, commercial truck, camper, bus or mobile home regularly stored in the Community or temporarily kept in the Community, except if kept in a garage or other area designated by the Board, for periods longer than 24 hours each shall be considered a nuisance and may be removed from the Community by the Board of Directors. Trucks with mounted campers which are used as a primary means of transportation shall not be considered recreational vehicles, provided they are used on a regular basis for transportation and the camper is stored out of public view upon removal.

8.5. Leasing. Lots may be leased for residential purposes.

8.6. Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of dogs, cats, or other usual and common household pets in reasonable number, as determined by the Board; provided, however, those pets which are permitted to roam free, or, in the sole discretion of the Board, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the owner of any property located adjacent to the Community may be removed by the Board. No pets shall be kept, bred or maintained for any commercial purpose. Dogs which are household pets shall at all times whenever they are outside a Lot be confined on a leash. Without prejudice to the Board's right to remove any such household pets, no household pet that has caused damage or injury may be walked in the Community. No exterior pens for household pets shall be erected or maintained on any Lot unless approved in accordance with the provisions of Article VII hereof.

8.7. Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on a Lot. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance or nuisance to any Person using any property within the Community. No plants, animals, device or thing of any sort shall be maintained in the Community whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community by other Owners and Occupants. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Lot.

8.8. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

8.9. Antennas. No exterior antennas, receiving dishes or similar apparatus of any kind for receiving or transmitting of radio or television signals shall be placed, allowed or maintained upon any portion of the Community, including any Lot, unless approved in accordance with the provisions of Article VII hereof; provided, however, no such approval shall be necessary to install one television satellite receiving dish not larger than 24 inches in diameter which blends with the roof color and is installed on the roof of the main dwelling so as not to be visible from the street in front of the Lot.

8.10. Tree Removal. No trees which are left on any Lot immediately following the initial closing of the sale of a completed residence on such Lot shall be removed without express consent of the Declarant or, after the termination or expiration of Declarant's right of architectural review as provided in Section 7.7, the Architectural Review Committee, except for (a) diseased or dead trees and (b) trees needing to be removed to promote the growth of other trees; provided, however, as to any tree situated on a Lot within the twenty-five (25) foot tree

protection zone adjacent to the Golf Club, as described in subparagraph (e) of Article XIII, Section 6, the exception under subparagraph (b) hereof (removal to promote growth) shall not apply. Owners shall also comply with any local ordinance applicable to tree removal. In the event of a conflict between the provisions of this Section and any local ordinance, the more restrictive provision shall govern. This provision shall not apply to the removal of trees by the Declarant.

8.11. Drainage. Catch basins, retention ponds, detention ponds and drainage easement areas are for the purpose of controlling the natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner may obstruct or alter the drainage flows after location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains without approval in accordance with the provisions of Article VII hereof.

8.12. Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, shrub or other planting or thing shall be placed or permitted to remain where, in the opinion of the Board, it would create an unsafe condition.

8.13. Garbage Cans. Woodpiles. Etc. All garbage cans, woodpiles, swimming pool pumps, filters and related equipment, and other similar items, shall be located or screened so as to be concealed from view from neighboring streets and property. All rubbish, trash and garbage shall be regularly removed and shall not be allowed to accumulate. Trash, garbage, debris or other waste matter of any kind may not be burned within the Community.

8.14. Guns. The use of firearms and archery equipment in the Community is prohibited. The term "Firearms" includes, without limitation, "B-B" guns, pellet guns and firearms of all types.

8.15. Fences. It is anticipated that side and back yard fencing may be installed by the builder in connection with the approved initial construction of a dwelling on each Lot. Thereafter no modification of any kind shall be made to any such approved fencing by any Owner, including, without limitation, changing the color thereof, and no additional fence or fencing type barrier of any kind shall be placed, erected, allowed or maintained upon any Lot unless approved in accordance with the provisions of Article VII hereof. Guidelines detailing acceptable fence styles or specifications may be issued pursuant to Article VII, but in no event may a chain link, hog wire or barbed wire fence be approved; provided, however, the Declarant and the Association may erect any type of fence on the Common Property or elsewhere within the Community as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for health and safety of Owners and Occupants.

8.16. Utility Lines. Except as may be permitted under and pursuant to Article VII hereof, no overhead utility lines, including lines for cable television, shall be installed within the Community.

8.17. Air-Conditioning Units. No window air conditioning units may be installed.

8.18. Lighting. Exterior lighting on any Lot visible from the street shall not be permitted, except for: (a) approved lighting as originally installed on a Lot; (b) streetlights in conformity with an established street lighting program for the Community; (c) seasonal decorative lights; (d) front

house illumination of model homes; or (e) other lighting approved in accordance with the provisions of Article VII hereof.

8.19. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any property. Exterior sculpture, fountains, flags and similar items must be approved in accordance with the provisions of Article VII hereof.

8.20. Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless as an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Declarant or the Architectural Review Committee as the case may be in accordance with the provisions of Article VII hereof.

8.21. Swimming Pools. No swimming pool shall be constructed erected or maintained upon any Lot without prior written approval in accordance with the provisions of Article VII hereof and in no event shall any above-ground swimming pool be permitted.

8.22. Gardens, Play Equipment and Pools. No vegetable garden, hammock, statuary, play equipment (including, without limitation, basketball goals) or pool to be erected on any Lot may be located other than between the rear dwelling line and the rear lot line, without prior written approval in accordance with the provisions of Article VII hereof.

8.23. Exterior Colors. Unless otherwise approved in accordance with the provisions of Article VII hereof, the exterior of all improvements, including, without limitation, residences, constructed, erected, allowed, or maintained upon any Lot must be painted or repainted in a color used in the original construction and marketing of residences within the Community or in a color used in the original construction and marketing of residences in any other community developed by Declarant within the same county as the Community.

8.24. Mailboxes. All mailboxes serving Lots shall be approved in accordance with the provisions of Article VII hereof. Identical replacement mailboxes may be installed without further approval; but no modification to or change in mailboxes may be made unless approved in accordance with the provisions of Article VII hereof.

8.25. Clotheslines. No exterior clotheslines of any type shall be permitted upon any Lot.

8.26. Entry Features, Street Signs & Yards. Without prior approval in accordance with the provisions of Article VII hereof, Owners shall not alter, remove, add improvements to, maintain or interfere in any way with the maintenance by the Association of entry features, street signs or any easement area associated with any of the foregoing, nor with respect to the Special Maintenance Property, with the maintenance of the front yard areas of Lots therein.

### *Article IX* *Insurance and Casualty Losses*

9.1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements located on the Common Property or required to be maintained by the Association under Article VI, Section 1, hereof. This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief and shall be in an amount sufficient to cover the full

replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase “all-risk” coverage in like amounts.

If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall obtain a public liability policy applicable to the Common Property insuring the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall have a combined single limit of at least One Million Dollars (\$1,000,000.00). If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall also obtain directors’ and officers’ liability insurance.

In addition, the Association’s Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements located within Neighborhoods, unless other covenants applicable to specific Neighborhoods otherwise provide or unless a Neighborhood otherwise requests and the Board grants such request. This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase “all-risk” coverage in like amounts.

The Board is hereby authorized to contract with or otherwise arrange to obtain the insurance coverage required hereunder through the Declarant and to reimburse Declarant for the cost thereof, and Declarant shall be authorized, but not obligated, to purchase such insurance coverage for the benefit of the Association and the Owners upon Declarant and Association agreeing upon the terms and conditions applicable to reimbursement by the Association for costs incurred by Declarant in obtaining such coverage. Notwithstanding anything contained in this Declaration to the contrary, the Board shall not be required to comply with the provisions of this Article if the Board has contracted for or otherwise arranged to obtain the required insurance coverage through the Declarant.

Premiums for all insurance shall be Common Expenses of the Association; provided, however, premiums for insurance relating to Neighborhoods may be included in the Neighborhood Assessment of the Neighborhood(s) benefitted unless the Board reasonably determines that other treatment of the premiums is more appropriate. Policies may contain reasonable deductibles, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as trustee for the benefitted parties. Policies on the Common Property shall be for the benefit of the Association and its members. Policies on behalf of a Neighborhood shall be for the benefit of the Neighborhood, the Owners of Lots within the Neighborhood, and their Mortgagees, as their interests may appear. Such insurance shall be governed by the provisions hereinafter set forth:

- (a) All policies shall be written with a company authorized to do business in Georgia.
- (b) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association’s Board of Directors; provided, however, no Mortgagee

having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

- (c) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.
- (d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually by one or more qualified Persons, at least one of whom must be in the real estate industry and familiar with construction in the county where the Community is located.
- (e) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:
  - (i) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents, and guests;
  - (ii) A waiver by the insurer of its rights to repair and reconstruct instead of paying cash;
  - (iii) That no policy may be canceled, subjected to non-renewal, invalidated, or suspended on account of any one or more individual Owners;
  - (iv) That no policy may be canceled, subjected to non-renewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner or Mortgagee;
  - (v) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and
  - (vi) That no policy may be canceled, subjected to non-renewal, or substantially modified without at least ten (10) days' prior written notice to the Association.

In addition to other insurance coverage required by this section, the Board shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable law, and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employees dishonesty coverage covering directors, officers, employees, and other Persons handling or responsible for the Association's funds. The amount of fidelity or employees dishonesty coverage, if obtained, shall be determined in the directors' best business judgment. Such coverage, if obtained, shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation and shall not be subject to

cancellation, non-renewal or substantial modification without at least ten (10) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage, and flood insurance, if and to the extent necessary to satisfy the requirements of The Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the U.S. Department of Veterans Affairs ("VA") or the U.S. Department of Housing and Urban Development ("HUD").

## 9.2. Damage and Destruction—Common Property.

(a) In General. Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty allowing for any changes or improvements necessary to comply with applicable building codes. The Board of Directors shall have all enforcement powers specified in Article XVI, Section 1, of this Declaration necessary to enforce this provision.

(b) Repair and Reconstruction. Any damage or destruction to Common Property required to be covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the Total Association Vote otherwise agree.

Any damage or destruction to property within any Neighborhood required to be covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the Owners of Lots within the Neighborhood otherwise agree.

If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Associations members, levy a special assessment against those Owners responsible for the payment of the premiums for the applicable insurance coverage under Section 1 of this Article. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association.

In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition.

9.3. Damage and Destruction—Lots. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the Lot and remove all debris there from within seventy-five (75) days after such damage or destruction. In the event of noncompliance with this provision, the Board of Directors shall have all enforcement powers specified in Article XVI, Section 1, of this Declaration.

9.4. Insurance Deductible. The deductible for any insurance policy carried by the Association shall, in the event of damage or destruction, be treated as a Common Expense or a Neighborhood Expense in the same manner as the premiums for the applicable insurance coverage under Section 1 of this Article. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss is the result of the negligence or willful conduct of one (1) or more Owners, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Lots pursuant to Article V, Section. 9.

