DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR WESTCHESTER LAKES

TABLE OF CONTENTS

	PAGE
DECLARATIONS	2
ARTICLE I – DEFINITIONS	3
ARTICLE II – PROPERTY RIGHTS	7
ARTICLE III – MEMBERSHIP AND VOTING RIGHTS FOR THE ASSOCIATION	9
ARTICLE IV – LAKE ASSOCIATION	11
ARTICLE V – COVENANT FOR MAINTENANCE; ASSESSMENT	16
ARTICLE VI – INSURANCE AND CASUALTY LOSSES	24
ARTICLE VII – MAINTENANCE AND ARCHITECTURAL CONTROL	25
ARTICLE VIII – ADDITIONAL PROPERTY	29
ARTICLE IX – BUILDING AND USE RESTRICTIONS	33
ARTICLE X – EASEMENT	41
ARTICLE XI – GENERAL PROVISIONS	43

DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR WESTCHESTER LAKES

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (this "Declaration") is made this 27th day of September, 1988 by WESTCHESTER LAKES LIMITED PARTNERSHIP ("Declarant"), a Georgia limited partnership which has Grove Development, Inc., a Georgia corporation, as its sole general partner.

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain real property lying and being in Rockdale County, Georgia, which real property is more particularly described on Exhibit "A" attached hereto and by this reference incorporated herein (the "Property"); and

WHEREAS, Declarant desires to ensure the continued attractiveness of the Property, to prevent nuisances upon the Property, and to preserve, protect and enhance the value of the Property, and, to this end, desires to subject the Property to the covenants, easements, conditions and restrictions hereinafter set forth, each of which are for the benefit of the Property and any subsequent owners of all or any portion thereof.

NOW, THEREFORE, Declarant hereby declares that the Property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value, desirability and viability of the Property, and which shall run with the Property and be binding on all parties having any right, title or interest in and to the Property or any portion thereof, as well as their heirs, legal representatives, successors and assigns, and which shall inure to the benefit of each and every owner thereof.

ARTICLE I

DEFINITIONS

Section 1: "Additional Property" shall mean and refer to that certain real property which is described on Exhibit "B" attached hereto and by this reference incorporated herein. Declarant shall have the right, but not the obligation, to add and subject all or any portion or portions of said Additional Property to the terms and conditions of this Declaration or to other covenants and restrictions as further described in Article VIII hereof.

Section 2: "Affiliated Owner" shall mean and refer to the recorded title owner, whether one or more persons or entities, of a fee simple title to any "Affiliated Lot" or "Affiliated Dwelling Unit" (as those terms are described herein) but excluding those persons or entities having an interest therein merely as security for the performance of an obligation. "Affiliated Lot" shall mean and refer to any plot of land (with the exception of any and all property located within the right-of-way of any public street or road) which

(i) is shown on any subdivision plat of the Additional Property, or any portion or portions thereof, heretofore or hereafter recorded in the Rockdale County, Georgia public records, (ii) is not subjected to this Declaration, and (iii) is subjected to other covenants, conditions and restrictions which expressly provide that such plot of land is an "Affiliated Lot" as defined in this Declaration. Declarant may by one of more writings recorded in the Rockdale County, Georgia public records specify one or more portions of the Additional Property which shall never contain Affiliated Lots. "Affiliated Dwelling Unit" shall mean and refer to (a) any permanent, permitted improvement or structure intended for use as a single-family residence which is built upon an Affiliated Lot and for which a certificate of occupancy has been issued, together with (b) the applicable Affiliated Lot upon which such residence was built.

Section 3: "Affiliated Owner Member" shall mean and refer to an Affiliated Owner who was elected to have the right to use and enjoy the recreational facilities located in the Common Area and who has paid all dues and other fees as provide in Article II, Section 4 hereof.

Section 4: "Architectural Control Committee" or "ACC" shall mean and refer to the Architectural Control Committee established by the Declarant or the "Board of Directors" (as that term is defined herein), as the case may be, which Architectural Control Committee shall have the powers and duties described herein and in the "By-laws" (as that term is defined herein).

Section 5: "Association" shall mean and refer to "WESTCHESTER LAKES HOMEOWNERS' ASSOCIATION, INC.", a Georgia non-profit membership corporation, its successors, transfers and assigns, established to own operate and maintain the "Common Area" (as that term is defined herein).

Section 6: "Board of Directors" shall mean and refer to the Board of Directors of the Association, which Board of Directors shall be elected pursuant to the terms and conditions stated in the "By-laws" of the Association.

Section 7: "By-laws" shall mean and refer to the By-laws of the association, as originally adopted by the Board of Directors and amended from time to time pursuant to their terms.

Section 8: "Common Area" shall mean and refer to all real property (including the improvements thereon and thereto, if any) owned or to be owned by the Association or to which the Association has acquired an easement for the common use and enjoyment of the "Owners" (as that term is defined herein), or the Owners and others, as the case may be, including, but not limited to, a swimming pool and tennis courts. Title to the property described on Exhibit "C" attached hereto and by this reference incorporated herein shall be conveyed by Declarant to the Association, as Common Area, on or before the date the Declarant ceases to be a Class B Member of the Association, as hereinafter set forth. Notwithstanding the foregoing, Declarant may, in Declarant's sole discretion, modify, alter, increase, reduce of otherwise change the Common Area subject to the aforesaid easement or contemplated to be conveyed to the Association in accordance with Section 8 of Article I at any time prior to the conveyance of such Common Area to the Association. The Association covenants and agrees to accept from the Declarant all such conveyances of Common Area.

Section 9: "Declarant" shall mean and refer to WESTCHESTER LAKES LIMITED PARTNERSHIP, a Georgia limited partnership, and any successor, transferee

or assignee of Declarant with respect to Declarant's rights hereunder, provided that, 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 successor Declarant, all rights and obligations of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that as to all the property described in Exhibit "A" and Exhibit "B", attached hereto, and which is now or hereafter subjected to this Declaration, there shall be only one person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one time.

Section 10: "Dwelling Unit" shall mean and refer to (a) any permanent, permitted improvement or structure intended for use as a single-family residence which is built upon a "Lot" (as that term is defined herein), and for which a certificate of occupancy has been issued, together with (b) the applicable Lot upon which such residence was built. Thus, a Lot shall become a Dwelling Unit (and a Dwelling Unit therefore includes a Lot) at the point in time that the construction of a permitted structure thereon for residential purposes is completed on said Lot and a certificate of occupancy issued therefor. For purposes of Article VII, "Dwelling Unit" shall also mean and refer to, in addition to the foregoing, any permanent, permitted improvement or structure intended for use as a single-family residence which is proposed or under construction, whether or not a certificate of occupancy has been issued.

Section 11: "Lake" shall mean and refer to any lake or lakes located upon the Property, as shown upon a "Plat" (as that term is defined herein).

Section 12: "Lake Association" shall mean and refer to any of the one or more Georgia non-profit membership corporations, their successors, transfer and assigns, established to govern the use, operation and maintenance of a Lake or Lakes and the dam or dams retaining such Lake or Lakes.

Section 13: "Lake Lot" shall mean and refer to any Lot or Dwelling Unit which abuts or contains all or any portion of a Lake or Lakes, as such Lakes and Lot are indicated on the Plat.

Section 14: "Lot" shall mean and refer to any plot of land (with the exception of the Common Area and any and all property now or hereafter located within the right-of-way of any public street or road) shown upon a "Plat" (as that term is defined herein), and any subsequent amendment thereto or replacement thereof. For purposes of Articles VII and IX, "Lot" shall also mean and refer to, in addition to the foregoing, the property located between the Lot and the Lot side of the curb of the road within the right-of-way adjacent to which such Lot is located.

Section 15: "Modifications Committee" or "MC" shall mean and refer to the Modifications Committee established by the Board of Directors, which Modifications Committee shall have the powers and duties described herein and in the By-Laws.

Section 16: "Owner" shall mean and refer to the record title owner, whether one or more persons or entities of a fee simple title to any Lot or Dwelling Unit, but excluding those person or entities having an interest therein merely as security for the performance of an obligation.

Section 17: "Plat" shall mean and refer to the subdivision plats of the Property, or a portion or portions thereof, which are heretofore or hereafter recording in the Rockdale County, Georgia public records.

Section 18: "Property" shall mean and refer to that certain real property which is described on Exhibit "A" submitted to the terms and conditions of the Declaration, together with such portion or portions, if any, of the Additional Property as are from time to time submitted to the terms and conditions of this Declaration pursuant to Article VIII hereof.

Section 19: "Structure" shall mean and refer to:

(a) any thing or object (other than a Dwelling Unit) the placement of which upon any Lot or Dwelling Unit may affect the appearance of such Lot or Dwelling Unit, including by way of illustration and not limitation, any building or part thereof, garage, freestanding carport, porch, shed, greenhouse, or bathhouse, coop or cage, covered or uncovered patio, swimming pool, fence, solar panel or other alternative energy device, curbing, paving, wall, tree, shrub, landscaping, sign, signboard, temporary or permanent living quarters (including, but not limited to,

any house trailer) or any other temporary or permanent improvement to such Lot or Dwelling Unit;

(b) any excavation, grading fill, ditch, diversion dam or other thing or device which affects or alters the natural flow of surface waters from, upon or across any Lot or Dwelling Unit, or which affects or alters the flow of any waters in any natural or artificial creek, stream, wash or drainage channel from, upon or across any Lot or Dwelling Unit; and

(c) any change in the grade at any point on a Lot or Dwelling Unit of more than six (6) inches, whether or not paragraph (b) of this section 19 applies to such change.

