



NOTICE REGARDING COVENANTS AND/OR RESTRICTIONS

The following Covenants and/or Restrictions are added as a courtesy only and are NOT WARRANTED by the property owner, their broker or agent as to completeness, accuracy, currency, or enforceability. Any interested buyer prospect is urged as part of their due diligence to contact the relevant Community Association or developer to determine for themselves what covenants and/or restrictions currently apply, how long they may remain in force, and if any changes or amendments may be currently under consideration. Additionally, or alternatively, one may wish to consider hiring an attorney to conduct this search for them and provide advice as needed.

DECLARATION OF COVENANTS AND RESTRICTIONS
FOR ANDERSON CREEK

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GEORGIA - GWINN COUNTY
 Clerk's Office - Superior Court
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 this 5 day of March 1992

 Clerk Superior Court

STATE OF GEORGIA)
COUNTY OF GILMER)

DECLARATION OF COVENANTS AND
RESTRICTIONS FOR ANDERSON CREEK

THIS DECLARATION, made this _____ day of _____
1992, by Anderson Lake Limited Partnership, a Georgia Limited
Partnership, hereinafter referred to as "Declarant".

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of certain property in
Gilmer County, Georgia, more particularly described in Exhibit "A"
attached hereto; and

WHEREAS, the Declarant proposes to create a subdivision on the
property containing detached homesites together with certain Common
Properties (as herein defined) in a private park setting as more
fully described herein and has or will record a subdivision plat
for Anderson Creek in the Gilmer County Land Records; and

WHEREAS, the Declarant wishes to accomplish the following
general objectives for its benefit and for the benefit of Owners of
property in the Subdivision (as hereinafter defined) by the
imposition of the covenants and restrictions set forth herein:

(a) To maintain the parklike character, preserve wildlife
habitat and create a residential retreat and to maintain the
quality and value of any Common Area Properties of the Subdivision;

(b) To minimize or eliminate the possibility of any
disruptions of the peace and tranquility of the rural residential
environment of the Subdivision;

(c) To protect, preserve, renourish and maintain the
adjoining lakes, creeks and branches and wildlife habitat;

(d) To prevent any property Owner or any other persons from
building or carrying on any activity in the Subdivision to the
detriment of any Owners;

(e) To maintain, improve, and landscape the Common
Properties; and

WHEREAS, the Declarant, as hereinafter provided in this
Declaration, has retained and reserved the right, privilege and
option to submit to the provisions of this Declaration at a later
time and from time to time as a part of the Subdivision all or any
portion of the real property described in Exhibit "B" attached
hereto and incorporated herein by reference;

NOW, THEREFORE, the Declarant hereby declares that the
property described in Exhibit "A" (the "Property") and any
Additional Property (as herein defined) which Declarant may, in its

sole discretion, see fit to develop or add to the Subdivision and subject to this Declaration by subsequent amendment, shall be held, mortgaged, transferred, sold, conveyed, leased, occupied and used subordinate and subject to the following easements, restrictions, covenants, charges, liens and conditions which are hereby imposed for the purpose of protecting the value and desirability of the Subdivision and which restrictions, easements, charges, liens, conditions, and covenants shall touch and concern and run with title to the real property subjected to this Declaration and which shall be binding on all parties having any right, title or interest in said properties or any portion of them. This Declaration also binds the respective heirs, devisees, fiduciary representatives, successors, successors in title and/or assigns, and shall inure to the benefit of anyone or anything who/which purchases or takes any interest in real property within the lands subject to this Declaration.

ARTICLE I
DEFINITIONS

When used in this Declaration, unless the context shall prohibit or require otherwise, the following words shall have the following meanings, and all definitions shall be applicable to the singular or plural forms of any such term(s):

"Accessory Unit" shall mean and refer to a guest house, caretaker quarters, servants quarters, bed and breakfast unit or other similar structure.

"Additional Property" or "Additional Properties" shall mean and refer to all or any of the real property described in Exhibit "B" and any improvements thereon.

"Approved by the Declarant" shall mean written approval issued by the Declarant and signed by an authorized officer or partner of Declarant or by a representative designated by Declarant in writing.

"Assessment" shall mean and refer to any Owner's share of the Common Expenses or any other charges from time to time assessed against an Owner by the Association in the manner herein provided.

"Association" shall mean and refer to Anderson Creek Property Owners Association, Inc., its successors and assigns, or to another not for profit Georgia corporation which Declarant in writing shall designate as the "Association" under this Declaration.

"Board of Directors" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

"By-Laws" or "By Laws of the Association" shall mean and refer to those By-Laws of the Association which govern the administration and operation of the Association, as may be amended from time to time.