### *Article X* Condemnation

Whenever all or any part of the Common Property shall be taken (or conveyed in lieu of and under threat of condemnation by the Board, acting on its behalf or on the written direction of all Owners of Lots subject to the taking, if any) by any authority having the power of condemnation or eminent domain, the Association shall represent the Owners. The award made for such taking shall be payable to the Association as trustee for all Owners. The provisions of Article IX, Section 2, above, applicable to Common Property improvements damage or destruction, shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

### *Article XI* Annexation of Additional Property

#### 11.1. Unilateral Annexation by Declarant.

(a) As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time at any time until fifteen (15) years after the recording of this Declaration to subject all or any portion of the real property described on Exhibit "C" attached hereto and made a part hereof, as well as any other real property, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of the Superior Court of the county in which the



property to be annexed is located an amendment to this Declaration describing the property being annexed. Alternatively, Declarant may hereafter subject individual Lots within the Community to the provisions of this Declaration by specific reference to said Lot(s) being subject to this Declaration in the warranty deed instrument by which Declarant conveys title to such Lot(s). In either event, such annexation shall be effective upon the filing for record of such amendment to this Declaration or such warranty deed instrument unless a later effective date is provided therein. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of then Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property.

(b) The rights reserved unto Declarant to subject additional land to the Declaration shall not and shall not be implied or construed so as to impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction of the Association. If such additional land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

11.2. Other Annexation. Subject to the consent of the owner thereof, and the consent of the Declarant, so long as the Declarant has an option to subject additional property to this Declaration as provided above, upon the affirmative vote of Owners representing a Majority of the Total Association Vote, the Association may annex other real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the office of the Clerk of the Superior Court of the county in which the property to be annexed is located an amendment to this Declaration in respect to the property being annexed. Any such amendment shall be signed by the President and Secretary of the Association, and any such annexation shall be effective upon the filing for record of such amendment, unless otherwise provided therein.

11.3. Withdrawal of Property. The Declarant reserves the right to amend this Declaration unilaterally at any time so long as it holds an unexpired option to annex property pursuant to this Article, without prior notice and without the consent of any Person, for the purpose of removing certain portions of the Community then owned by the Declarant or its affiliates or the Association from the provisions of this Declaration, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Community desired to be effected by the Declarant, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community.

11.4. Additional Covenants and Easements. The Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by amendment to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Association through Neighborhood Assessments. Such additional covenants and easements shall be set forth in an amendment to this Declaration filed either concurrent with or after the annexation of the subject property and shall require the written consent of the owner(s) of such property, if other than the Declarant.

11.5. Amendment. This Article shall not be amended without the prior written consent of Declarant so long as the Declarant owns any property described in Exhibits "B" or "C."

*Article XII*  
*Mortgagee Provisions*

The following provisions are for the benefit of holders of first Mortgages on Lots in the Community. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

12.1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number), (therefore becoming an "eligible holder"), will be entitled to timely written notice of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;
- (b) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or By-Laws of the Association which is not cured within sixty (60) days;
- (c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or
- (d) Any proposed action which would require the consent of a specified percentage of Mortgage holders.

12.2. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation (The Mortgage Corporation) or so long as HTJD is insuring any Mortgage (as determined by consulting the current list of approved subdivisions regularly published by HUD and furnished to Mortgage companies) or the VA is guaranteeing any Mortgage (as determined by telephone inquiry to VA), the following provisions apply in addition to and not in lieu of the foregoing. Unless two-thirds (2/3) of the first Mortgagees or Owners other than the Declarant give their consent, the Association shall not:

- (a) By act or omission, directly or indirectly seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Property (other than personal property) (The granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Property shall not be deemed a transfer within the meaning of this subsection.);
- (b) Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner (A decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of the Community regarding assessments for Neighborhoods or other similar areas shall not be subject to this

provision where such decision or subsequent declaration is otherwise authorized by this Declaration.);

(c) By act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Lots and of the Common Property (The issuance and amendment of architectural standards, procedures, rules, and regulations or use restrictions shall not constitute a change, waiver, or abandonment within the-meaning of this subsection.);

(d) Fail to maintain insurance, as required by this Declaration; or

(e) Use hazard insurance proceeds received in connection with any Common Property (other than personal property) losses for other than the repair, replacement, or reconstruction of such property.

Nothing contained in Article XII, Section 2, of this Declaration shall be construed to reduce the percentage vote that must otherwise be obtained under this Declaration for any of the acts set out in this Section 12.2.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Property and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

12.3. No Priority. No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.

12.4. Notice to Association. Upon request, each Lot Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

12.5. Amendments by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

12.6. VA/HUD Approval. As long as the Declarant has the right to appoint and remove the directors and officers of the Association and so long as the project is approved by HUD for insuring any Mortgage in the Community (as determined by consulting the current list of approved subdivisions regularly published by HUD) and furnished to Mortgage companies] or the VA for guaranteeing any Mortgage in the Community (as determined by telephone inquiry to VA), the following actions shall require the prior approval of the VA and/or HUD, as applicable: annexation of additional property to the Community, except for annexation by Declarant in accordance with Article XI, Section 1, hereof pursuant to a plan of annexation previously approved by the VA and/or HUD, as applicable; dedication of Common Property to any public entity; mergers and consolidations; dissolution of the Association; mortgaging of

Common Property; and material amendment of the Declaration, By-Laws, or Articles of Incorporation.

12.7. Applicability of Article XII. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or Georgia law for any of the acts set out in this Article.

12.8. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request.

### *Article XIII* *Easements*

13.1. Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Property adjacent thereto or as between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, tenant, or the Association.

13.2. Easements for Use and Enjoyment.

(a) Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to his Lot, subject to the following provisions:

(i) The right of the Association to charge reasonable admission and other fees for the use of any portion of the Common Property, to limit the number of guests of Lot Owners and tenants who may use the Common Property, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests, and invitees;

(ii) The right of the Association to suspend the voting rights of a lot Owner and the right of an Owner to use the recreational facilities available for use by the Community, if any, for any period during which any assessment against his Lot which is hereby provided for remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, By-Laws, or rules and regulations;

(iii) The right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon, and give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or

established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community. (Any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default there under shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community.) (No such Mortgage shall be effective unless an instrument agreeing to such Mortgage has been approved by Declarant (so long as Declarant owns any property for development and/or sale within the Community) and Owners representing at least two-thirds (2/3) of the Total Association Vote (other than Declarant so long as the consent of Declarant is required).);

(iv) The right of the Association to dedicate or transfer all or any portion of the Common Property subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by Declarant (so long as Declarant owns any property for development and/or sale within the Community) and Owners representing at least two-thirds (2/3) of the Total Association Vote (other than Declarant so long as the consent of Declarant is required); and

(v) The rights of certain Owners to the exclusive use of those portions of the Common Property designated "Exclusive Common Property," as more particularly described in Article III, Section 4.

(b) Any Lot Owner may delegate his or her right of use and enjoyment in and to the Common Property and facilities located thereon to the members of his family, his tenants and guests and shall be deemed to have made a delegation of all such rights to the Occupants of such Owner's Lot if leased.

13.3. Easements for Utilities. There is hereby reserved to the Association blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Declarant or Association might decide to have installed to serve the Community. It shall be expressly permissible for the Declarant, the Association or the designee of either, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board shall have the right to grant such easement.

13.4. Easement for Association Maintenance. Declarant hereby expressly reserves a perpetual easement for the benefit of the Association across such portions of the Community, determined in the sole discretion of the Association, as are necessary to allow for the maintenance required

under Article VI, including the maintenance of front lawns on Lots with occupied residences in the Special Maintenance Property as provided herein. All such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owner & property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

13.5. Easements for Maintenance and Repair. There shall be reciprocal appurtenant easements between adjacent Lots for the purpose of maintaining or repairing the improvements, including, without limitation, landscaping located on each Lot which easement shall extend to a distance of not more than five (5) feet as measured from any point on the common boundary between the Lots and along a line perpendicular to such boundary at such point. The easement shall be used only for such period of time as is reasonable necessary in order to complete the needed maintenance or repair. The Lot Owner exercising this easement right shall be liable for the prompt repair of any damage to the Lot over which this easement is exercised which is caused by the maintenance or repair work. The damaged portions of such Lot shall be restored to substantially the same condition as existed prior to the damage.

13.6. Easements for Golf Club.

(a) Every Lot and the Common Property and the common property of any Neighborhood are burdened with an easement permitting golf balls unintentionally to come upon such Common Property, Lots, or common property of a Neighborhood and for golfers at reasonable times and in a reasonable manner to come upon the Common Property, common property of a Neighborhood, or the portions of a Lot not containing a structure to retrieve errant golf balls; provided, however, if any Lot is fenced or walled, the golfer shall seek the Owner's permission before entry. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage or injury resulting from errant golf balls or the exercise of this easement: the Declarant; the Association or its members (in their capacity as such); the owner of the Golf Club, its successors, successors-in-title, or assigns; any successor Declarant; any builder or contractor (in their capacities as such); and any officer, director, shareholder, partner, employee or agent of any of the foregoing, or any officer, director, shareholder, partner, employee or agent of any partner.

(b) The owner of the Golf Club, its respective agents, successors and assigns, shall at all times have a right and non-exclusive easement of access and use over those portions of the Common Property reasonably necessary to the operation, maintenance, repair and replacement of the respective Golf Club.

(c) Properties immediately adjacent to the Golf Club are hereby burdened with a non-exclusive easement in favor of the Golf Club for over spray of water from any irrigation system serving the Golf Club. Under no circumstances shall the Association or the owner of the Golf Club be held liable for any damage or injury resulting from such over spray or the exercise of this easement.

(d) The owner of the Golf Club, its respective successors and assigns, shall have a perpetual, exclusive easement of access over the Community for the purpose of retrieving golf balls from bodies of water within the Common Property lying reasonably within range of golf balls hit from the Golf Club.

(e) Each Lot which is immediately adjacent at any point to the Golf Club is hereby burdened with a twenty-five (25) foot tree protection zone extending twenty-five (25) feet into each such Lot from any and all points where such Lot touches or is adjacent to the Golf Club. Within such tree protection zone, no tree may be cut down or removed without the express consent of the Declarant, or after the termination or expiration of Declarant's rights under Section 7.7, the Board (or its designee) or the owner of the Golf Club, except for dead or diseased trees.

13.7. Easement for Entry. In addition to the right of the Board to exercise self-help as provided in Article XVI, Section 2, hereof, the Board shall have the right, but shall not be obligated, to enter upon any property within the Community for emergency, security, and safety reasons, which right may be exercised by the manager, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. This right of entry shall include the right of the Board to enter to cure any condition that may increase the possibility of a fire, slope erosion, or other hazard in the event an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

13.8. Easements for Entry Features and Street Signs. There is hereby reserved to the Declarant and the Association an easement over and upon each Lot for ingress, egress, installation, construction, landscaping and maintenance of entry features and street signs for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees, and other vegetation around all entry features and the right to grade the land under and around the entry features.