ARTICLE II
PROPERTY RIGHTS

Section 1: Owners Easements of Enjoyment. Every owner shall have the right and easement of enjoyment in and to the Common Area in accordance with this Declaration, which right and easement shall be appurtenant to and shall pass with the title to every Lot or Dwelling Unit, provided, however, that no Owner shall do any act which interferes with the free use and enjoyment of the Common Area by all other Owners and Affiliated Owner Members. Such right and easement shall be subject to the By-Laws and such rules and regulations as may be adopted from time to time by the Association, and shall be further subject to the following provisions:

(a) Declarant's reservation of a non-exclusive easement in and to the common Area, for so long as at least one (1) Lot remains unsold by Declarant, for (i) the construction, installation, maintenance, repair and reinstallation of utilities including, but not limited to, storm and sanitary sewers, electric, gas, cable, television, telephone and water facilities, to serve all or any portion or portions of the Property, the Additional Property, the Lots and the Dwelling Units and (ii) the marketing of Lots and Dwelling Units (specifically including, but not limited to, the right of Declarant to the Exclusive use of all or part of any cabana, clubhouse, or similar facility that may be constructed on the Common Area);

(b) The right of the Association to charge reasonable user and other fees for the use of any facility or improvement situated upon the Common Area;

(c) The right of the Association to suspend the voting rights and right to use the Common Area by an Owner for (i) any period during which any assessment against such Owner's Lot or Dwelling Unit remains unpaid, and (ii) a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations, the By-laws or this Declaration; provided, however, that such suspension of such right of use of the Common Area does not impose any serious health or other hazard to the Owner in default or to the other Owners of the Property; and

(d) The right of the Association to perform its rights and responsibilities hereunder or under the By-Laws.

Section 2: Delegation of Use. Any owner may delegate to his family, relatives, tenants, guests or invitees, while visiting or residing in the Owner's Dwelling Unit, in accordance with the By-Laws or the rules and regulations from time to time established by the Board of Directors, or both, his right to the use and enjoyment of the Common Area, but such Owner shall remain responsible for actions of such parties in connection with such use and enjoyment.

Section 3: Use by Third Parties. The Association may permit persons who are not Owners to use and enjoy part or all of the Common Area subject to such limitations, and upon such terms and conditions, as it may from time to time establish.

Section 4: Use by Affiliated Owner Members. Every Affiliated Owner Member shall have a right of enjoyment in and to the Common Area in accordance with this Declaration; provided, however, that no Affiliated Owner Member shall do any act which interferes with the free use and enjoyment of the Common Area by all other Owners and Affiliated Owner Members. Such right shall be subject to the By-Laws and such rules and regulations as may be adopted from time to time by the Association, and shall be further subject to the following provisions:

(a) the provisions of subsections (a), (b) and (d) of Section 1 of this Article II; and

(b) the right of the Association to suspend the right to use of the Common Area by the Affiliated Owner Member for (i) any period during which any of such

Affiliated Owner Member's dues remain unpaid, and (ii) a period not to exceed sixty (60) days for an infraction of the Association's published rules and regulations, the By-Laws or this Declaration.

Every Affiliated Owner shall have the right to become an Affiliated Owner Member upon payment of the then-applicable dues for Affiliated Owner Members. Such dues may be in addition to and not in lieu of the fees permitted pursuant to Section 1 (b) of this Article II, and shall not exceed, on an annual basis, an amount equal to (x) one hundred ten percent (110%) of the annual assessment then imposed on each Owner pursuant to Article V of this Declaration, if such dues are paid annually, (y) one hundred fifteen percent (115%) of such annual assessment if such dues are paid semi-annually, or (z) one hundred twenty percent (120%) of such annual assessment if such dues are paid quarterly or monthly. No Affiliated Owner Member shall be or be deemed to be a member of the Association as a result of being an Affiliated Owner Member. No Affiliated Owner shall be required to become an Affiliated Owner Member. No Affiliated Owner member shall be required to remain an Affiliated Owner member in excess of one year, or such shorter period as dues are payable. Affiliated Owner Member dues shall be due and payable, at the Association's option, either monthly, quarterly, semi-annually or yearly. No Affiliated Owner member dues in excess of the dues for the current month, quarter, half-year or year, as the case may be, shall be or become due or payable except that dues for the immediately succeeding period may become due and payable not more than fifteen (15) days prior to the expiration of the current period for which dues have been paid.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS FOR THE ASSOCIATION

Section 1: Membership. Every Owner of a Lot or Dwelling Unit shall automatically be a member of the Association, and each membership shall terminate only as provided in this Declaration. Membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot or Dwelling Unit. The foregoing is not intended to include persons or entities who hold an interest merely as security for performance of an obligation, such as the holder of a deed to secure debt or other security instrument encumbering any Lot or Dwelling Unit, and the granting of a security interest

in any Lot or Dwelling Unit shall not terminate or otherwise impair or impact upon an Owner's membership.

Section 2: Classes of Voting Membership. The Association shall have two (2) distinct classes of voting membership. Those two (2) classes are as follows:

Class A Members: Class A members shall be all Owners, with the exception of Declarant so long as Declarant is a Class B member of the Association, and such Class A members shall be entitled to one (1) vote for each Lot or Dwelling Unit owned by each such Class A member. When more than one person holds a fee simple interest in any Lot or Dwelling Unit, all such persons shall be members. The vote for such Lot or Dwelling Unit shall be exercised as those persons determine, but in no event shall more than one vote be case with respect to any such Lot or Dwelling Unit. When Title to a Lot or Dwelling Unit is held by a corporate entity, one person shall be designated to cast the vote for such entity by virtue of a duly executed corporate resolution, submitted to and kept on file with the Board of Directors.

Class B Members: The Class B member shall be Declarant, and Declarant shall be entitled to three (3) votes for each Lot or Dwelling Unit owned by Declarant. The Class B membership shall cease, and shall be converted to Class A membership, on the earliest occurrence of any of the following events:

(a) when, subsequent to the addition of all the Additional Property (other than such portion thereof, if any, which Declarant has elected in a writing recorded in the real estate records of Rockdale County, Georgia, never to subject to this Declaration) to the Property submitted to the terms and conditions of this Declaration, seventy-five percent (75%) of the total votes of the Association are held by Owners other than Declarant, or less of set forth in a written declaration by Declarant and recorded in the real estate records of Rockdale County, Georgia;

(b) when Declarant, in its sole discretion, terminates the Class B membership by a written instrument recorded in the public records of Rockdale County, Georgia; or

(c) on the date which is ten (10) years from the date hereof.

Section 3: Additional Property. By acceptance of a deed conveying a Lot or Dwelling Unit, each Owner acknowledges that, upon the filing by Declarant of an amendment to this Declaration adding and subjecting all or any portion or portions of the Additional Property to the terms and conditions of this Declaration or to other covenants and restrictions as described in Article VIII hereof, the total votes outstanding in the Association will automatically increase based upon the number of Lots in the property added and in accordance with the formula set forth in Section 2 of this Article III, and, notwithstanding anything to the contrary contained herein, in no event shall Class B membership cease and be converted to Class A membership prior to the first to occur of (a) the addition and subjection of all the Additional Property to the terms and conditions of this Declaration or to other covenants and restrictions as described in Article VIII hereof, or (b) (i) the filing in the real estate records of Rockdale County, Georgia, of one or more written elections by Declarant never to subject to the Declaration such portion or portions of the Additional Property as may be specified in such election(s) and (ii) the addition and subjection to the terms and conditions of this Declaration or to other covenants and restrictions as described in Article VIII hereof of all the Additional Property other than the portions described in the elections set forth in paragraph (b) (i) of this Section 3; provided, however, nothing contained herein shall obligate the Declarant to develop all of any portion of the Additional Property unless such portion is subjected to this Declaration.

ARTICLE IV
LAKE ASSOCIATIONS

Section 1: Existence and Formation. Each Owner of a Lake Lot shall have a non-exclusive, perpetual easement for the use and enjoyment of the entire Lake or Lakes, all or a portion of which is contained in or abuts such Owner's Lake Lot. No easement shall exist for access to or use of any such Lake or Lakes in any other Owner, and, except as hereinafter provided, the Owners of Lake Lots, and their families, guests and tenants, shall have the exclusive right to access to and use of the applicable Lake or Lakes.

Section 2: Lake Associations. Each such Owner, upon the conveyance of a Lake Lot shall be a member of the Lake Association established to govern the use,

operation and maintenance of the applicable Lake or Lakes. Each such Lake Association may be established to govern the use, operation and maintenance of one or more Lakes, but in no event shall there be more than one such Lake Association governing a particular Lake. An Owner, by virtue of owning a Lake Lot which abuts or contains all or a portion of more than one Lake, may be a member of more than one Lake Association. Membership in such Lake Association or Lake Associations shall be appurtenant to and may not be separated from the ownership of any Lake Lots. The foregoing is not intended to include persons or entities who hold an interest merely as security for performance of an obligation, such as the holder of a deed to secure debt or other security instrument encumbering any Lake Lot and the granting of a security interest in any Lake Lot shall not terminate or otherwise impair or impact upon an Owners' membership. Each Lake Association shall have the same assessment (both annual and special), collection and lien rights given to the Association in Article V hereof; provided however, that the lien for assessments granted to the Lake Associations shall be inferior to the lien for assessment of the Association. Such assessments by the Lake Associations shall also be inferior in all instances to the lien of first priority mortgages, as described in Article V, Section 17, herein. Assessments may be collected as and when each Lake Association sees fit.

Section 3: Rules and Regulations with Respect to the Lakes. Each Lake Association shall be entitled to establish such reasonable rules and regulations as it deems desirable or necessary to provide for the optimum use and enjoyment of the Lake or Lakes governed by such Association by its members; provided, however, that in all instances the following restrictions, rules and regulations shall govern each Lake Association, and shall take precedence over any restrictions, rules and regulations established by such Lake Association:

(i) Any and all restrictions, rules and regulations of the Associations shall apply to and govern all members of each Lake Association.

(ii) Each Lake Lot shall be permitted no more than one (1) boat for occupancy by persons in the Lake or Lakes all or a portion of which are contained in or abut such Lake Lot. No boat shall be longer than fourteen feet.

(iii) No boats with motors, except for small electric outboard motors (not to exceed one horsepower), shall be permitted in or to operate on any Lake.

(iv) A dock may be constructed, or caused to be constructed, by each Owner on the Lake all or a portion of which is contained in or abuts such Owner's Lake Lot, within such Owner's Lake Lot, upon compliance with the provisions of Article VII hereof and Association of the plans and specifications for such dock. No floating docks will be allowed. No other structure in, on, or contiguous to such Lake shall be constructed. If replacement of such dock is needed, such replacement shall be as similar to the dock being replaced as is reasonably possible.

(v) Any dock which is in disrepair such that it presents a hazardous or dangerous condition shall be repaired by the Owner of the Lake Lot upon which said dock is located. The judgment of the appropriate Lake Association as to whether a dock is in such condition shall be final. If an Owner does not expeditiously repair any dock in disrepair as aforesaid, then the appropriate Lake Association may cause such work to be done and shall charge said Owner for the full costs thereof. Any such costs shall be the personal obligation of such Owner and shall be a lien in favor of said Lake Association against such Owner's Lake Lot for which repairs have been made.

(vi) Each Lake Association shall keep, maintain and repair the dam or dams retaining the Lake or Lakes governed by such Lake Association, which dams are located on the Lots indicated on the Plat. Each Lake Association may assess the Owners of Lake Lots abutting or containing all or any portion of the Lake or Lakes governed by such Lake Association a charge for the costs and expenses incurred or to be incurred to keep and maintain said dams in good working order and repair, such assessments to be on such terms and conditions as may be determined by the Board of Directors of such Lake Association.

(vii) No boat or other canal shall be dug or excavated in any Lake, except with the prior written approval of the appropriate Lake Association of the plans and specifications for such digging or excavation.

(viii) No bulkheading, barge, dock, piling or other structure shall be constructed or erected adjacent to or upon any Lake, except upon compliance with the provisions of Article VII hereof and with the prior written approval of the appropriate Lake Association of the plans and specifications for such structure.

(ix) No rocks, stones, trash, garbage, sewage, wastewater, rubbish, debris, ashes or other refuse of any kind shall be placed or disposed of on or into any Lake.

(x) Except as provided in Article IV, Section 4 of this Declaration, no lake shall be used for irrigation purposes without the prior written approval of the Association.

(xi) Ice skating and swimming shall not be permitted on or in any Lake.

(xii) Each owner of a Lake Lot shall maintain all grass, plantings and other lateral support to prevent erosion adjacent to the Lake or Lakes all or a portion of which are contained within or abut such Owner's Lake Lot.

Section 4: Reservation of Easements. Declarant reserves the non-exclusive rights and easements, but not the obligations, (a) to install a pump or pumps on any Lake Lot in order to provide water from a Lake or Lakes for the irrigation of the Common Area and any rights-of-way within, adjacent to or passing through the Property or the Additional Property, and (b) to enter upon the Lakes and any and all Lake Lots in order to keep, maintain and repair the dam or dams retaining the Lakes and to remove trash and other debris, and to charge the appropriate Lake Association for the full costs thereof. Declarant's rights with respect to such pump or pumps shall be transferred to the Association at such time as Declarant shall cease to be a Class B member, or such earlier time as Declarant may decide, in its sole discretion. There is reserved herein and hereby a perpetual, non-exclusive easement upon the aforesaid Lake Lots for the benefit of the Declarant, the Association and its members for the sole purpose of installing, keeping, maintaining, replacing and repairing said pump or pumps. Each Lake Association shall have an easement over and across each of the Lake Lots abutting or containing all or any portion or any Lake or Lakes governed by such Lake Association for the purpose of allowing such Lake Association to exercise its rights and responsibilities as herein and

otherwise set forth, including its obligations to keep, maintain and repair the dam or dams under Section 3 of this Article IV; provided, however, each Lake Association shall use reasonable care in the exercise of such easement and shall repair any damage caused in the exercise of said easement. There is further reserved herein and hereby, for the benefit of Declarant, the Association and each Lake Association, a perpetual, non-exclusive right and easement (but not the obligation) from time to time and at any time upon each and every Lake Lot; (c) to flood and back water upon and maintain water over those areas at or below the maximum water elevation shown on the Plat; (d) to drain, fill and refill each Lake; (e) to fill, drain, dredge, deepen, clean, fertilize, dye and generally maintain the Lakes; (f) to maintain and landscape the slopes and banks pertaining to the Lakes; and (g) to enter upon and across any Lake Lots for the purpose of exercising its or their rights under this Section 4.

Section 5: Classes of Voting Membership. Each Lake Association shall have two (2) distinct classes of voting membership. These two (2) classes are as follows:

Class A Member: Class A members shall be all Owners of Lake Lots abutting or containing all or any portion of the Lake or Lakes governed by such Lake Association, with the exception of Declarant as long as Declarant is a Class B member of such Lake Association, and such Class A members shall be entitled to one (1) vote for each Lake Lot owned by each such Class A member abutting or containing all or any portion of the Lake or Lakes governed by such Lake Association. When more than one person holds a fee simple interest in any such Lake Lot, all such persons shall be members. The vote for such Lake Lot shall be exercised as those persons determine, but in no event shall more than one vote be cast with respect to any such Lake Lot. When title to a Lake Lot is held by a corporate entity, one person shall be designated to cast the vote for such entity by virtue of a duly executed corporate resolution, submitted to and kept on file with the Board of Directors of such Lake Association.

Class B Member: The Class B member shall be Declarant, and Declarant shall be entitled to three (3) votes for each Lake Lot or Dwelling Unit owned by Declarant abutting or containing all or any portion of the Lakes or Lakes governed by such Lake Association. The Class B membership shall cease, and

shall be converted to Class A membership, on the earliest occurrence of any of the following events:

(a) when, subsequent to the addition of all the Additional Property (other than such portion thereof, if any, which Declarant has elected in a writing recorded in the real estate records of Rockdale County, Georgia, never to subject to this Declaration) to the Property submitted to the terms and conditions of this Declaration, one hundred percent (100%) of the total votes of such Lake Association are held by Owners other than Declarant, or less if set forth in a written declaration by Declarant and recorded in the real estate records of Rockdale County, Georgia; or

(b) when Declarant, in its sole discretion, terminates the Class B membership in such Lake Association by a written instrument recorded in the public records of Rockdale County, Georgia.

ARTICLE V
COVENANT FOR MAINTENANCE; ASSESSMENTS

Section 1: Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot or Dwelling Unit owned by a Class A Member of the Association, hereby covenants, and each Owner of any Lot or Dwelling Unit by acceptance of a deed therefore and by becoming a Class A Member of the Association, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association; (a) annual assessments or charges, and (b) special assessments, such assessments to be established and collected as hereinafter provided, for the Association. Declarant, so long as Declarant is the Class B Member of the Association, shall not have the obligation to pay either annual or special assessments. Declarant shall, as its option, to be exercised on an annual basis, either pay assessments with respect to Lots or Dwelling Units owned by Declarant as if Declarant was a Class A Member of the Association or pay any deficit of the Association for such calendar year. In no event and under no circumstances shall Declarant have the responsibility or obligation to pay both assessments and deficits as aforesaid. The annual and special assessments, together with

interest, costs, and reasonable attorney fees for collection thereof, shall be in charge on each Lot or Dwelling Unit owned by a Class A Member of the Association and shall be a continuing lien upon each such Lot or Dwelling Unit against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney fees for collection thereof, shall also be the personal obligation of the Owner of such Lot or Dwelling Unit at the time when the assessment became due and payable. The personal obligation for assessments which are delinquent at the time title is transferred shall not pass to the successor in title to any Lot or Dwelling Unit, unless such obligation is expressly assumed in writing by such successor in title; provided, however, that the assessment shall remain a lien against the Lot or Dwelling Unit after any such conveyance, expect as otherwise expressly provided herein.

Section 2: Share of Assessment. Each Class A Member of the Association shall pay its share of any assessment required here under, whether an annual or special assessment. The assessment for any applicable Lot or Dwelling Unit shall be the total assessment due from all Lots or Dwelling Units, as the case may be, multiplied by a fraction, the numerator of which shall be the number one, and the denominator of which shall be the total number of Lots or Dwelling Units, as the case may be.

Section 3: Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, well-being, viability, and welfare of the Owners, for the improvement, repair, replacement and maintenance of the Common Area, the costs to the Association for maintaining any signs identifying or indicating the location of the subdivision, or for any other purposes as the Board of Directors deems necessary or desirable.

Section 4: Maintenance and Repair. The Association shall maintain and keep good repair the Common Area, which responsibility shall be deemed to include, but not be limited to, (a) the maintenance and repair of such utility lines, pipes, wires, conduits, and systems which are a part of the Common Area or which service the swimming pool, tennis courts or cabana located thereon, and (b) maintenance, repair, and replacement, subject to the insurance and casualty loss provisions contained herein, at the Association's sole cost and expense, of all trees, fences, shrubs, grass, streets, parking spaces, walks and other improvements situated upon the Common Area. The cost of such

repair and maintenance shall be part of the annual assessment as levied herein. Declarant hereby reserves for itself, its designees, transferees and assigns, and for the Board of Directors, an easement upon any portion of the Property to Maintain the Common Area as herein described.

Section 5: Annual Assessment Increases

(a) The Board of Directors shall establish the first annual assessment for the Association. Such initial annual assessment shall be at a level and amount as the Board of Directors deems necessary and proper for the purposes of the Association.