#### *Article XIV* *Golf Club*

14.1. Ownership and Operation of Golf Club. All Persons, including all Owners, are hereby advised that no representations or warranties have been or are made by the Declarant or any other Person with regard to the continuing existence, ownership or operation of the Golf Club, if any, and no purported representation or warranty in such regard, either written or oral, shall ever be effective without an amendment to this Declaration executed or joined into by the Declarant. Further, the ownership and/or operation of the Golf Club, if any, may change at any time and from time to time by virtue of, but without limitation, (a) the sale to or assumption of operations of the Golf Club by an independent entity or entities; (b) the creation or conversion of the ownership and/or operating structure of the Golf Club to an "equity" club or similar arrangement whereby the Golf Club or the rights to operate it are transferred to an entity which is owned or controlled by its members; or (c) the transfer of ownership or control of the Golf Club to one or more affiliates, shareholders, employees, or independent contractors of the Declarant. No consent of the Association, any Neighborhood, or any Owner shall be required to effectuate such transfer or conversion.

14.2. Right to Use. Neither membership in the Association nor ownership or occupancy of a Lot shall confer any ownership interest in or right to use the Golf Club. Rights to use the Golf Club will be granted only to such persons, and on such terms and conditions, as may be determined from time to time by the owner of the Golf Club. The owner of the Golf Club shall have the right, from time to time in its sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Golf Club, including, without limitation, eligibility

for and duration of use rights, categories of use and extent of use privileges, and number of users, and shall also have the right to reserve use rights and to terminate use rights altogether, subject to the provisions of any outstanding membership documents.

14.3. View Impairment. Neither the Declarant, the Association, nor the owner or operator of the Golf Club guarantees or represents that any view over and across the Golf Club from adjacent Lots will be preserved without impairment. The owner of the Golf Club, if any, shall have no obligation to prune or thin trees or other landscaping, and shall have the right, in its sole and absolute discretion, to add trees and other landscaping to the Golf Club from time to time. In addition, the owner of the Golf Club may, in its sole and absolute discretion, change the location, configuration, size and elevation of the tees, bunkers, fairways and greens on the Golf Club from time to time. Any such additions or changes to the Golf Club may diminish or obstruct any view from the Lots and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

14.4. Rights of Access and Parking. The Golf Club and its members (regardless of whether such members are Owners hereunder), if any, their guests and invitees, and the employees, agents, contractors, and designees of the owner of the Golf Club shall at all times have, a right and nonexclusive easement of access and use over all roadways located within the Community reasonably necessary to travel from/to the entrance to the Community from/to the Golf Club, respectively, and over those portions of the Community (whether Common Property or otherwise) reasonably necessary to the operation, maintenance, repair, and replacement of the Golf Club. Without limiting the generality of the foregoing, members of the Golf Club, if any, and permitted members of the public shall have the right to park their vehicles on the roadways located within the Community at reasonable times before, during, and after golf tournaments and other similar functions held by or at the Golf Club.

14.5. Assessments. The Golf Club shall not be obligated to pay assessments as provided in Article V hereof. However, the Association may enter into a contractual arrangement or covenant to share costs with the owner of the Golf Club whereby the owner of the Golf Club will contribute funds for, among other things, a higher level of Common Property maintenance.

14.6. Architectural Control. Neither Declarant, nor the Board or its designee, any architectural control committee created hereunder, any Neighborhood, Neighborhood Committee, or Neighborhood Association board of directors, shall approve or permit any construction, addition, alteration, change, or installation on or to any portion of the Community which is adjacent to, or otherwise in the direct line of sight of, the Golf Club without giving the owner of the Golf Club at least fifteen (15) days prior written notice of its intent to approve or permit the same together with copies of the request and all other documents and information finally submitted in such regard. The owner of the Golf Club shall have fifteen (15) days to approve or disapprove the proposal in writing delivered to the appropriate committee, board of directors, or entity, stating in detail the reasons for any disapproval. The failure of the owner of the Golf Club to respond to the notice within the fifteen (15) day period shall constitute a waiver of such Person's right to object to the matter. This section shall also apply to any work on the Common Property or on any common property or common elements of a Neighborhood, if any. The Golf Club shall not be subject to any of the architectural control provisions contained in this Declaration.



14.7. Limitations on Amendments. In recognition of the fact that the provisions of this Article are for the benefit of the owner of the Golf Club, no amendment to this Article, and no amendment in derogation of any rights reserved or granted to the owner of the Golf Club by other provisions of this Declaration, may be made without the written approval of the owner of the Golf Club. The foregoing shall not apply, however, to amendments made by the Declarant.

14.8. Jurisdiction and Cooperation. It is Declarant's intention that the Association and the owner of the Golf Club shall cooperate to the maximum extent possible in the operation of the Community and the Golf Club. Each shall reasonably assist the other in upholding the Community-Wide Standard. The Association shall have no power to promulgate rules and regulations affecting activities on or use of the Golf Club.

*Article XV*  
**Dispute Resolution and Limitation on Litigation**

15.1. Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes. The Association, Declarant, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties"), agree to encourage the amicable resolution of disputes involving the Community, thereby avoiding the emotional and financial costs of litigation. Accordingly, each Bound Party covenants and agrees that all claims, grievances or disputes between such Bound Party and any other Bound Party involving the Community, including, without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Declaration, the By-Laws, the Association rules, or the Articles (collectively "Claim"), except for those Claims exempted in Section 2 below, shall be subject to the procedures set forth in Section 3 below.

15.2. Exempt Claims. The following Claims ("Exempt Claims") shall be exempt from the provisions of Section 3 below:

- (a) Any suit by the Association against any Bound Party to enforce the provisions of Article V (Assessments);
- (b) Any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Associations ability to enforce the provisions of Article VIII (Use Restrictions and Rules); and
- (c) Any suit between Owners (other than the Declarant) seeking redress on the basis of a Claim which would constitute a cause of action under the law of the State of Georgia in the absence of a claim based on the Declaration, By-Laws, Articles or rules of the Association, if the amount in controversy exceeds Five Thousand Dollars (\$5,000.00).

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 3 below, but there shall be no obligation to do so.

15.3. Mandatory Procedures for All Other Claims. Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent"), other than an Exempt Claim, shall not file suit in any court or initiate any proceeding before any administrative tribunal seeking redress or resolution of such Claim until it has complied with the following procedures:

(a) Notice. The Claimant shall notify each Respondent in writing of the Claim (the "Notice"), stating plainly and concisely:

(i) The nature of the Claim, including date, time, location, persons involved, Respondent's role in the Claim;

(ii) The basis of the Claim (i.e., the provisions of this Declaration, the By-Laws, the Articles or rules or other authority out of which the Claim arises);

(iii) What Claimant wants Respondent to do or not do to resolve the Claim; and

(iv) That Claimant wishes to resolve the Claim by mutual agreement with Respondent, and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

(b) Negotiation.

(i) Each Claimant and Respondent (the "Parties") shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.

(ii) Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if in its discretion it believes its efforts will be beneficial to the Parties and to the welfare of the Community.

(c) Mediation.

(i) If the Parties do not resolve the Claim through negotiation within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of an independent agency in the metropolitan Atlanta, Georgia, area providing mediation services upon which the Parties may mutually agree.

(ii) If Claimant does not submit the Claim to mediation within thirty (30) days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, however, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

(iii) Respondent shall not be released under subsection ©(ii) above if Respondent fails or refuses to cooperate with Claimant in selecting a mediator or is participating in the mediation proceedings.

(d) Final and Binding Arbitration.

(i) If the Parties do not resolve the Claim through mediation, the Claimant shall have thirty (30) days following termination (as determined by the mediator) of mediation proceedings ("Termination of Mediation") to submit the Claim to arbitration in accordance with the Rules of Arbitration contained in Exhibit "E" to this Declaration or the Claim shall be deemed abandoned, and Respondent released and discharged from any and all liability to Claimant

arising out of such Claim; provided, however, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

(ii) This subsection (d) is an agreement of the Bound Parties to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration law of the State of Georgia. The arbitration award (the "Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of Georgia.

#### 15.4. Allocation of Costs of Resolving Claims.

- (a) Each Party shall bear all of its own costs incurred prior to and during the proceedings described in Section 3(a), (b) and (c), above, including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediator(s) pursuant to Section 3(c) above.
- (b) Each Party shall bear all of its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 3(c) above and shall share equally in the costs of conducting the arbitration proceeding (collectively, "Post Mediation Costs"); provided, however, if the Claim is rejected in whole or in part, the Claimant shall pay all Post Mediation costs, including the costs incurred by the Respondent.

15.5. Enforcement of Resolution. If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 3 above and any Party thereafter fails to abide by the terms of such agreement, or if any Party fails to comply with the Award following arbitration, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 3 above. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties prorata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorney's fees and court costs.

### *Article XVI* General Provisions

16.1. Enforcement. Each Owner and every Occupant of a Lot shall comply strictly with the By-Laws, the rules and regulations, the use restrictions, as they may be lawfully amended or modified from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and in the deed to his or her Lot, if any. The Board of Directors may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the By-Laws or the rule and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Association, or, in a proper case, by an aggrieved Owner or the Master Association. Failure by the Association, any Owner or the Master Association to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice of violation of the Declaration, By-Laws, rules and regulations, or use restrictions and

to access the cost of recording and removing such notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

16.2. Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot or any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates this Declaration, the By-Laws, the rules and regulations, or the use restrictions. Unless an emergency situation exists, the Board shall give the violating Lot Owner ten (10) days written notice of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after reasonable notice. All costs of self-help, including reasonable attorney's fees actually incurred shall be assessed against the violating Lot Owner and shall be collected as provided for herein for the collection of assessments.

16.3. Duration. The covenants and restrictions of this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent permitted by law; provided, however, so long as Georgia law limits the period during which covenants restricting lands to certain uses may run, any provision of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time any such provisions shall be automatically extended for successive periods of ten (10) years, unless such extension is disapproved by at least two-thirds (2/3) of the Total Association Vote. A written instrument reflecting disapproval must be recorded within the year immediately preceding the beginning of a ten (10) year renewal period. Every purchaser or grantee of any interest (including, without limitation, a security interest) in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that such provisions of this Declaration may be extended and renewed as provided in this section.

16.4. Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to guarantee or insure mortgage loans on the Lots subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent thereto in writing. Further, so long as Declarant has the right unilaterally to subject additional property to this Declaration as provided in Article XI hereof, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Lot Owner hereunder, nor shall it adversely affect title to any Lot without the consent of the affected Lot Owner.