(b) From and after January 1 of the calendar year immediately following the meeting of the Board of Directors at which it establishes the first assessment, the maximum annual assessment will be determined each year as the Board of Directors in its reasonable discretion and judgment may decide, and such assessment shall be deemed automatically approved unless it is rejected at the annual meeting by fifty-one percent (51%) of the votes held by all members of the Association (if the membership disapproves the proposed budget for any reason, then the budget for the preceding year shall continue in effect with the Board of Directors having the right to increase assessments for expenditures which it deems necessary), so long as (i) the cumulative increase in the annual assessment is not greater, on percentage basis, than the cumulative increase in the Consumer Price Index for All Urban Consumers, Atlanta, Georgia, All Items (1982 – 1984 = 100) (the "C.P.I."), issued by the Bureau of Labor Statistics of the United States Department of Labor, from the calendar month in which assessments commenced to January 1 of the applicable year, or (ii) the increase in the annual assessment for the applicable year over the annual assessment for the preceding year is not greater, on a percentage basis, than the increase in the C.P.I. during the previous calendar year, or (iii) the annual assessment for the applicable year is

not more than one hundred ten percent (110%) of the annual assessment for the previous year.

In the event no C.P.I. shall be published for a date specified in this Declaration, then for purposes of this Declaration, the C.P.I. for the applicable date shall be deemed to be the C.P.I. for the most recent preceding month (the "Preceding Month") for which a C.P.I. is available plus an amount equal to the amount by which the C.P.I. would have increased from the Preceding Month through the applicable date if the C.P.I. had continued to increase at the rate of increase in the C.P.I. from the Preceding Month to the most recent month preceding the Preceding Month for which a C.P.I. is available. If such index is no longer published, the replacement index, or an index as comparable as possible, shall be used to make the determination contemplated herein. If the percentage increase in the annual assessment exceeds the greater of (i), (ii), or (iii) above, then such percentage increase in excess of the greater of (i), (ii), or (iii) above shall require the assent of the majority of the votes of each class of members of the Association who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 6: Special Assessments. In addition to the annual assessments authorized above, the Board of Directors may levy, from time to time and at any time, a special assessment, provided that any such special assessment shall have the assent of a majority of the votes of each class of members of the Association who are voting in person or by proxy at a meeting duly called for this purpose.

Section 7: Notice and Quorum for Any Action Authorized Under Section 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 5 of this Article V shall be sent to all members not less than seven (7) days nor more than sixty (60) days in advance of the meeting. A quorum for any meeting shall be as set forth in the By-Laws.

Section 8: Notice and Quorum for Any Action Authorized Under Section 6. Written notice of any meeting called for the purpose of levying a special assessment shall be sent to all members not less than seven (7) days and not more than sixty (60) days in advance of such meeting. A quorum for such meeting shall be set forth in the By-Laws.

Section 9: Uniform Rate of Assessment: Time of Payments. Both annual and special assessment must be fixed at a uniform rate for all Lots and Dwelling Units owned

by Class A Members of the Association, and if so designated and required by the Board of Directors, may be paid and collected, in advance or arrears, on an annual, quarterly or such more frequent basis as may be determined by the Board of Directors.

Section 10: Assessment Year. The annual assessment of the Association shall be based on expenses anticipated to be incurred by the Association between January 1 and December 31 of any given year, and the Board of Directors shall calculate the annual assessment due from each Class A member based upon the anticipated expenses for this period; provided, however, the Board of Directors may, in its discretion, change this assessment period and the period over which expenses are calculated to determine the amount of assessments due, to any other period so long as such period includes one (1) full year. (In the event the Board of Directors changes the assessment period to a period greater than one calendar year, wherever herein or in the By-Laws a one-year period is used in connection with assessments said reference to year shall be deemed automatically to be a reference to such longer period.)

In the event the assessment against a Lot or Dwelling Unit becomes effective on a day other than January 1 of any year, the Assessment shall be prorated, so that the Owner shall pay the full annual assessment multiplied by a fraction, the numerator of which shall be the number of days the assessment is in effect against the Lot or Dwelling Unit and the denominator of which shall be three hundred and sixty-five (365) or three hundred sixty-six (366), as the case may be.

Section 11: Date of Commencement of Annual Assessments: Due Dates. The assessments provided for herein shall commence on the first day of the month following the creation of an assessment by the Board of Directors; provided, however, in no event shall the assessment applicable to any Lot or Dwelling Unit commence to accrue or be due and payable prior to the earlier to occur of (a) the date upon which such Dwelling Unit is occupied as a residence, or (b) the date which is six (6) months from the date such Lot is sold or conveyed by Declarant (other than a sale or conveyance in connection with the sale or conveyance of Declarant's rights as "Declarant" under this Declaration) to the Owner, if Owner fails to commence construction of a Dwelling Unit on such Lot within six (6) months from the date such Lot is sold or conveyed to the Owner, or if such Owner commences construction of a Dwelling Unit within such time period but at any time

thereafter fails to diligently prosecute such construction to completion, or (c) the date on which Class B membership in the Association ceases. If the annual assessments commence on a day other than January 1, then such first annual assessment shall be adjusted according to the number of days remaining in the calendar year, by the method specified in Section 10 of this Article V. The Board of Directors shall subsequently fix the amount of the annual assessment, based on its best estimate of prospective expenses, against each Lot or Dwelling Unit, as the case may be, owned by a Class A Member of the Association at least fifteen (15) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Class A Member of the Association subject thereto, at an address provided by every Class A Member of the Association to the Board of Directors, as kept by the Board of Directors pursuant to the By-Laws. The due dates for such assessments shall be established by the Board of Directors pursuant to Section 9 of this Article V.

Section 12: Accumulation of Funds Permitted. The Association shall not be obligated to spend in any calendar year all the sums collected in such year by the way of annual assessments or otherwise, and may carry forward, as surplus, any balances remaining; nor shall the Association be obligated to apply such surplus to the reduction of the amount of the annual assessment in any succeeding year, but may carry forward from year to year such surplus as the Board of Directors may deem to be desirable for the greater financial security of the Association and the effectuation of its purposes.

Section 13: Certificates of Payment. The Association shall, upon the request of any Owner, and for a reasonable charge, furnish a certificate signed by an officer of the Association, setting forth whether the assessments on a specified Lot or Dwelling Unit have been paid, and, if not paid, the amount due and owing and the date of last payment of any regular or special assessments for such Lot or Dwelling Unit. A properly executed certificate of the Association as to the status of assessments on a Lot or Dwelling Unit shall be binding upon the Association as of the date of its issuance, and the parties to whom such certificate is given shall be entitled to rely thereon.

Section 14: Effect of Non-payment of Assessments: Remedies of the Association. Any assessment, whether annual or special, not paid within thirty (30) days after the due date shall incur a late charge in an amount as may be determined by the

Board of Directors. If an assessment is not paid within sixty (60) days after the due date, then the Association shall be entitled to accelerate the due date of the installments remaining to be paid in that assessment year and thereafter all such assessments shall be immediately due and payable. The Association shall be entitled to either bring an action at law against the Owner personally obligated to pay the same, to proceed to acquire a judgment against said Owner and to foreclose the lien of such judgment against the Lot or Dwelling Unit, as the case may be, or to bring any other action at law or in equity to enforce its rights against such Owner or to foreclose the lien for assessment provided to the Association hereunder. No applicable Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment or non-use of this Lot or Dwelling Unit.

Section 15: Enforcement of Lien. As an additional remedy, but in no way as a limitation on the other remedies set forth herein, if any assessment, interest, cost or other charge is not paid as required by this Declaration, each Owner hereby grants to the Association, and its assigns the following irrevocable power of attorney: To sell the said Lot, Lots, Dwelling Unit or Dwelling Units subject to the lien at the auction, at the usual place for conducting sales at the Courthouse in Rockdale County, Georgia, to the highest bidder for cash, after advertising the time, terms and place of such sale once a week for four weeks immediately preceding such sale (but without regard to the number of days) in the paper in which the Sheriff's advertisements for Rockdale County, Georgia are published, and such notice, if any, as may be required at such time under O.C.G.A. Section 44-14-162.2 or 44-14-162.3 or any other applicable statute, as then in effect, all other notice being hereby waived by each Owner, and the Association or any person on behalf of the Association, or its assigns, may bid and purchase at such sale and thereupon execute and deliver to the purchaser or purchasers at such sale a conveyance of said property in fee simple, which conveyance shall contain recitals at to the happenings of the default upon which the execution of the power of sale herein granted depends, and each Owner hereby constitutes and appoints the Association and its assigns, the agent and attorney-in-fact of each Owner to make such recitals, and hereby covenants and agrees that the recitals so to be made by the Association, or its assigns, shall be binding and conclusive upon the Owner whose property is the subject matter of such sale, and the

heirs, executors, administrators and assign of such Owner, and that they conveyance to be made by the Association or its assigns, shall be effectual to bar all equity of redemption of such Owner, or the successors-in-interest of such Owner, in and to said Lot, Lots, Dwelling Unit or Dwelling Units, and the Association or its assigns shall collect the proceeds of such sale, and after reserving therefrom the entire amount of assessment, interest thereon, cost and other charges due, together with all costs and expenses of sale and fifteen percent (15%) of the aggregate amount due for attorney's fees, shall pay any excess to such Owner, or to the heirs or assigns of such Owner as provided by law. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise and are granted as cumulative to the remedies for collection of said indebtedness provided by law.

Section 16: WAIVER. EACH OWNER, BY ACCEPTANCE OF A DEED CONVEYING A LOT OR DWELLING UNIT SUBJECT TO THIS DECLARATION, WAIVES ANY RIGHT TO WHICH OWNER MAY HAVE UNDER THE CONSTITUTION OR LAWS OF THE STATE OF GEORGIA OR THE CONSTITUTION OR LAWS OF THE UNITED STATES OF AMERICA TO NOTICE OR TO A JUDICIAL HEARING PRIOR TO THE EXERCISE OF ANY RIGHT OR REMEDY PROVIDED BY THIS DECLARATION, AND OWNER WAIVES OWNER'S RIGHTS, IF ANY, TO SET ASIDE OR INVALIDATE ANY SALE DULY CONSUMMATED IN ACCORDANCE WITH THE PROVISIONS OF THIS DECLARATION ON THE GROUND (IF SUCH BE THE CASE) THAT THE SALE WAS CONSUMMATED WITHOUT PRIOR JUDICIAL HEARING.