In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of Owners representing at least two-thirds (2/3) of the Total Association Vote. Amendments to this Declaration shall become effective upon

recording, unless a later effective date is specified therein. No provision of this Declaration which reserves or grants special rights to the Declarant shall be amended without the prior written consent of the Declarant so long as the Declarant owns any property primarily for development and/or sale in the Community or subject to annexation by the Declarant to the Community.

16.5. Partition. The Common Property shall remain undivided, and no Lot Owner nor any other Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners of all portions of the property located within the Community and without the written consent of all holders of all Mortgages encumbering any portion of the property, including, but not necessarily limited to, the Lots located within the Community.

16.6. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

16.7. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this Declaration are declared to be severable.

16.8. Captions. The captions of each article and section hereof, as to the contents of each article and section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular article or section to which they refer.

16.9. OMITTED.

16.10. Conveyance of Common Property by Declarant to Association: Assignment of Contracts. The Declarant and the Declarant's designees may transfer or convey to the Association any personal property and any improved or unimproved real property, leasehold, easement, or other property interest. Any such conveyance shall be accepted by the Association, and the property shall thereafter be Common Property to be maintained by the Association for the benefit of all or a part of its members. Declarant and the Declarant's designees shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this section. The Association shall also accept assignment of any contracts entered into, by the Declarant and the Declarant's designees for the benefit of the Association or the Owners. All contracts or leases executed by or on behalf of the Association prior to the termination of the Declarant's right to appoint any of the directors and officers of the Association shall contain, or shall be deemed to contain, a termination clause permitting the Association to terminate the contract or lease at any time, without cause and without penalty, upon not more than ninety (90) days' written notice.

16.11. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

16.12. Indemnification. In accordance with the Georgia Nonprofit Corporation Code and to the full extent allowed, the Association shall indemnify every Person who was or is a party or who is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association), by reason of the fact that such Person is or was serving as a director or officer of the Association against any and all expenses, including attorneys' fees, imposed upon or reasonably incurred in connection with any action, suit, or proceeding, if such Person acted in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Association only as authorized in a specific case upon a determination that indemnification of the Person is proper under the circumstances.

16.13. Construction and Sale Period. Notwithstanding any provisions contained in this Declaration, the By-Laws, Articles of Incorporation, rules and regulations, use restrictions, and any amendments to any of the foregoing, the Declarant hereby expressly reserves unto itself and its successors and assigns a non-exclusive, perpetual right, privilege, and easement with respect to the Community for the benefit of the Declarant, its successors, and assigns over, under, in, and/or on the Community, without obligation and without charge to the Declarant, for the purposes of taking all actions related to or connected with construction, installation, relocation, development, sale, maintenance, repair, or replacement in the Community and any other property now owned or which may in the future be owned by the Declarant, (such other property is hereinafter referred to as "Additional Property"). The reserved easement shall constitute a burden on the title to the Community and specifically includes, but is not limited to:

(a) The right of access, ingress, and egress for vehicular and pedestrian traffic over, under, on, or in the Community; and the right to tie into any portion of the Community with streets, driveways, parking areas, and walkways; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee payable to the Association or any Owner for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer, and drainage lines and facilities constructed or installed in, on, under, and/or over the Community;

(b) The right to use (continually or from time to time) without charge any clubhouse or similar structure and appurtenant recreational facilities, if any, constructed by the Declarant in the Community for business purposes or company functions of the Declarant and any similar use, including but not limited to, sales and marketing meetings, offices for Declarant's sales or other employees and agents, a design studio, and employee parties; and

(c) The right to construct, install, replace, relocate, maintain, repair, use, and enjoy signs, model residences, sales or construction trailers and sales offices in the Community.

No rights, privileges, and easements granted or reserved herein shall be merged into the title of any property, including, without limitation, the Community, but shall be held independent of such title, and no such right, privilege, or easement shall be surrendered, conveyed, or released unless and until and except by delivery of a quitclaim deed from the Declarant releasing such right, privilege, or easement by express reference thereto.

If these reserved easements are exercised without annexing any Additional Property to the Community, the Owners of the affected Additional Property shall share the costs, if any, of using and maintaining utility and similar facilities, including, without limitation, electrical; telephone, natural gas, water, sewer, and drainage lines and facilities with the Owners in the Community in the proportion that the number of completed dwellings on the affected Additional Property bears to the total number of completed dwellings upon the affected Additional Property and the number of Lots in the Community. The costs of maintenance and repair of Community streets and driveways shall likewise be apportioned to the affected Additional Property if the only means of vehicular access to the affected Additional Property is across the Community. For the purposes' of this provision, a dwelling on the affected Additional Property shall be considered completed when a certificate of occupancy has been granted. The allocation of expenses and the collection therefor may be done on a monthly, quarterly, or annual basis, as may reasonably be determined by the Association in accordance with this Declaration. If any of the Additional Property is added to the Community, from the time of the annexation, the sharing of costs and expenses and the use of any property so added shall be governed by this Declaration, rather than by these reserved easements. This provision shall not adversely affect the rights of the declarant under the Master Declaration pursuant to any similar provision contained therein.

This section shall not be amended without the prior written consent of the Declarant so long as the Declarant owns any property primarily for development and/or sale in the Community or subject to annexation to the Community.

#### 16.14. Books and Records.

(a) Inspection by Members and Mortgagees. This Declaration, the By-Laws, copies of rules and use restrictions, membership register, books of account, and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by any member of the Association or by his duly appointed representative and by holders, insurers, or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to his or her interest as a member or holder, insurer, or guarantor of a first Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) Notice to be given to the custodian of the records;
- (ii) Hours and days of the week when such an inspection may be made; and
- (iii) Payment of the cost of reproducing copies of documents.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extra copies of documents at the reasonable expense of the Association.

16.15. Financial Statements. Financial statements for the Association shall be compiled annually in the manner as the Board of Directors may decide; provided, however, after having received the Board's financial statements at the annual meeting, the Owners, by a Majority vote, may require that the financial statements of the Association be audited as a common expense by

a certified public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all costs associated therewith, such holder shall be entitled to receive a copy of the audited financial statements of the Association within ninety (90) days of the date of the request.

16.16. Notice of Sale or Lease. In the event an Owner sells or leases his or her Lot, the Owner shall give to the Association, in writing, the name of the purchaser or lessee of the Lot and such other information as the Board may reasonably require.

16.17. Agreements. Subject to the prior approval of Declarant, so long as the Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article XI above, all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

16.18. This Declaration: The Association. Every Owner, by acceptance of a deed to property within the Community, acknowledges that he or she is subject to this Declaration and that he or she is automatically a member of and subject to assessment by the Association.

16.19. Cumulative Effect: Conflict. The covenants, restrictions, and provisions of this Declaration shall be cumulative with those of any Neighborhood, and the Association may, but shall not be required to, enforce the covenants, conditions, and provisions of any Neighborhood; provided, however, in the event of conflict between or among such covenants and restrictions, and provisions of any articles of incorporation, by-laws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of any Neighborhood shall be subject and subordinate to those of the Association. The foregoing priorities shall apply, but not be limited to, the liens for assessments created in favor of the Association.

16.20. Variances. Notwithstanding anything to the contrary contained herein, the Board of Directors or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the By-Laws and any rule, regulation or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

16.21. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least seventy-five (75%) percent of the Total Association Vote and, for so long as Declarant has the right to appoint and remove directors of the Association, the consent of Declarant. This section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article V hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This section shall not be amended unless such amendment is made by the Declarant pursuant to Article XVI, Section 4, hereof, or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above. This provision shall apply in addition to the provisions of Article XV, if applicable.



16.22. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

16.23. Use of Recreational Facilities by Nonmembers. For so long as Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article XI above, Declarant shall have the right to grant to persons who are not members of the Association the right to use the Community recreational facilities (if any) constructed by Declarant. The extent and duration of nonmember use, and the fee to be charged therefore, shall be determined solely by Declarant. The Declarant may grant nonmember use rights to individuals as an easement appurtenant to such individuals' residential real property so that such use rights shall automatically inure to the benefit of both the original grantees and their respective successors-in-title to such real property. For so long as Declarant owns such recreational facilities, nonmember user fees shall be paid to Declarant. If such recreational facilities are conveyed to the Association, nonmember user fees due and payable after the date of such conveyance shall be paid to the Association. Declarant shall determine the amount of nonmember user fees that are due and payable after such conveyance. Such fees shall be paid in equal annual installments to the Association. The amount of such installment payments may be increased each year by the Board so long as the percentage increase (as compared to the previous year's installment) does not exceed the percentage increase in the annual assessment levied against members of the Association (as compared to the previous year's assessment).

Any use right granted to nonmembers which extends beyond the termination of Declarant's option to unilaterally subject additional property to this Declaration shall be valid and may not be terminated by the Association so long as the terms and conditions imposed upon nonmember use by Declarant are complied with by the nonmember user.

Declarant hereby expressly reserves unto itself, its successors and assigns a non-exclusive, perpetual right, privilege and easement with respect to the Community for the benefit of Declarant, its successors, assigns and the above discussed nonmember users, over, under, in and/or on the Community including, without limitation, the above described recreational facilities), without obligation and without charge to the foregoing, for the purposes of taking all actions related to or connected with the granting of non-member use and the use by such nonmembers as described above. Such right, privilege and easement shall include, without limitation, the right of access, ingress, use and egress of and to the above described recreational facilities and the right of access, ingress, use and egress for vehicular and pedestrian traffic over, under, on or in the Community roads, parking areas and walkways.

Declarant shall not be liable for and is hereby held harmless from any failure of any non-member to pay a non-member user fee to the Association where required to do so by this section. In such case, the Association's sole remedy shall be to suspend the use right of the nonmember who has not timely paid until all amounts owed are paid. Declarant shall also not be liable for and is hereby held harmless from any personal injury or property damage caused by a nonmember entitled to use the Community recreational facilities constructed by Declarant.

Declarant shall have the sole right to grant use rights to the Community recreational facilities constructed by Declarant to nonmembers and the Board shall have no such right. The provisions of this section shall apply notwithstanding any contrary provisions in this Declaration, the

Bylaws, Articles of Incorporation rules and regulations, use restrictions and any amendments to any of the foregoing.

16.24. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community safer than it otherwise might be.

NEITHER THE ASSOCIATION, NOR THE DECLARANT, NOR ANY SUCCESSOR DECLARANT SHALL IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMUNITY, AND NONE OF THEM SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM, OR OTHER SECURITY SYSTEM CAN NOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED.

EACH OWNER ACKNOWLEDGES, UNDERSTANDS, AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, ITS' BOARD OF DIRECTORS AND COMMITTEES, THE DECLARANT, AND ANY SUCCESSOR DECLARANT ARE NOT INSURERS AND THAT EACH PERSON USING THE COMMUNITY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO LOTS, AND TO THE CONTENTS OF LOTS RESULTING FROM ACTS OF THIRD PARTIES.