Section 17: Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first priority deed to secure debt or similar security instrument to which the Lot or Dwelling Unit in question is subject. The sale or transfer of any Lot or Dwelling Unit shall not affect nor in any way lessen or limit the assessment lien or any amounts of such assessment lien due and owing; provided, however, the sale or transfer of any Lot or Dwelling Unit pursuant to the power of sale contained in such deed to secure debt or other security instrument, by a deed conveying such Lot or Dwelling Unit in lieu of foreclosure of such deed to secure debt or other security instrument, or by virtue of any other proceeding in lieu thereof,

shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer but shall not affect the lien or assessment subsequent to such conveyance. No other sale, transfer or other method of conveyance, however, shall relieve such Lot or Dwelling Unit of such new owner from liability from any assessments thereafter becoming due or from the lien thereon, nor shall any such sale, transfer or conveyance relieve such conveying Owner from personal liability for any assessments due at the time of such sale, transfer or conveyance.

ARTICLE VI
INSURANCE AND CASUALTY LOSSES

Section 1: Casualty Insurance; Lots. The Association shall keep all of the improvements on the Common Area insured as provided in the By-Laws of the Association, with an insurance company of sound business stature licensed to do business in the State of Georgia, by virtue of a policy of fire and casualty insurance with extended coverage. The cost of such insurance shall be a part of and shall be due and payable with the annual assessment as described in Article V herein.

All proceeds from such policy for any casualty loss, to the extent required, shall be used by the Association to repair and restore any improvements on any Common Area damaged by such casualty. Should any of the insurance proceeds remain after the Association makes such repairs to such improvements, then such remaining proceeds shall be retained by the Association in the common fund of the Association.

Section 2: Condemnation of Common Area. Should a portion or portions of, but not all of, the Common Area be taken by condemnation or eminent domain or be conveyed by the Association to any governmental authority in lieu thereof, the proceeds there from shall be used to restore the remaining improvements of the Common Area. However, should such action to restore and repair any such Common Area be deemed impractical by the Association, then said proceeds shall be paid over to and used by the Association, then said proceeds shall be paid over to and used by the Association to repair the damage caused by such taking in a manner to insure and protect the value and viability to the remaining portion of the Common Area not so taken, with the balance of said proceeds being paid to the Association for its retention and use.

Section 3: Insurance on Common Area. The Association or its duly authorized agent shall have the authority to obtain and shall obtain if obtainable at a cost which, in the sole discretion of the Board of Directors, is reasonable, insurance for the Common Area and all loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief insurance, in an amount deemed by the Board of Directors sufficient to cover the full replacement cost of any repair or reconstruction of said Common Area in the event of damage or destruction from any such hazard, with such deductibles as the Board of Directors shall determine. The Association or its duly authorized agent shall also have the authority to obtain, and shall obtain if obtainable at a cost which, in the sole discretion of the Board of Directors, is reasonable, a public liability insurance policy covering the Common Area, in such amounts and in such form as is reasonable determined by the Board of Directors, which policy shall afford insurance coverage to the Association, the Board of Directors of the Association, any officers of the Association, all agents and employees of the Association, and all Owners and other persons entitled to use the Common Area, and any improvements thereon. Any such public liability insurance policy shall have limits of not less than five hundred thousand dollars ($500,000) per single person as respects bodily injury and property damage, and one million dollars ($1,000,000) per occurrence, or a single limit of one million dollars ($1,000,000) per occurrence. Any insurance to be obtained by the Association shall be with a carrier and agency which (a) is licensed in the State of Georgia, and (b) the Association reasonably believes to be of sound business stature, and able to perform its duties under any such insurance policy. Any insurance premiums for such policies shall be paid by the Owners as a part of and shall be in all respects treated as a portion of the annual assessment due and payable as described herein.

ARTICLE VII
MAINTENANCE AND ARCHITECTURAL CONTROL

Section 1: Owner's Duties. All property which is now or may hereafter be subject to this Declaration is subject to architectural and environmental review in accordance with this Article VII, the other terms and provisions of this Declaration, and such other standards as may be promulgated by the Board of Directors, the Architectural

Control Committee, or the Modifications Committee. All Owners shall be required to maintain their Lots, Dwelling Units, Structures, and any other improvements located thereon, in good order, condition and repair, in compliance with all applicable governmental rules and regulations, and all rules and regulations prescribed from time to time by the Board of Directors, the Modifications Committee or the Architectural Control Committee. It shall also be the duty and responsibility of the Owner to perform his responsibilities in such manner and in such a way so as not to unreasonably disturb other persons on the Property. All costs of operating the ACC may, at the discretion of Declarant, be borne by the Association.

Section 2: Architectural Control Committee. The Architectural Control Committee shall have exclusive jurisdiction over all initial construction of a Dwelling Unit on any Lot, together with all Structures constructed or undertaken in conjunction with such initial construction of the Dwelling Unit, together with all modifications, additions, or alterations made on or to any Dwelling Unit or Structure in conjunction with such initial construction of the Dwelling Unit. The ACC shall adopt architectural and environmental standards and applicable procedures, which it shall make available to Owners, builders and developers who seek to engage in development of or construction upon any Lot. So long as Declarant either (a) holds title to any Lot for sale in the ordinary course of business, or (b) holds title to all or any portion submitted to the terms and conditions of this Declaration, then Declarant shall have the sole and exclusive right to appoint the members of the ACC, which shall consist of no less than three (3) members, none of whom must be an Owner. So long as Declarant either (c) holds title to any Lot for sale in the ordinary course of business, or (d) holds title to all or any portion or portions of the Additional Property which has not been, but remains permitted to be, submitted to the terms and conditions of this Declaration, then this provision may not be amended without Declarant's written consent. At such time as Declarant no longer has the right to appoint the members of the ACC, such members shall be appointed by the Board of Directors. All costs of the ACC in connection with the reviews provided for this Article VII with respect to a particular Lot or Dwelling Unit may, at the discretion of Declarant, be charged to the applying Owner.

Section 3: Modifications Committee. The Modifications Committee shall consist of no less than three (3) members, all of whom shall be appointed by the Board of Directors. The MC shall have exclusive jurisdiction over (a) any and all modifications, additions, or alternations made on or to any Dwelling Unit or Structure except for such modifications, additions, or alterations undertaken in conjunction with the initial construction of a Dwelling Unit, and (b) the initial construction of any Structure except for such construction undertaken in conjunction with the initial construction of a Dwelling Unit. The jurisdiction of the MC shall be subordinate to the ACC. The MC shall adopt architectural and environmental standards and applicable procedures, which it shall make available to all Owners.

Section 4: Erosion Control. No activity which creates or may create erosion or siltation problems shall be undertaken on any Lot or Dwelling Unit without prior written approval of the ACC or the MC, as appropriate, of the plans and specifications for the prevention and control of such erosion or siltation. The ACC and the MC may, as condition to approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion of siltation including, without limitation, physical devices for controlling the run-off and drainage of water, special precautions in grading and otherwise changing the natural landscape, and required landscaping.

Section 5: General Provisions. No Dwelling Unit, Structure or landscaping shall be commenced, erected or maintained upon any Lot or existing Dwelling Unit, nor shall any exterior addition to or change or alteration to the Dwelling Unit, Structure or landscaping located thereon be made until the plans and specifications showing the nature, kind, shape, color, height, materials, and location of the same shall have been submitted to and approved in writing by the ACC or the MC, as the case may be. The ACC or the MC, as appropriate, shall review and approve or disapprove of such plans and specifications, taking into consideration the person or entity (including, but not limited to, subcontractors) which the Owner has proposed to construct the proposed improvements and how the proposed improvements harmonize with surrounding structures and the topography of the Lot or Dwelling Unit upon which the proposed improvements are to be constructed. If such plans and specifications are approved, the contemplated improvements shall be constructed substantially in accordance with said

plans and specifications (but without change in exterior color, size or shape of such Dwelling Unit or Structure) by the person or entity Owner has proposed to construct the contemplated improvements.

Additionally, a site plan and a landscaping plan in connection with the initial construction of a Dwelling Unit shall be submitted to the ACC for its review and approval prior to commencement of construction thereof, and all Lots shall be Landscaped, by the person or entity which Owner has proposed to perform said landscaping, substantially in accordance with the plan approved by the ACC. The ACC shall review and approve or disapprove of such site plan and landscaping plan, taking into account the person or entity which the Owner has proposed to perform said landscaping and how the proposed landscaping harmonizes with surrounding landscape and the Dwelling Unit around which it is to be planted. No tree of greater than six (6) inches in diameter (and no dogwood tree or redbud tree of greater than two (2) inches in diameter) shall be removed without the prior written consent of the ACC or the MC, as the case may be, unless said tree is damaged or destroyed, or threatens to cause damage to improvements on the Property.

In the event the ACC or the MC fails to approve or disapprove any such design, location, site plan or landscaping plan within thirty (30) days after said information and material have been submitted to it in acceptable form and a receipt issued therefore, such failure shall be deemed approval and the Owner will be to have fully complied with the terms and conditions of this Article VII requiring approval of such design, location, site plan or landscaping plan by the ACC or the MC, so long as the improvements or landscaping is performed substantially in accordance with the submitted plans by the person or entity Owner has proposed to construct such improvements or perform such landscaping and otherwise conforms to the terms thereof.

Section 6: No Representation. Review or approval by the ACC or the MC of any design, location, site plan or landscaping plan shall in no way obligate the ACC, the MC or the Association to ensure compliance with all lawful requirements, rules, regulations and ordinances of all legally constituted authorities (the "Legal Requirements") or make the ACC, the MC or the Association liable for non-compliance with such Legal Requirements, it being the Owner's sole responsibility to comply with all

Legal Requirements applicable to the construction or landscaping of the improvements. Plans and specifications are not reviewed for engineering or structural design or quality of materials, and by approving such plans and specifications neither the ACC, the MC, the members thereof, nor does the Association assumes liability or responsibility therefore, nor for any defect in any structure constructed from such plans and specifications. Neither Declarant, the Association, the ACC, the MC, the Board, nor the officers, directors, members, employees, and agent 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 this Declaration 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 or specifications and every Owner agrees that he will not bring any action or suit against Declarant, the Association, the ACC, the MC, the Board, or the officers, directors, members, employees, and agents of any of them to recover any such damages and hereby releases, remises, quit-claims, 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.

ARTICLE VIII
ADDITIONAL PROPERTY

Section 1: Addition to Association. Declarant may at any time and from time to time add all or any portion or portions of the Additional Property to the Common Area owned by the Association, to the control of the Association or to the terms and conditions of this Declaration, or any two or more of them. Upon the addition of any portion of said Additional Property, the Owners of Lots or Dwelling Units therein shall have all the rights and duties of an Owner of a Lot or Dwelling Unit now subject to the terms of this Declaration, except as otherwise provided for in the document adding such portion or portions of said Additional Property to the terms and conditions of this Declaration, and

that portion or portions of the Additional Property so added shall be deemed to be for all purposes a portion of the Property, as defined hereunder.

Section 2: Method of Addition. Declarant shall add all or any portion or portions of the Additional Property to the terms and conditions of this Declaration by an amendment to the Declaration, executed in the manner this Declaration is executed. Said amendment shall cross-reference this Declaration, the Plat, and the recording information for both. The addition of the Additional Property or such portion or portions shall be effective immediately upon the recordation of such amendment in the public records of Rockdale County, Georgia.

Section 3: Modifications of Terms of Declaration for Additional Property. Declarant hereby reserves the right to add all or any portion or portions of such Additional Property to the terms of his Declaration subject to such modifications or additions hereto as Declarant deems necessary or desirable. Such modifications or additions in the instrument adding Additional Property to the terms of this Declaration shall apply only to the portion or portions of Additional Property so added, and modifications, additions, amendments to the terms of this Declaration with respect to the Property initially subjected to said terms of this Declaration shall be governed by Article XI, Section 3 hereof. By way of illustration of the intent of this Section, but not by way of limitation, Declarant is entitled to add illustration of the intent of this Section, but not by way of limitation, Declarant is entitled to add any portion or portions of the Additional Property to the Declaration with a different set of minimum Dwelling Unit sizes than those minimum Dwelling Unit sizes decreases and imposed in Article IX, Section 2 hereof.

Section 4: Separate Restrictions for Additional Property. Declarant shall not be obligated to subject all or any portion or portions of the Additional Property to the terms of this Declaration, and Declarant reserves the right to subject all or any portion or portions of the Additional Property to such covenants, conditions and restrictions as Declarant, in its sole discretion, deems desirable. Nothing in this Section or this Declaration shall be interpreted or deemed to require Declarant to subject the Additional Property, or any portion or portions thereof, to this Declaration or to any other covenants, conditions or restrictions.

Section 5: Additions to Association. The Association by and through is Board of Directors, may at any time and from time to time add all or any portion of the Additional Property located within Rockdale Villages subdivision as more expressly defined in Exhibit "A" attached hereto to the control of the Association or to the terms and conditions of this Declaration upon the Written Consent of any Owner from the Rockdale Villages subdivision who so desires to add his or her property to this Declaration.

Upon the addition of any portion of said Additional Property the owners of Lots or Dwelling Unit now subject to the terms of this Declaration and the portion or portions of the Additional Property so added shall be deemed to be for all purposes a portion of the Westchester Lakes "Property" as defined in this Declaration.

Section 6: Method of Addition.

(a) Submission of the Rockdale Village Lot Immediately. The Association shall add all or any portion or portions of the Additional Property located within Rockdale Villages subdivision to the terms and conditions of this Declaration by an amendment to the Declaration, executed in the manner this Declaration is executed as prescribed in Article XI, Section 3 of this Declaration, which amendment shall include as an Exhibit the Written Consent of each Owner of a Lot within the Rockdale Villages subdivision consenting to submit his or her Lot to the terms and conditions of this Declaration, along with a legal description of the Lot. Said amendment shall cross reference this Declaration, along the Plat, and the recording information for both. The addition of the Additional Property of such portion or portions shall be effective immediately upon the recordation of such amendment in the public records of Rockdale County, Georgia.

(b) Agreement to Submit Rockdale Village Property Upon Sale to Third Party. The Association may also accept Written Consent from Rockdale Village Lot Owners who agree to submit his or her Lot to the terms and conditions of this Declaration in the future upon the sale of his or her Property to a third party. Such Written Consents shall be

accepted by the Association and recorded as an amendment to the Declaration, executed in the manner this Declaration is executed as prescribed in Article XI, Section 3 of this Declaration, which amendment shall include as an Exhibit the Written Consent of each Owner of a Lot within the Rockdale Villages subdivision consenting to submit his or her Lot to the terms and conditions of this Declaration in the future upon the sale of the Lot to a third party, along with a legal description of the Lot. Said amendment shall cross reference this Declaration, the Plat, and the recording information for both. Under this agreement each Rockdale Village Lot Owner will be allotted one vote per lot at Westchester Lakes Annual and special meetings of the Westchester Lakes Homeowners' Association provided the Lot Owner becomes an Affiliated Owner Member paying the same dues as Westchester Lake Homeowners' Members.

The Written Consent attached to the Amendment shall be binding on the Lot immediately upon the recordation of such Amendment in the public records of Rockdale County, Georgia. However, the property shall not be submitted to this Declaration until the Lot is conveyed to a third party.

Section 7: Initiation Fee. The Association will offer members of the Rockdale Villages subdivision full, permanent membership in Westchester Lakes by allowing the Rockdale Villages owner to submit his or her Lot to this Declaration between January 1, 2001 and May 30, 2002. Additionally, during this time period, the Association will allow Rockdale Villages members to agree to have their Lot submitted to this Declaration immediately upon the sale of the Lot to a third in the future.

However, in the event that a Rockdale Villages owner fails during the above time period to either submit his or her Lot to this Declaration or fails to submit his or her Lot to this Declaration upon the sale of the lot to a third party in the future, then the Rockdale Villages owner will be required to pay an initiation fee should the Rockdale Villages owner desire to submit his or her Lot to this Declaration after May 30, 2002. The initiation fee will be set at the discretion of the Associations' Board of Directors, not to exceed a maximum fee of $3,000.00.

ARTICLE IX
BUILDING AND USE RESTRICTIONS

Section 1: Residential Use. Except as expressly provided in Section 16 of Article IX of this Declaration, no Lot shall be used for any purpose other than as and for the construction of a single-family residence thereon, no Dwelling Unit or Structure shall be built on any Lot except a Dwelling Unit intended and designed as a single-family residence and Structures (not including temporary or permanent living quarters) intended and designed as appurtenances to such Dwelling Units, and no Dwelling Unit or Structure shall be used or occupied except for the occupancy of a Dwelling Unit as a residence by a single household and the use of the Dwelling Unit and Structure solely for single-family residential purposes in connection therewith.

Section 2: Minimum Dwelling Unit Sizes. Any Dwelling Unit on a Lot shall have at least the amount of square feet of heated and finished space, (exclusive of garages, carports, porches, terraces, bulk-storage areas, and basements whether or not finished, as follows:

(i) A single-story Dwelling Unit shall have at least 2,000 square feet of heated and finished space.

(ii) A split-level or one- and one-half story Dwelling Unit shall have at least 2,250 square feet of heated and finished space.

(iii) A two-story Dwelling Unit shall have at least 2,250 square feet of heated and finished space.

Section 3: No Trucks. No trucks (except pickup trucks owned by, leased to or operated by an Owner) or commercial vehicles (except during the period of approved construction of a Dwelling Unit or other improvements), campers, mobile homes, motor homes, boats, boat trailers (except boats and boat trailers which are parked or stored on a Lot in a manner so as not to be visible from any street), house trailers, or trailers of any other description shall be permitted to be parked or to be stored at any place on a Lot, Dwelling Unit or the Common Area; provided, however, that Declarant and builders approved by Declarant and their respective agents, employees, material men, suppliers, contractors or sub-contractors, and the employees of such parties, shall be entitled to park any trucks which are used in conjunction with the construction or development or any

portion of the Property or Additional Property. This prohibition of parking shall not apply to temporary parking of trucks and commercial vehicles, such as for pickup, delivery and other commercial services. Automobiles and permitted pickup trucks shall be parked only on the respective Owner's driveway or in such Owner's respective garage.

Section 4: Fences. No fences other than those installed by Declarant, if any, and no walls or hedges shall be permitted anywhere within the property except approved in writing by the ACC or the MC. In no event shall chain link fences, other than a chain link fence initially installed by Declarant, if any, be permitted.

Section 5: Clothes – Drying. No outdoor clothes-drying activity shall be conducted on any of the Lots of Dwelling Units or the Common Area except in an enclosed area of the rear yard of the Owner's Lot or Dwelling Unit, where same is hidden from the view of adjoining Lots or Dwelling Units and from the Common Area or any street. Additionally, clothes may only be dried on removable lines and poles which shall be removed and stored except during the actual drying time.

Section 6: Garbage and Trash Containers. All garbage and trash containers must be placed underground or in enclosed areas of the rear or side yard of a Lot or Dwelling Unit so as to render said containers hidden from view from adjoining Lots or Dwelling Units and from the Common Area or any street. No such containers shall be kept in such a way as to cause noxious or bothersome odors to interfere with the use and enjoyment of adjoining Lots or Dwelling Units, or the Common Area. Any such facilities as described in this Section 6, shall be kept in a clean and sightly manner.

Section 7: Satellite Dishes and Antennas. No exterior antennas, satellite dishes, or multi-channel multi-port distribution service larger than one meter in diameter shall be in place, allowed, or maintained upon any portion of a Lot. All above referenced devices measuring one meter or less shall be installed in accordance with the FCC rules and regulations and shall not be placed in plain view from the street unless it is the only positioning that allows for reasonable reception of a signal.