IN WITNESS WHEREOF, the undersigned Declarant has executed this instrument this 30<sup>th</sup> day of Sept, 2006.

DECLARANT: CarterGrove Plantation, LLC, A Georgia Corporation

By: Steve Simpson, its Manager

[Signature]  
Steve Simpson

Signed, sealed, and delivered  
this 30<sup>th</sup> day of Sept.,  
2006, in the presence of:

[Signature]  
NOTARY PUBLIC

[Signature]  
Witness

Commission Expires \_\_\_\_\_

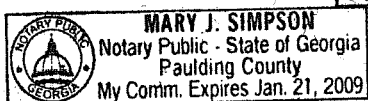
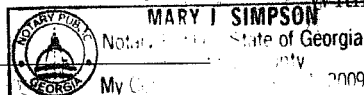


TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Name</u>
"A"	Definitions
"B"	Property Submitted
"C"	Additional Property Which May in the Future be Submitted to This Declaration
"C-1"	Initial "Special Maintenance Property"
"D"	By-Laws of CarterGrove Plantation Community Association, Inc.
"E"	Rules of Arbitration
"F"	Golf Club Legal Description

***EXHIBIT "A"***  
***Definitions***

The following words, when used in this Declaration or in any amendment thereof (unless the context shall prohibit), shall have the following meanings:

- (a) "Articles of Incorporation" or "Articles" shall mean the Articles of Incorporation of CarterGrove Plantation Community Association, Inc., as filed with the Secretary of State of the State of Georgia, as amended from time to time.
- (b) "Association" shall mean and refer to CarterGrove Plantation Community Association, Inc., a nonprofit Georgia corporation, its successors and assigns.
- (c) "Base Assessment" shall refer to assessments levied on all Lots subject to assessment under Article V to fund Common Expenses for the general benefit of all Lots, as more particularly described in Article V of this Declaration.
- (d) "Board of Directors" or "Board" of the Association shall be the appointed or elected body, as applicable, having its normal meaning under Georgia corporate law.
- (e) "By-Laws" shall refer to the By-Laws of CarterGrove Plantation Community Association, Inc., attached to this Declaration as Exhibit "D" and incorporated herein by this reference.
- (f) "Common Expenses" shall mean the actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association.
- (g) "Common Property" shall mean any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners. The term shall include the Exclusive Common Property, as defined below.
- (h) "Community" shall mean and refer to that certain real property and interests therein described in Exhibit "B" attached hereto, and (i) such additions thereto as may be made by Declarant (or its Mortgagee or transferee, as provided in the Declaration) of other real property; and (ii) such additions thereto as may be made by the Association (as provided in the Declaration) of other real property.
- (i) "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board of Directors of the Association. Such determination, however, must be consistent with the Community Wide Standard originally established by the Declarant.
- (j) "Declarant" shall mean and refer to CarterGrove Plantation, LLC, a Georgia Corporation, and the successors-in-title and assigns of CarterGrove Plantation, LLC, provided any such successor-in-title or assign shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the real property described in Exhibits "B" and "C" attached hereto, and provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance; provided, further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that as to all of the property described in

Exhibits "B" and "C" attached hereto, there shall be only one Person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one point in time.

(k) "Exclusive Common Property" shall refer to a portion of the Common Property which the Association now or hereafter owns, leases, or otherwise holds possessory or use rights in for the exclusive use or primary benefit of one (1) or more, but less than all, Neighborhoods, as more particularly described in Article III of this Declaration.

(l) "Golf Club" shall mean that parcel of land more fully described in (on Exhibit "F" attached hereto).

(m) "Lot" shall mean any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site as shown on the plat for the Community, or amendments thereto, recorded in the land records of the county where the Community is located. The ownership of each Lot shall include; and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, all of the right, title, and interest of an Owner in the Common Property, which shall include, without limitation, membership in the Association.

(n) "Mortgage" means any mortgage, deed to secure debt, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

(o) "Mortgagee" shall mean the holder of a Mortgage.

(p) "Neighborhood" shall refer to each separately designated residential area within the Community, whether or not governed by a Neighborhood Association (as defined below), in which the Owners may have common interests other than those common to all members of the Association. For example, and by way of illustration and not limitation, each town home development and single-family detached housing development may constitute a separate Neighborhood, or a Neighborhood may be comprised of more than one (1) housing type with other features in common. In addition, each parcel of land intended for development as any of the above, may constitute a Neighborhood, subject to division into more than one (1) Neighborhood upon development.

Where the context permits or requires, the term Neighborhood shall also refer to the Neighborhood Committee (established in accordance with the By-Laws) or Neighborhood Association (as described in Article III of this Declaration) having concurrent jurisdiction over the property within the Neighborhood. Neighborhood boundaries may be established and modified as provided in Article III of this Declaration.

(q) "Neighborhood Assessments" shall mean assessments levied against the Lots in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses, as more particularly described in Article V, Sections 2 and 4, of this Declaration.

(r) "Neighborhood Association" shall refer to any owners association having concurrent jurisdiction with the Association over any part of the Community.

(s) "Neighborhood Expenses" shall mean and include the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners within a

particular Neighborhood or Neighborhoods, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein or in any amendment which submits additional property to this Declaration applicable to the Neighborhoods.

(u) "Occupant" shall mean any Person occupying all or any portion of a Lot or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

(v) "Owner" shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.

(w) "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust, or other legal entity.

(x) "Special Maintenance Property" means the real property described on Exhibit "C-1" attached hereto and made a part hereof, together with any other real property (which may include the property described on Exhibits "B" and "C" to this Declaration, as well as other real property) which Declarant, by written amendment to this Declaration, may hereafter designate as "Special Maintenance Property".

(y) "Total Association Vote" means all of the votes attributable to members of the Association and the consent of Declarant (so long as Declarant owns any property subject to the Declaration or which may be unilaterally subjected to the Declaration by the Declarant).

**EXHIBIT "B"****Property Submitted**

## W R I T T E N   D E S C R I P T I O N

THENCE South 48 degrees 02 minutes 32 seconds West for a distance of 29.36 feet to a point;

THENCE South 09 degrees 18 minutes 34 seconds West for a distance of 255.38 feet to a point;

THENCE South 10 degrees 23 minutes 49 seconds West for a distance of 138.16 feet to a point;

THENCE South 23 degrees 05 minutes 23 seconds East for a distance of 17.52 feet to a point;

THENCE along a curve to the right having a radius of 1416.50 feet and an arc length of 244.23 feet, being subtended by a chord of South 20 degrees 26 minutes 13 seconds West for a distance of 243.93 feet to a point;

THENCE South 25 degrees 22 minutes 35 seconds West for a distance of 137.17 feet to a point;

THENCE South 34 degrees 51 minutes 13 seconds West for a distance of 100.21 feet to a point;

THENCE South 22 degrees 31 minutes 28 seconds West for a distance of 20.10 feet to a point;

THENCE along a curve to the left having a radius of 1299.00 feet and an arc length of 868.78 feet, being subtended by a chord of South 06 degrees 12 minutes 59 seconds West for a distance of 852.68 feet to a point;

THENCE South 12 degrees 56 minutes 36 seconds East for a distance of 465.65 feet to a point;

THENCE along a curve to the left having a radius of 1299.00 feet and an arc length of 1175.22 feet, being subtended by a chord of South 38 degrees 51 minutes 42 seconds East for a distance of 1135.55 feet to a point;

THENCE North 54 degrees 35 minutes 54 seconds East for a distance of 1217.36 feet to a point;

THENCE North 21 degrees 59 minutes 53 seconds East for a distance of 3.49 feet to a point;

THENCE South 89 degrees 50 minutes 02 seconds East for a distance of 993.88 feet to a point;

THENCE South 26 degrees 14 minutes 49 seconds East for a distance of 182.72 feet to a point;

THENCE South 08 degrees 43 minutes 27 seconds West for a distance of 164.41 feet to a point;

THENCE South 44 degrees 03 minutes 20 seconds West for a distance of 95.65 feet to a point;

THENCE South 64 degrees 39 minutes 56 seconds West for a distance of 74.41 feet to a point;

THENCE South 44 degrees 50 minutes 04 seconds West for a distance of 495.04 feet to a point;

THENCE North 83 degrees 21 minutes 20 seconds West for a distance of 469.35 feet to a point;

**EXHIBIT "B"****Property Submitted – Continued**

THENCE South 14 degrees 06 minutes 29 seconds West for a distance of 77.83 feet to a point;

THENCE South 10 degrees 31 minutes 25 seconds West for a distance of 164.41 feet to a point;

THENCE South 55 degrees 28 minutes 58 seconds West for a distance of 198.32 feet to a point;

THENCE South 72 degrees 24 minutes 34 seconds East for a distance of 136.35 feet to a point;

THENCE South 73 degrees 38 minutes 11 seconds East for a distance of 26.74 feet to a point;

THENCE South 16 degrees 21 minutes 49 seconds West for a distance of 110.00 feet to a point;

THENCE North 73 degrees 38 minutes 11 seconds West for a distance of 194.50 feet to a point;

THENCE along a curve to the right having a radius of 860.00 feet and an arc length of 56.20 feet, being subtended by a chord of North 71 degrees 45 minutes 52 seconds West for a distance of 56.19 feet to a point;

THENCE South 33 degrees 53 minutes 29 seconds West for a distance of 187.84 feet to a point;

THENCE South 45 degrees 35 minutes 57 seconds East for a distance of 313.18 feet to a point;

THENCE South 74 degrees 20 minutes 14 seconds East for a distance of 110.10 feet to a point;

THENCE South 47 degrees 33 minutes 34 seconds East for a distance of 102.74 feet to a point;

THENCE South 19 degrees 44 minutes 13 seconds East for a distance of 101.46 feet to a point;

THENCE South 05 degrees 21 minutes 54 seconds West for a distance of 113.13 feet to a point;

THENCE South 30 degrees 09 minutes 03 seconds West for a distance of 214.50 feet to a point;

THENCE South 01 degrees 27 minutes 29 seconds East for a distance of 285.59 feet to a point;

THENCE South 03 degrees 53 minutes 42 seconds East for a distance of 115.02 feet to a point;

THENCE South 24 degrees 24 minutes 04 seconds West for a distance of 107.95 feet to a point;

THENCE South 53 degrees 17 minutes 26 seconds West for a distance of 105.87 feet to a point;

THENCE South 02 degrees 17 minutes 29 seconds West for a distance of 132.12 feet to a point;

THENCE South 37 degrees 48 minutes 02 seconds East for a distance of 117.37 feet to a point;

THENCE South 08 degrees 34 minutes 39 seconds East for a distance of 115.01 feet to a point;

THENCE South 25 degrees 27 minutes 31 seconds West for a distance of 138.71 feet to a point;

THENCE South 27 degrees 40 minutes 06 seconds East for a distance of 193.63 feet to a point;

THENCE South 10 degrees 21 minutes 17 seconds West for a distance of 128.95 feet to a point;



**EXHIBIT "B"****Property Submitted – Continued**

THENCE South 42 degrees 00 minutes 56 seconds West for a distance of 132.43 feet to a point;

THENCE South 81 degrees 40 minutes 29 seconds West for a distance of 130.49 feet to a point;

THENCE South 00 degrees 15 minutes 01 seconds West for a distance of 200.43 feet to a point;

THENCE South 34 degrees 36 minutes 18 seconds West for a distance of 108.79 feet to a point;

THENCE North 88 degrees 44 minutes 06 seconds West for a distance of 1453.27 feet to a point;

THENCE North 00 degrees 58 minutes 52 seconds East for a distance of 394.00 feet to a point;

THENCE North 00 degrees 58 minutes 51 seconds East for a distance of 553.82 feet to a point;

THENCE North 88 degrees 59 minutes 27 seconds West for a distance of 209.53 feet to a point;

THENCE South 54 degrees 15 minutes 19 seconds West for a distance of 74.89 feet to a point;

THENCE North 88 degrees 59 minutes 27 seconds West for a distance of 200.00 feet to a point;

THENCE South 01 degrees 00 minutes 33 seconds West for a distance of 240.00 feet to a point;

THENCE North 89 degrees 15 minutes 47 seconds West for a distance of 471.44 feet to a point;

THENCE North 48 degrees 27 minutes 42 seconds West for a distance of 270.05 feet to a point;

THENCE North 10 degrees 01 minutes 00 seconds West for a distance of 609.56 feet to a point;

THENCE North 01 degrees 07 minutes 56 seconds East for a distance of 449.93 feet to a point;

THENCE North 88 degrees 48 minutes 49 seconds West for a distance of 439.73 feet to a point;

THENCE North 45 degrees 05 minutes 56 seconds West for a distance of 606.12 feet to a point;

THENCE North 00 degrees 55 minutes 04 seconds East for a distance of 399.76 feet to a point;

THENCE South 89 degrees 05 minutes 57 seconds East for a distance of 878.93 feet to a point;

THENCE North 00 degrees 52 minutes 54 seconds East for a distance of 981.80 feet to a point;

THENCE South 89 degrees 52 minutes 05 seconds East for a distance of 532.14 feet to a point;

THENCE North 00 degrees 26 minutes 59 seconds East for a distance of 706.48 feet to a point;

THENCE South 88 degrees 45 minutes 59 seconds East for a distance of 493.14 feet to a point;

THENCE along a curve to the right having a radius of 1410.00 feet and an arc length of 865.40 feet, being subtended by a chord of North 07 degrees 47 minutes 37 seconds East for a distance of 851.88 feet to a point;

THENCE North 25 degrees 22 minutes 35 seconds East for a distance of 256.08 feet to a point;

**EXHIBIT "B"****Property Submitted – Continued**

THENCE along a curve to the left having a radius of 1290.00 feet and an arc length of 361.74 feet, being subtended by a chord of North 17 degrees 20 minutes 35 seconds East for a distance of 360.56 feet to a point;

THENCE North 09 degrees 18 minutes 34 seconds East for a distance of 262.27 feet to a point;

THENCE North 85 degrees 56 minutes 24 seconds East for a distance of 89.58 feet to a point;

THENCE South 00 degrees 27 minutes 50 seconds East for a distance of 14.30 feet to a point;

THENCE North 85 degrees 51 minutes 41 seconds East for a distance of 41.41 feet to a point;

Together with and subject to covenants, easements, and restrictions of record.

Said property contains 259.250 acres more or less.

*EXHIBIT "C"*

**Property Which May in the Future be  
Submitted to This Declaration**

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**EXHIBIT "C-1"****Special Maintenance Property**

The property (residential lots) generally described and depicted on the Legal Description following, and made a part hereof. Additional Special Maintenance Property may also be added by future amendments to this Declaration.

## W R I T T E N   D E S C R I P T I O N

THENCE South 48 degrees 02 minutes 32 seconds West for a distance of 29.36 feet to a point;

THENCE South 09 degrees 18 minutes 34 seconds West for a distance of 255.38 feet to a point;

THENCE South 10 degrees 23 minutes 49 seconds West for a distance of 138.16 feet to a point;

THENCE South 23 degrees 05 minutes 23 seconds East for a distance of 17.52 feet to a point;

THENCE along a curve to the right having a radius of 1416.50 feet and an arc length of 244.23 feet, being subtended by a chord of South 20 degrees 26 minutes 13 seconds West for a distance of 243.93 feet to a point;

THENCE South 25 degrees 22 minutes 35 seconds West for a distance of 137.17 feet to a point;

THENCE South 34 degrees 51 minutes 13 seconds West for a distance of 100.21 feet to a point;

THENCE South 22 degrees 31 minutes 28 seconds West for a distance of 20.10 feet to a point;

THENCE along a curve to the left having a radius of 1299.00 feet and an arc length of 868.78 feet, being subtended by a chord of South 06 degrees 12 minutes 59 seconds West for a distance of 852.68 feet to a point;

THENCE South 12 degrees 56 minutes 36 seconds East for a distance of 465.65 feet to a point;

THENCE along a curve to the left having a radius of 1299.00 feet and an arc length of 1175.22 feet, being subtended by a chord of South 38 degrees 51 minutes 42 seconds East for a distance of 1135.55 feet to a point;

THENCE North 54 degrees 35 minutes 54 seconds East for a distance of 1217.36 feet to a point;

THENCE North 21 degrees 59 minutes 53 seconds East for a distance of 3.49 feet to a point;

THENCE South 89 degrees 50 minutes 02 seconds East for a distance of 993.88 feet to a point;

THENCE South 26 degrees 14 minutes 49 seconds East for a distance of 182.72 feet to a point;

THENCE South 08 degrees 43 minutes 27 seconds West for a distance of 164.41 feet to a point;

THENCE South 44 degrees 03 minutes 20 seconds West for a distance of 95.65 feet to a point;

THENCE South 64 degrees 39 minutes 56 seconds West for a distance of 74.41 feet to a point;

THENCE South 44 degrees 50 minutes 04 seconds West for a

**EXHIBIT "C-1"****Special Maintenance Property**  
**(Continued)**

distance of 495.04 feet to a point;

THENCE North 83 degrees 21 minutes 20 seconds West for a distance of 469.35 feet to a point;

THENCE South 14 degrees 06 minutes 29 seconds West for a distance of 77.83 feet to a point;

THENCE South 10 degrees 31 minutes 25 seconds West for a distance of 164.41 feet to a point;

THENCE South 55 degrees 28 minutes 58 seconds West for a distance of 198.32 feet to a point;

THENCE South 72 degrees 24 minutes 34 seconds East for a distance of 136.35 feet to a point;

THENCE South 73 degrees 38 minutes 11 seconds East for a distance of 26.74 feet to a point;

THENCE South 16 degrees 21 minutes 49 seconds West for a distance of 110.00 feet to a point;

THENCE North 73 degrees 38 minutes 11 seconds West for a distance of 194.50 feet to a point;

THENCE along a curve to the right having a radius of 860.00 feet and an arc length of 56.20 feet, being subtended by a chord of North 71 degrees 45 minutes 52 seconds West for a distance of 56.19 feet to a point;

THENCE South 33 degrees 53 minutes 29 seconds West for a distance of 187.84 feet to a point;

THENCE South 45 degrees 35 minutes 57 seconds East for a distance of 313.18 feet to a point;

THENCE South 74 degrees 20 minutes 14 seconds East for a distance of 110.10 feet to a point;

THENCE South 47 degrees 33 minutes 34 seconds East for a distance of 102.74 feet to a point;

THENCE South 19 degrees 44 minutes 13 seconds East for a distance of 101.46 feet to a point;

THENCE South 05 degrees 21 minutes 54 seconds West for a distance of 113.13 feet to a point;

THENCE South 30 degrees 09 minutes 03 seconds West for a distance of 214.50 feet to a point;

THENCE South 01 degrees 27 minutes 29 seconds East for a distance of 285.59 feet to a point;

THENCE South 03 degrees 53 minutes 42 seconds East for a distance of 115.02 feet to a point;

THENCE South 24 degrees 24 minutes 04 seconds West for a distance of 107.95 feet to a point;

THENCE South 53 degrees 17 minutes 26 seconds West for a distance of 105.87 feet to a point;

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THENCE South 37 degrees 48 minutes 02 seconds East for a distance of 117.37 feet to a point;

THENCE South 08 degrees 34 minutes 39 seconds East for a distance of 115.01 feet to a point;

**EXHIBIT "C-1"****Special Maintenance Property**  
**(Continued)**

THENCE South 25 degrees 27 minutes 31 seconds West for a distance of 138.71 feet to a point;

THENCE South 27 degrees 40 minutes 06 seconds East for a distance of 193.63 feet to a point;

THENCE South 10 degrees 21 minutes 17 seconds West for a distance of 128.95 feet to a point;

THENCE South 42 degrees 00 minutes 56 seconds West for a distance of 132.43 feet to a point;

THENCE South 81 degrees 40 minutes 29 seconds West for a distance of 130.49 feet to a point;

THENCE South 00 degrees 15 minutes 01 seconds West for a distance of 200.43 feet to a point;

THENCE South 34 degrees 36 minutes 18 seconds West for a distance of 108.79 feet to a point;

THENCE North 88 degrees 44 minutes 06 seconds West for a distance of 1453.27 feet to a point;

THENCE North 00 degrees 58 minutes 52 seconds East for a distance of 394.00 feet to a point;

THENCE North 00 degrees 58 minutes 51 seconds East for a distance of 553.82 feet to a point;

THENCE North 88 degrees 59 minutes 27 seconds West for a distance of 209.53 feet to a point;

THENCE South 54 degrees 15 minutes 19 seconds West for a distance of 74.89 feet to a point;

THENCE North 88 degrees 59 minutes 27 seconds West for a distance of 200.00 feet to a point;

THENCE South 01 degrees 00 minutes 33 seconds West for a distance of 240.00 feet to a point;

THENCE North 89 degrees 15 minutes 47 seconds West for a distance of 471.44 feet to a point;

THENCE North 48 degrees 27 minutes 42 seconds West for a distance of 270.05 feet to a point;

THENCE North 10 degrees 01 minutes 00 seconds West for a distance of 609.56 feet to a point;

THENCE North 01 degrees 07 minutes 56 seconds East for a distance of 449.93 feet to a point;

THENCE North 88 degrees 48 minutes 49 seconds West for a distance of 439.73 feet to a point;

THENCE North 45 degrees 05 minutes 56 seconds West for a distance of 606.12 feet to a point;

THENCE North 00 degrees 55 minutes 04 seconds East for a distance of 399.76 feet to a point;

THENCE South 89 degrees 05 minutes 57 seconds East for a distance of 878.93 feet to a point;

THENCE North 00 degrees 52 minutes 54 seconds East for a distance of 981.80 feet to a point;

THENCE South 89 degrees 52 minutes 05 seconds East for a distance of 532.14 feet to a point;

THENCE North 00 degrees 26 minutes 59 seconds East for a distance of 706.48 feet to a point;

**EXHIBIT "C-1"****Special Maintenance Property**  
**(Continued)**

THENCE South 88 degrees 45 minutes 59 seconds East for a distance of 493.14 feet to a point;

THENCE along a curve to the right having a radius of 1410.00 feet and an arc length of 865.40 feet, being subtended by a chord of North 07 degrees 47 minutes 37 seconds East for a distance of 851.88 feet to a point;

THENCE North 25 degrees 22 minutes 35 seconds East for a distance of 256.08 feet to a point;

THENCE along a curve to the left having a radius of 1290.00 feet and an arc length of 361.74 feet, being subtended by a chord of North 17 degrees 20 minutes 35 seconds East for a distance of 360.56 feet to a point;

THENCE North 09 degrees 18 minutes 34 seconds East for a distance of 262.27 feet to a point;

THENCE North 85 degrees 56 minutes 24 seconds East for a distance of 89.58 feet to a point;

THENCE South 00 degrees 27 minutes 50 seconds East for a distance of 14.30 feet to a point;

THENCE North 85 degrees 51 minutes 41 seconds East for a distance of 41.41 feet to a point;

Together with and subject to covenants, easements, and restrictions of record.