Section 8: Mailboxes. Any mailboxes selected, furnished and placed on a Lot or Dwelling Unit shall be of first-class quality and design and of a type approved by the ACC or the MC. Said mailboxes shall be maintained, repaired and replaced from time to time, as needed, at the cost and expense of the Owner of the applicable Lot or Dwelling

Unit. Any mailbox installed as a replacement shall be of the same type, quality and character as initially furnished.

Section 9: Swimming Pools and Tennis Courts. Neither permanent nor portable swimming pools or tennis courts shall be constructed or maintained on any portion of the Property, except by the Declarant upon the Common Area, unless first approved by the ACC or the MC.

Section 10: Assembly of Mechanical Devices. 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 either the front yard or side yard of any Lot of Dwelling or the Common Area, or in any driveway, garage, carport or other place where such condition is visible from the street.

Section 11: Storage of Building Materials. No owner shall store any lumber, brick, stone, cinder block, concrete or any other building material, scaffolding, mechanical device or any other thing used for purposes of construction on such Lot or Dwelling Unit except for purposes of construction on such Lot or Dwelling Unit, and no Owner shall store any such materials upon the Common Area.

Section 12: Housing of Animals. (a) No stable, poultry house or yard, rabbit hutch or other similar yard or structure shall be constructed or allowed to remain on any Lot or Dwelling Unit or the Common Area, (b) no animal or bird except of a kind which is customarily kept as a domestic pet shall be kept in any house or on any Lot or Dwelling Unit; and (c) no more than two (2) domestic pets may be kept in any Dwelling Unit or on any Lot.

Section 13: Noxious or Offensive Activities. Noxious or offensive activities shall not be carried on upon any Lot, Dwelling Unit or the Common Area, nor shall any loud or boisterous activities be conducted which would interfere with the quiet and peaceful enjoyment of any neighbor's Lot Dwelling Unit or the Common Area.

Section 14: Lighting – Exterior Lights. No lighting and exterior lights other than those initially installed by Declarant, if any, shall be installed or permitted anywhere

within the Common Area or upon the exterior of any Dwelling Unit, Structure or other improvements on any Lot, except as approved in writing by the ACC or the MC.

Section 15: Signs. No signs of any nature whatsoever shall be erected or displayed upon any Dwelling Unit, Structure, Lot, or the Common Area, unless express prior written approval of the size, shape, content and location thereof has been obtained from the ACC or the MC, as the case may be, except for not more than one "For Sale" sign per Lot, such sign to have a maximum face area of four (4) square feet, and such sign to be displayed in the front yard of the Lot; provided that if at the time of the desired use of a "For Sale" sign the Association is making "For Sale" signs available for use of Owners, the signs made available by the Association must be used. Notwithstanding the foregoing, Declarant and a real estate agent(s) or broker(s) designated by Declarant, shall have the right to place such signs upon any portion of the Property as Declarant deems necessary and proper, in its sole discretion in connection with the sale and resale by Declarant or such agent(s) or broker(s) of Lots or Dwelling Units. Declarant may also, in its sole discretion, furnish and/or install signs on the Common Area or otherwise for the purpose of identifying the subdivision name of the Property. The cost of the repair and replacement of such subdivision identification signs shall be a part of the annual assessment as described in Article V hereof.

Section 16: Temporary Structures. No structure of any temporary character, including, but not limited to, mobile homes or recreational vehicles, shall be permitted on any Lot, Dwelling Unit, or the Common Area, at any time either temporarily or permanently, at the instance of any Owner; provided, however, that (a) temporary construction and sales office, (b) model residences, and (c) such other facilities and activities including, without limitation, signs and flags, as shall be used by Declarant, its designated real estate agents and brokers, during construction and initial sale of improvements on the property or Additional property shall be permitted on any portion of the Property as Declarant may deem necessary or convenient.

Section 17: Playground Equipment. No playground equipment, including, without limitation, such items as basketball goals, tree houses, and volleyball nets, which is visible from any street or the Common Area, shall be constructed on any Lot or Dwelling Unit unless approved by the ACC or the MC.

Section 18: Common Area Use. No Owner shall use or cause to be used the Common Area in such fashion or manner as might tend to cause disorderly or unsightly conditions upon or within the Common Area, or which shall preclude the use and enjoyment of such Common Area by any one or all of the other Owners and/or Declarant.

Section 19: Completion of Construction of Building. If the construction of any Dwelling Unit or Structure, as approved by the ACC or the MC, as the case may be, shall commence, then such construction shall be substantially completed within nine (9) months from the date such construction is commenced.

Section 20: Remedies for Violation. In the event that an Owner shall violate or refuse to obey any of the restrictions and conditions as contained in this Article IX, the Board of Directors, its designated committee, or any of its authorized agents or employees may, in its dole discretion, after fourteen (14) days written notice to the Owner in violation, enter upon the Lot or the exterior of the Dwelling Unit of the Owner then in violation, or upon the Common Area, if appropriate and perform such removal, restoration, or repair as such Board of Directors, committee, authorized agent or employee, in the exercise of its sole discretion, may deem necessary or advisable. Such owner in violation shall be personally liable for all costs incurred by the Board of Directors in the performance of such removal, restoration or repair, and the liability for such costs shall be enforceable by the Board of Directors by any appropriate proceeding at law or in equity. Such liability shall also be a permanent charge and lien upon the Lot or Dwelling Unit of such Owner, be due and payable at the time and day any such costs are incurred. If an emergency condition in violation of Article IX of this Declaration still exist on any Lot or Dwelling Unit such that the Board of Directors deems it unwise to provide fourteen (14) days written notice prior to entering upon such Lot or Dwelling Unit, the Board of Directors may cause entry the Lot or the exterior of the Dwelling Unit for the purposes stated in this Section immediately after making reasonable efforts to notify the Owner of such Lot or Dwelling Unit.

Section 21: Leasing Restrictions. In order to protect the equity of the individual owners, and to carry out the purpose for which the Association was formed by preserving the character of Westchester Lakes as a homogeneous residential community of predominantly owner-occupied homes and by preventing the community from assuming

the character of a renter-occupied complex, and to comply with the eligibility requirements for financing the secondary mortgage market insofar as such criteria provide that the project be substantially owner-occupied, leasing of a Lot (or dwelling thereon) shall be governed by the restrictions imposed by this Section (other than as provided herein for certain Mortgagees) as follows:

A. NOTICE AND REGULATIONS. Any Owner intending to lease his Lot, or any portion thereof, shall give written notice of such intention to the Board, stating the name and address of the intended lessee, the terms of the proposed lease and such other information as the Board may reasonably require. Sub-leasing or renting a portion of a Lot may be allowed, with the Board's prior written approval, but only if the owners will still be residing on the Lot. The Board may also allow temporary exceptions on the basis of hardship.
The Board shall have the authority to make and enforce reasonable Rules and Regulations regarding the restrictions for leasing, sub-leasing, and renting, including definitions, and the grounds for temporary exceptions to the said restrictions, along with the right to impose fines constituting a lien upon the Lot being leased.

B. LIMITATION ON TOTAL LEASES. No more than five percent (5%) of the total number of Lots may be leased at any one time.

C. REQUIRED LEASE PROVISIONS. The Board of Directors may set the minimum lease terms; however, said minimum term shall not be set for greater than one (1) year. All leases and lessees are subject to the provisions of the Declaration, Bylaws, Architectural Guidelines, and Rules. The Owner must make available to the tenant a copy of this Declaration. Any leases of a Lot, or a portion thereof, shall be deemed to contain the provisions of the below paragraphs lettered: (a) through (d), whether or not said provisions are expressly stated therein, and each Owner covenants and agrees that any lease of his Lot shall contain the language of said provisions, and further, that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant.

(a) Lessee acknowledges that promises made to the Lessor, as contained in Article IX, Section 21, Paragraph C, Subparagraphs (a), (b), (c), and (d) of the Declaration of Covenants, Conditions, and Restrictions for Westchester Lakes which govern the leased premises, and which provision are incorporated within this lease agreement, are made for the benefit of the Lessee's performance. In order to enforce those provisions made for the benefit of the Association, the Association may bring an action against the Lessee for recovery of damages or for injunctive relief, or may impose any other sanctions authorized they the Declaration and Bylaws, as they may be amended from time to time, or which may be available at law or equity, including but not limited to, all remedies available to a landlord upon breach or default of a lease agreement by a lessee. Failure by the Association to enforce any of its rights shall in no event be deemed a waiver of the right to do so thereafter.

(b) Lessee shall comply strictly with all provisions of the Declaration, By-Laws and with the administrative rules and regulations adopted by the Association pursuant thereto, as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct of his or her family and guests in order to assure compliance with the foregoing and shall indemnify and hold the Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges the violation by lessee or any occupant or person living with the Lessee of any provision of the Declaration, Bylaws, or rules and regulations adopted thereunder shall constitute a default under this lease. Lessee further acknowledges that the Association has the right to act on its own behalf where necessary on behalf of the Lessor as Lessor's attorney-in-fact, to seek any remedies which are available to a landlord upon breach of default of a lease agreement by Lessee.

(c) Upon request by the Association, lessee shall pay the Association all unpaid annual assessments, special assessments, or fines as lawfully

determined and made payable during and prior to the terms of this lease agreement and any other period of occupancy by a Lessee; provided, however, that Lessee needs not make such payment to the Association in excess of, or prior to the due date for, monthly rental payments unpaid at the time of the Association's request. All payments made to the Association shall reduce by the same amount Lessee's obligation to make monthly rental payments to Lessor under the Lease. If the Lessee fails to comply with the Association's request to pay assessments, Lessee shall pay to the Association all late or delinquent charges, fines, interest, and costs of collection, including, but not limited to, reasonable attorney's fees actually incurred, to the same extent Lessee would be required to make such payments to the Association if the Lessee were the Owner of the Premises during the term of this lease agreement and any other period of occupancy by Lessee.