Said property contains 259.250 acres more or less.

**EXHIBIT "D"**

**BY-LAWS  
OF  
CarterGrove Plantation Community Association, Inc.**

**Article I  
Name Membership Applicability, and Definitions**

Section 1. Name. The name of the corporation is CarterGrove Plantation Community Association, Inc. (hereinafter referred to as the "Association").

Section 2. Membership. The Association shall have one (1) class of membership, as is more fully set forth in that Declaration of Protective Covenants, Conditions, Restrictions and Easements for CarterGrove Plantation (said declaration, as amended, renewed, or extended from time to time, is hereinafter referred to as the "Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

Section 3. Definitions. The words used in. these By-Laws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit.

**Article II  
Association: Meetings. Quorum, Voting. Proxies**

Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members of the Association as may be designated by the Board of Directors, either within the Community or as convenient thereto as possible and practical.

Section 2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one (1) year from the date the Declaration is recorded. Annual meetings shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a Majority of the Board of Directors or upon a petition signed by at least twenty-five percent (25) of the Total Association Vote. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary of the Association to mail or to cause to be delivered to the Owner of record of each Lot a notice of each annual or special meeting of the Association stating the purpose of the special meeting, as well as the time and place where it is to be held. If an Owner wishes notice to be given at an address other than his or her Lot, he or she shall have designated by notice in writing to the Secretary of the Association such other address. The mailing or delivery of a notice of meeting in the manner



provided in. this Section shall be considered service of notice. Notices shall be served not less than ten (10) or more than thirty (30) days before a meeting.

Section 5. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a Majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 7. Voting. The voting rights of the members shall be as set forth in the Declaration, and such voting rights are specifically incorporated herein.

Section 8. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary of the Association before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Lot, or upon receipt of notice by the Secretary of the Association of the death or judicially declared incompetence of a member, or upon written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

Section 9. Quorum. The presence, in person or by proxy, of at least five percent (5) of the Total Association Vote shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 10. Action Without A Formal Meeting. Any action to be taken at a meeting of the members or any action that maybe taken at a meeting of the members may be taken without a meeting if one or more consents, in writing, setting forth the action so taken, shall be signed by members holding the voting power required to pass such action at a meeting held on the date that the last consent is executed and such action is consented to by the Declarant, if required. Such action shall be effective upon receipt by the Association of a sufficient number of such consents executed by current members unless a later effective date is specified therein. Each signed consent shall be delivered to the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Section 11. Action By Written Ballot. Any action to be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be

present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements, shall state the percentage of approvals necessary to approve each matter other than election of directors, and shall specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board of Directors. The results of each action by written ballot shall be certified by the Secretary of the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

### *Article III*

#### **Board of Directors: Number, Powers, Meetings**

##### A. Composition and Selection.

Section 1. Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 2 of this Article, the directors must reside in the Community and shall be members or spouses of such members; provided, however, no Person and his or her spouse may serve on the Board at the same time.

Section 2. Directors Appointed by Declarant. The Declarant shall have the right to appoint and remove the members of the Board of Directors and any officer or officers of the Association until such time as the first of the following events shall occur: (a) the expiration of fifteen (15) years after the date of the recording of the Declaration; (b) the date on which ninety-five percent (95%) of the Lots planned for the Community (as determined by the master plan of the Community prepared and amended from time to time by the Declarant) shall have been conveyed by Declarant to Owners other than a Person or Persons constituting Declarant; or (c) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. Each Owner, by acceptance of a deed to or other conveyance of a Lot, vests in Declarant such authority to appoint and remove directors and officers of the Association. The directors selected by the Declarant need not be Owners or residents in the Community. The names of the initial directors selected by the Declarant are set forth in the Articles of Incorporation of the Association.

Section 3. Number of Directors. The Board shall consist of either three (3) or five (5) members, as determined by unanimous resolution of the Board. If necessary, such resolution shall provide the method and/or voting procedures by which directors are to be added or eliminated.

Section 4. Nomination of Directors. Elected directors shall be nominated from the floor and may also be nominated by a nominating committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 5. Election and Term of Office. Notwithstanding any other provision contained herein:

(a) At the first annual meeting of the Association after the expiration of the Declarant's right to appoint and remove directors and officers of the Association, the Board shall consist of five (5) directors, and all such directors shall be elected by the members of the Association. Three (3)

directors shall be elected for a term of two (2) years and the remaining directors shall be elected for a term of one (1) year.

(b) At annual meetings of the Association thereafter, directors shall be elected to fill the vacancies of those directors whose terms are expiring as of such annual meeting. At the expiration of the term of office of each member of the Board of Directors, a successor shall be elected to serve for a term of two (2) years.

(c) Each member shall be entitled to cast one (1) vote with respect to each vacancy to be filled from each slate on which such member is entitled to vote. There shall be no cumulative voting. The candidate(s) receiving the most votes shall be elected. The directors elected by the members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 6. Removal of Directors. At any regular or special meeting of the Association duly called, any one (1) or more of the members of the Board of Directors may be removed, with or without cause, by the vote of members holding a Majority of the votes entitled cast for the election of such director, and a successor may then and there be elected by the members entitled to elect the director to fill the vacancy thus created. A director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than twenty (20) days may be removed by a Majority vote of the directors at a meeting, a quorum being present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term.

This Section shall not apply to directors appointed by Declarant.

Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. If applicable, if the director who vacated the position was elected by the vote of Owners within a particular Neighborhood only, any director appointed by the Board to fill the vacated position shall be selected from the same Neighborhood as the director who vacated the position and shall serve the unexpired portion of the term of such director.

## B. Meetings

Section 8. Organization Meetings. The first meeting of the members of the Board of Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board,

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a Majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President, by the Vice President, or by a Majority of the directors. The notice

shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) personal delivery; (b) written notice by first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a Person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director (d) telegram, charges prepaid; or (e) commercial delivery service to such director's home or office. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph company shall be given at least forty-eight (48) hours before the time set-for the meeting.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting cannot be held because a quorum is not present, a Majority of the director who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time that the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by a Majority of the Total Association Vote.

Section 14. Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

Section 15. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may be comb involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 16. Action Without A Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors.

Section 17. Telephonic Participation. One (1) or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all Persons participating in the meeting can hear each other at the same time, and those -directors so participating shall be deemed present at such meeting. Any such meeting at which a quorum participates shall constitute a regular meeting of the Board.

C. Powers and Duties.

Section 18. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

- (a) Preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the Common Expenses and Neighborhood Expenses;
- (b) Making assessments to defray the Common Expenses and Neighborhood Expenses, establishing the means and methods of collecting such assessments, and establishing the period of installment payments, if any, of assessments;
- (c) Providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;
- (d) Designations, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;
- (e) Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
- (f) Making and amending use restrictions and rules and regulations;
- (g) Opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) Enforcing by legal means the provisions of the Declaration, any covenants applicable to a Neighborhood, these By-Laws, and the rules and regulations of the Association, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (i) Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (j) Paying the cost of all services rendered to the Association or its members which are not directly chargeable to Owners;

- (k) Keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any other expenses incurred; and
- (l) Contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts, condominiums, Neighborhoods, or other associations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 19. Management Agent. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Declarant or an affiliate of the Declarant may be employed as managing agent. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice.

Section 20. Borrowing. The Association, acting through the Board of Directors, shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Common Property without the approval of the members of the Association. The Board shall also have the power to borrow money for other purposes; provided, however, the Board shall obtain member approval in the same manner provided in Article V, Section 5, of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these By-Laws, or the Articles of Incorporation, during the time the Declarant has the right and power to appoint directors and officers of the Association, no Mortgage lien shall be placed on any portion of the Common Property without the affirmative vote or written consent, or any combination thereof, of at least a Majority of the Total Association Vote.

Section 21. Fining Procedure. The Board shall not impose a fine (a late charge shall not constitute a fine) unless and until the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

- (i) The alleged violation;
- (ii) The action required to abate the violation; and
- (iii) A time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a fine, if the violation is not continuing. The Board or its designee may demand immediate abatement in such circumstances which, in the Board's determination, pose a danger to safety or property.

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board may, upon notice, impose a fine. The notice shall state:

- (i) The nature of the alleged violation;
  - (ii) That the alleged violator may, within ten (10) days from the date of the notice, request a hearing regarding the fine;
  - (iii) That any statements, evidence, and witnesses may be produced by the alleged violator at the hearing; and
  - (iv) That all rights to have the fine reconsidered are waived if a hearing is not requested within ten (10) days of the date of the notice.
- (c) Hearing. If a hearing is requested, it shall be held before the Board in executive session, and the alleged violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing.

#### *Article IV* *Officers*

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Any two (2) or more offices may be held by the same Person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.

Section 2. Election. Term of Office. and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association under Article III, Section 2, of these By-Laws, the officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code.

Section 5. Vice President. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Georgia law.

Section 7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

*Article V*  
*Committees*

Section 1. General. Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 2. Neighborhood Committees. In addition to any other committees appointed as provided above, there shall be a Neighborhood Committee for each Neighborhood which has no formal organizational structure or association. Each Neighborhood Committee shall consist of three (3) members; provided, however, upon the vote of at least a Majority of the Owners within the Neighborhood, this number may be increased to five (5). A Neighborhood Committee may advise the Board on any issue, but shall not have the authority to bind the Board of Directors.