(d) Lessee's right shall be subject to all rights of the Association and any bona fide Mortgage or deed to secure debt which is now or may hereinafter be placed upon the Premises by Lessor.

D. ENFORCEMENT. For the purpose of enforcement the provisions of this Section, which shall be incorporated in the provisions of any leases of Lot, each Owner, by acceptance of a deed or other conveyance of a Lot, here by irrevocably appoints the Association, which may act by any one if its authorized offices, as his attorney-in-fact, to enforce said provisions and to take action, at laws or equity, which could be taken by said Owner against the Lessee should Lessee default in performance under the lease agreement. Each Owner herby further acknowledges that his power of attorney shall only apply in the event of noncompliance by a Lessee with the provisions of article IX, Section 21, of this Declaration, and that the Association, its Board of Directors, employees and agents shall be held harmless by each Owner in exercising the power of attorney herein granted to the Association.

E. EXPENSES OF EVICTION. In the event the Association proceeds to evict the Lessee, any costs, including attorney's fees actually incurred, and court costs, associated with eviction shall be specifically assessed against the Lot, becoming a lien thereon subject to enforcement in accordance with Article V of this Declaration, and shall become the personal obligation of the Owner thereof, such being deemed hereby as an expense which benefits the Lot and the Owners thereof.

F. RIGHTS OF LESSEE. Any Lessee charged with violation of the Declaration, Bylaws, or rules and regulations is entitled to the same rights to which the Owner is entitled as provided in the Association's Bylaws.

G. RIGHTS OF FIRST MORTGAGEES. Notwithstanding anything to the contrary herein contained, the provisions of this Article shall not impair the right of any first Mortgagee to:

(a) foreclose or take title to the Lot pursuant to remedies contained in any Mortgage

(b) take a deed or assignment in lieu of foreclosure; or

(c) sell, lease, or otherwise dispose of a Lot acquired by the Mortgagee.

ARTICLE X
EASEMENTS

Section 1: Utility Easements. Each Lot, Dwelling Unit and the Common Area shall be subject to existing easements for public utilities' purpose (including, but not limited to, fire and police protection, garbage and trash removal, water and sewage system, electric, telephone, and gas service), and the utilities and applicable governmental agencies having jurisdiction thereover and their employees and agents shall have the right of access to any Lot, Dwelling Unit, or the Common Area in furtherance of such easements.

Section 2: Additional Easements; Easements for Enforcement of Rights. Declarant reserves the right for itself and its designees, transferees and assignees so long as Declarant or said designee, transferee or assignee either, (a) owns a Lot for the

purposes of development and/or sale or (b) holds title to all or any portion or portions of the Additional property which has not been, but remains permitted to be, submitted to the terms and conditions of this Declaration and for the Board of Directors of the Association, an easement upon any portion of the Property for the purpose of enforcing its rights herein, and to grant such additional easements, including, but not limited to, irrigation, drainage, drainage retention, wells and pumps, electric, gas, water, telephone or other utility easements, or any cable television easement, or to relocate any existing utility or other easements in any portion of the Property as the Declarant, its designee, transferee or assignee or the said Board of Directors shall deem necessary or desirable for the proper operation and maintenance of the Property, or any portion thereof, or for the general health and welfare of the Owners; provided, however, that such additional utilities or other services or the relocation of existing utilities or other easements will not prevent or unreasonable interfere with the use of affected Lots or Dwelling Units for permitted purposes.

Section 3: Easements.

(a) Declarant hereby expressly reserves to the Declarant, its successors and assigns forever, the right to create a perpetual easement in, on, over and under any part of the Property owned by Declarant for any purpose which Declarant deems necessary or proper, including, by way of example and not limitation, the following:

(i) the erection, installation, construction and maintenance of wires, lines conduits and poles and the necessary or proper attachments in connection with the transmission of electricity, telephone, cable, television cables and other utilities and similar facilities;

(ii) the erection, installation, construction and maintenance of storm-water drains, land drains, public and private sewers, irrigation systems, pipelines for supplying gas, water and heat, and for any other public or quasi-public facility, service or function;

(iii) slope control purposes, including the right to grade and plant slopes and prevent the doing of any activity which might interfere

with slopes or which might create erosion or sliding problems or which might change, obstruct or retard drainage flow and

(iv) the planting or re-planting of hedges, shrubbery, bushes, trees, flowers and plants of any nature

(b) No owner shall have any right to use any easement created by the Declarant in, on or over any portion of the property unless such easement has been expressly assigned by the Declarant to such Owner or to the Association.

ARTICLE XI
GENERAL PROVISIONS

Section 1: Enforcement. The Association through the Board of Directors shall have the right to enforce, by any proceeding at law or in equity including, without limitation, actions to recover sums due for damages or for injunctive relief, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association to enforce any covenant, condition, reservation, lien, charge or restriction herein contained shall in no event be deemed a consent or approval of such action, or a waiver of the right to do so thereafter to the full extent permitted hereunder.

Section 2: Severability. Invalidation of any one of the clauses, covenants or restrictions as contained herein by judgment, decree, court order or any statute or other ordinance duly passed by an entity with jurisdiction over the Property shall not affect any other clauses, covenants, or restrictions contained herein, all of which shall remain in full force and effect, without modification. In the event of any invalidation of any such clause, covenant or restriction, then that clause, covenant or restriction shall be deemed to have been rewritten in such a way as to full carry out the intent of that clause, covenant or restriction (where discernable), but be within full compliance with the judgment, decree, court order, statute or other ordinance.

Section 3: Duration. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of twenty (20) years from the date this Declaration is recorded in the public records of Rockdale County, Georgia, after which

time they shall automatically be extended for successive periods of ten (10) years each, unless ninety percent (90%) of the votes allocated to Owners of Lots and Dwelling Units are cast in favor of termination of this Declaration, at a duly called meeting for such purpose.

Section 4: Amendment. This Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative and written consent, of at least sixty percent (60%) the entire membership of the Association voting in favor of such amendment. Notice of meeting if any, at which a proposed amendment will be considered shall state the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and filed in the Rockdale County, Georgia land records.

Section 4-1: Captions. The captions inserted at the beginning of each Section hereof are for convenience of reference only and shall not be deemed to affect the meaning or interpretation of the terms and provisions of this instrument.

Section 5: 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 death of the last survivor of the now live descendants of Ronald Reagan, President of the United States.

Section 6: No Reverter. No restriction herein is intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

Section 7: Mortgage Provisions.

(a) It is the Declarant's intention that the Property qualify for the possible sale of the first priority mortgages on the Lots or Dwelling Units located within the Property to any institutional lender or purchaser of mortgage loans, or any governmental agency or reputable private insurance company which insures mortgage loans, including, for example, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Government National Mortgage Association and the Federal Home Loan Mortgage Corporation (such institution being hereinafter referred to as the "Mortgage Corporation"). The requirements contained in

this Section 7 are to effectuate that purpose. Should the Mortgage Corporation subsequently delete any of its requirements which necessitate the provisions of this Section 7 or make any such requirements less stringent, this Section 7 shall be and be deemed to be automatically amended to reflect such changes.

(b) Notwithstanding any provisions (other than Section 7(a) of this Article XI) to the contrary herein provided, unless the holders of at least seventy-five percent (75%) of the first priority mortgages on Lots or Dwelling Units within the Property have consented in writing, the Declarant and the Association shall not do any of the following:

(i) seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(ii) change the method contained in this Declaration for determining financial obligations of the Owners;

(iii) change, waive, or abandon the process for regulation and enforcement contained in this Declaration for architectural standards, design, and maintenance of Lots, Dwelling Units, Structures and the Common Areas; or

(iv) use the proceeds of property insurance on any Common Area for any purpose other than repair, replacement, or reconstruction, except as may be provided in this Declaration for the use of excess proceeds and proceeds upon dissolution.

Upon written request, the Association shall provide notice in a reasonable manner to any first priority Mortgagee of any default under this Declaration, the By-Laws, or the rules and regulations of the Association by the Owner of the Lot or Dwelling which is encumbered by such first mortgage is the default is not cured within sixty (60) days from the time it occurs.

Section 8: Construction and Sale Period. Notwithstanding any provisions contained in this Declaration to the contrary, Declarant and, to the extent authorized by Declarant, builders, brokers and agents involved in the construction, marketing or sale of Dwelling Units shall have and are hereby granted the right and privilege to maintain and carry on, during the period of initial development, construction and sale of Lots and Dwelling Units, upon such portion of the Property, Additional Property and Common Area as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to such development, construction, and sale, including, but without limitation, business offices, signs, model residences, and sales offices (including, but not limited to, the marketing and sales office to be located on the property described on Exhibit "D" attached hereto any by reference made a part hereof. Declarant and, to the extent authorized by Declarant, any builder, broker or agent may use residences or offices owned or leased by Declarant or such builder, broker or agent as model residences and sales offices in connection with the initial development, construction and sale of Lots and Dwelling Units, and such right and privilege shall terminate upon the initial sale of the last Dwelling Unit available for sale after the sale of all the Lots on the Property and Additional Property. Declarant further reserves the non-exclusive right, privilege and easement for ingress, egress and access, for itself, its contractors, subcontractors, material men, suppliers and employees to all of any portion of the Additional Property through the Property for the purpose of developing said Additional Property or constructing Dwelling Units on said Additional Property, whether or not the Additional Property or such portion thereof is subjected to the terms and conditions of this Declaration.

Section 9: No Liability. In the event that this Declaration is, for any reason whatsoever, unenforceable in whole or in part by Owner (or any other person) in a court of law or otherwise, Declarant shall have no liability of any kind as a result of such unenforceability, and each and every Owner, by acceptance of a deed conveying a Lot or Dwelling Unit, acknowledges that Declarant shall have no such liability.