Except as otherwise provided in this paragraph, the members of each Neighborhood Committee shall be elected by the vote of Owners of Lots within that Neighborhood at an annual meeting of such Owners. The first annual meeting for each Neighborhood shall be called by the Board not later than sixty (60) days after conveyance of a Majority of the Lots planned for the Neighborhood (as determined by the master plan of the Community prepared and amended from time to time by the Declarant) to Persons other than Declarant or a builder holding title solely for purposes of development and sale. Prior to such time, the members of the Neighborhood Committee shall be selected by the Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant. Election of a Neighborhood Committee may be held by mail-in ballot as described in Article II, Section 11, hereof sent out by the Board, for the initial election, or by the Neighborhood Committee, after the initial election. Each Owner shall have the number of votes assigned to his or her Lot(s) in the Declaration. Except for committee members appointed by the Declarant, committee members shall be elected for a ten of one (1) year or until their successors are elected: Any director elected to the Board of Directors by the vote of Owners within a particular Neighborhood only, as provided in Article III, Section 5, hereof, shall be an ex officio member of the Neighborhood Committee for such Neighborhood.

The Owners of Lots within the Neighborhood holding at least a Majority of the total votes of Lots in the Neighborhood, represented in person or by proxy, shall constitute a quorum at any meeting of the Neighborhood. In the conduct of its duties and responsibilities, each Neighborhood Committee shall abide by the procedures and requirements applicable to the Board of Directors set forth in Article III, Sections 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17, of these By-Laws; provided, however, the term "member" shall refer to the Owners of Lots within the Neighborhood and the terms "directors," "Board," and "Board of Directors" shall refer to the members of the Neighborhood Committee. Each Neighborhood Committee shall elect a chairman from among its members who shall preside at its meetings and who shall be responsible for transmitting any and all communications to the Board of Directors.



*Article VI*  
Miscellaneous

Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with Georgia law, the Articles of Incorporation, the Declaration, these By-Laws, or a ruling made by the Person presiding over the proceeding.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Georgia law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

Section 4. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under the Declaration and these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) If to a member of the Association, at the address which the member has designated in writing and filed with the Secretary of the Association or, if no such address has been designated, at the address of the Lot of such member; or

(b) If to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the member of the Association pursuant to this Section.

Section 5. Amendment. The provisions of the Declaration applicable to amendment of that instrument shall apply to any amendment of these By-Laws; provided, however, that the U.S. Department of Veterans Affairs ("VA") (if it is then guaranteeing any Mortgage in the Community as determined by telephone inquiry to VA) and/or the U.S. Department of Housing and Urban Development ("HUD") (if it is then insuring any Mortgage in the Community as determined by consulting the current list of approved subdivisions regularly published by HUD and furnished to Mortgage companies) shall have the right to approve material amendments to these By-Laws for as long as the Declarant has the right to appoint and remove the directors and officers of the Association.

***EXHIBIT "E"******Rules Of Arbitration***

1. Claimant shall submit a Claim to arbitration under these Rules by giving written notice to all other Parties stating plainly and concisely the nature of the Claim, the remedy sought and Claimant's desire to submit the Claim to arbitration ("Arbitration Notice").
2. Each Party shall select an arbitrator ("Party Appointed Arbitrator"). The Party Appointed Arbitrators shall, by agreement, select one or two neutral arbitrators ("Neutral(s)") so that the total arbitration panel ("Panel") has an odd number of arbitrators. If any Party fails to appoint a Party Appointed Arbitrator within twenty (20) days from the date of the Arbitration Notice, the remaining arbitrators shall conduct the proceedings, selecting a Neutral in place of any missing Party Appointed Arbitrator. The Neutral arbitrator(s) shall select a chairperson ("Chair").
3. If the Panel is not selected under Rule 2 within forty-five (45) days from the date of the Arbitration Notice, Claimant may notify the Georgia chapter of The Community Associations Institute, which shall appoint one Neutral ("Appointed Neutral"), notifying the Appointed Neutral and all Parties in writing of such appointment. The Appointed Neutral shall thereafter be the sole arbitrator ("Arbitrator"), and any Party Appointed Arbitrators or their designees shall have no further duties involving the arbitration proceedings.
4. No person may serve as a Neutral in any arbitration under these Rules in which that person has any financial or personal interest in the result of the arbitration. Any person designated as a Neutral shall immediately disclose in writing to all Parties any circumstance likely to affect impartiality, including any bias or financial or personal interest in the outcome of the arbitration ("Bias Disclosure"). If any Party objects to the service of any Neutral after receipt of that Neutral's Bias Disclosure, such Neutral shall be replaced in the same manner in which that Neutral was selected.
5. The Arbitrator or Chair, as the case may be ("Arbitrator") shall fix the date, time and place for the hearing. The place of the hearing shall be within the Properties unless otherwise agreed by the Parties.
6. Any Party may be represented by an attorney or other authorized representative throughout the arbitration proceedings.
7. All persons who, in the judgment of the Arbitrator, have a direct interest in the arbitration are entitled to attend hearings.
8. There shall be no stenographic record of the proceedings.
9. The hearing shall be conducted in whatever manner will, in the Arbitrator's judgment, most fairly and expeditiously permit the full presentation of the evidence and arguments of the Parties.

10. The Parties may offer such evidence as is relevant and material to the Claim, and shall produce such additional evidence as the Arbitrator may deem necessary to an understanding and determination of the Claim. The Arbitrator shall be the sole judge of the relevance and materiality of any evidence offered, and conformity to the legal rules of evidence shall not be necessary. The Arbitrator shall be authorized, but not required, to administer oaths to witnesses.

11. The Arbitrator shall declare the hearings closed when satisfied the record is complete.

12. There will be no post hearing briefs.

13. The Award shall be rendered immediately following the close of the hearing, if possible, and no later than fourteen (14) days from the close of the hearing, unless otherwise agreed by the Parties. The Award shall be in writing, shall be signed by the Arbitrator and acknowledged before a notary public. If the Arbitrator believes an opinion is necessary, it shall be in summary form.

14. If there is more than one arbitrator, all decisions of the Panel and the Award shall be by Majority vote.

15. Each Party agrees to accept as legal delivery of the Award the deposit of a true copy in the mail addressed to that Party or its attorney at the address communicated to the Arbitrator at the hearing.

**EXHIBIT "F"**

All that tract or parcel of land lying and being in the 4<sup>th</sup> District, 3<sup>rd</sup> Section of Bartow County, Georgia, and located in the City of Cartersville in Land Lots 1165, 1166, 1167, 1210, 1211, 1212 and 1239 and containing 167.687 acres according to a plat of survey prepared for CarterGrove Plantation, LLC by William C. Smith, RLS #1803, dated March 31, 2005 and revised April 4, 2005, said plat of survey being incorporated herein by reference thereto, said property being more fully and particularly described as follows:

BEGIN at the northeast corner of Land Lot 1167; thence south 00 degrees 58 minutes 01 seconds west along the east land lot line of Land Lot 1167 and the east land lot line of Land Lot 1210 for a distance of 2,582.11 feet to a point, being the southeast corner of Land Lot 1210; thence south 81 degrees 32 minutes 57 seconds west for a distance of 622.92 feet to a point; thence north 82 degrees 50 minutes 11 seconds west for a distance of 686.38 feet to a point; thence north 00 degrees 22 minutes 18 seconds west along the west land lot line of Land Lot 1239 for a distance of 16.97 feet to a point, being the northwest corner of Land Lot 1239 and the southwest corner of Land Lot 1210; thence north 89 degrees 38 minutes 30 seconds west along the south land lot line of Land Lot 1211 for a distance of 144.21 feet to a point; thence 89 degrees 29 minutes 23 seconds west along the south land lot lines of Land Lots 1211 and 1212 for a distance of 1,474.21 feet to a point; thence north 00 degrees 46 minutes 55 seconds east for a distance of 2,623.83 feet to a point, located on the south right of way of Summit Ridge Drive (60 foot right of way); thence south 88 degrees 41 minutes 49 seconds east along the south right of way of said road for a distance of 186.87 feet to a point; thence south 73 degrees 14 minutes 48 seconds east along said right of way for a distance of 56.30 feet to a point; thence south 80 degrees 27 minutes 48 seconds east along said right of way for a distance of 137.94 feet to a point; thence south 88 degrees 08 minutes 48 seconds east along the south right of way of said road for a distance of 126.88 feet to a point; thence north 85 degrees 50 minutes 12 seconds east along the south right of way of said road for a distance of 151.18 feet to a point; thence north 89 degrees 36 minutes 12 seconds east along the south right of way of said road for a distance of 313.41 feet to a point; thence south 74 degrees 08 minutes 18 seconds east along the south right of way of said road for a distance of 184.53 feet to a point; thence south 60 degrees 45 minutes 48 seconds east along the south right of way of said road for a distance of 32.73 feet to a point; thence south 50 degrees 22 minutes 55 seconds east along the south right of way of said road for a distance of 90.21 feet to a point located on the west right of way of Summit Ridge Drive (50 foot right of way); thence south 10 degrees 21 minutes 35 seconds east along the west right of way of said road for a distance of 473.30 feet to a point; thence south 28 degrees 03 minutes 35 seconds east along the west right of way of said road for a distance of 224.62 feet to a point; thence south 08 degrees 30 minutes 25 seconds west along the west right of way of said road for a distance of 85.72 feet to a point; thence south 88 degrees 09 minutes 24 seconds east for a distance of 292.87 feet to a point; thence north 18 degrees 08 minutes 18 seconds east for a distance of 341.26 feet to a point; thence north 14 degrees 42 minutes 57 seconds west for a distance of 122.45 feet to a point; thence north 34 degrees 44 minutes 04 seconds west for a distance of 211.86 feet to a point; thence north 33 degrees 06 minutes 48 seconds west for a distance of 255.89 feet to a point; thence north 88 degrees 37 minutes 54 seconds west for a distance of 165.71 feet to a point; thence south 21 degrees 44 minutes 44 seconds west for a distance of 101.60 feet to a point; thence south 79 degrees 43 minutes 44 seconds west for a distance of 27.70 feet to a point, located on the east right of way of Summit Ridge Drive (50 foot right of way); thence north 09 degrees 22 minutes 24 seconds west along the east right of way of said road for a distance of 49.82 feet to a point; thence north 21 degrees

***EXHIBIT "F"***  
***(Continued)***

48 minutes 56 seconds east for a distance of 108.15 feet to a point, located on the north land lot line of Land Lot 1166; thence south 88 degrees 42 minutes 14 seconds east along the north land lot line of Land Lots 1166 and 1167 for a distance of 1,593.55 feet to a point, being the Point of Beginning.

Said tract being subject to all encroachments, easements, and restrictions of records and as shown on the above-mentioned plat of survey.

Said plat being revised April 15, 2005.