"Common Areas" or "Common Properties" shall mean and refer to those tracts of land with any improvements thereon which now or hereafter from time to time are or are hereafter deeded or leased to the Association and designated in said deed or lease as "Common Properties" or "Common Areas." The term "Common Properties" shall also include any personal property acquired by the Association. The Common Properties may include without limitation all maintenance areas, roads, streets, rights-of-way, trails, green areas, open spaces, signage, parking areas, lakes, creeks, branches, entrance ways and other properties which may now or hereafter be designated as Common Properties or Common Areas by Declarant. The Common Properties are to be devoted to and intended for the common use and enjoyment of the owners, residents, and their guests, and visiting members of the general public (to the extent permitted by the Board of Directors) subject to the fee schedules and operating rules adopted by the Association; provided, however, that any lands which are leased by the Association for use as Common Properties may lose their character as Common Properties upon the expiration of such Lease. The Declarant reserves the right to convey "Common Properties" to the Association. Such conveyance shall be made subject to the provisions of this Declaration and shall contain such additional restrictions, reservations, liens and encumbrances as set forth in the deed of conveyance. The Declarant may convey property subject to deeds to secure debt to the Association as Common Properties. As an appurtenance to such conveyances, the Declarant may transfer to the Association any or all of the powers, immunities and privileges reserved unto the Declarant as well as all of the Declarant's obligations with respect thereto, including the obligation to maintain and enhance. The Declarant may convey to the Association additional real or personal property, improved or unimproved, located within the Properties which upon conveyance or dedication to the Association shall thereupon be deemed accepted by the Association and thereafter shall be maintained by the Association at its expense. The Declarant, its successors and assigns, may elect to convey any open space within the Properties to the National Trust for Historic Preservation, The Nature Conservancy, or other similar nonprofit land conservation organization.

"Common Expense(s)" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of financial, equipment or material reserves, consistent with the provisions and intent of this Declaration.

"Declarant" shall mean and refer to Anderson Lake Limited Partnership, a Georgia Limited Partnership, its successors and

assigns. The Declarant shall have the right to assign in whole or in part any and all rights or duties which it may possess, as Declarant, to the Anderson Creek Property Owners Association, Inc., or any other person or entity, provided, however, that the instrument or assignment shall expressly so provide.

"Declaration" shall mean this Declaration and all supplements and amendments to this Declaration as filed in the Office of the Clerk, superior Court of Gilmer County, Georgia.

"Lot" shall mean and refer to any plot of land shown upon any recorded Subdivision Plat of the Properties, together with the improvements thereon, with the exception of the Common Properties. Any Lot which may be divided by any public or private road as shown on the Subdivision Plat shall nevertheless be deemed one Lot.

"Member" shall mean and refer to every Owner of a Lot which is subject to assessment and shall include the Declarant while it is the record Owner of any Lot.

"Mortgage" means a mortgage, deed to secure debt, deed of trust or security deed given to convey or encumber real estate to secure the repayment of a debt or performance of obligation.

"Mortgagee" means the holder of a Mortgage on any part of the Property.

"Property" or "Properties" shall mean and refer to all property which is now or hereafter subject to this Declaration.

"Owner" shall mean and refer to the record Owner (including the Declarant), whether one or more persons or entities, holding the fee simple title to any Lot, but excluding any person having such interest merely as security for the performance of an obligation.

"Subdivision" shall mean and refer to those tracts or parcels of land described in Exhibit "A", together with all improvements presently thereon or subsequently constructed thereon, and, upon the submission to the provisions of this Declaration of the Additional Properties described in Exhibit "B", or any portion thereof, shall mean and refer to the real property described in Exhibit "A" and the real property described in Exhibit "B" or such portion thereof so submitted, together with all improvements thereon or hereafter constructed thereon.

"Subdivision Plat" shall mean and refer to the plat or plats of Anderson Creek, Gilmer County, Georgia prepared by Farley-Collins Associates, Inc. as more particularly described in Exhibit "A" together with any future revision, addition or amendment thereto, including any subdivision plat for any portion of the Additional Property as may be submitted to the terms of this

Declaration, and recorded from time to time in the Office of the Clerk, Superior Court of Gilmer County.

**ARTICLE II
PROPERTY**

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these covenants and restrictions, is located in Gilmer County, Georgia, and is more particularly described in Exhibit "A" attached hereto and by reference incorporated herein.

Section 2. Additional Properties. Additional Properties may become subject to this Declaration in the following manner:

(a) The Declarant, its successors and assigns, shall have the right from time to time, without further consent of the Association at any time prior to December 31, 2021, to bring within the plan and operation of this Declaration Additional Properties, whether or not owned by the Declarant, its successors or assigns, in future stages of the development, whether or not immediately contiguous and adjacent, provided, however, such Additional Properties are in the same general vicinity of the Property, regardless of whether the Lots within such Additional Properties are of a size greater or smaller than the Lots presently subject to this Declaration. The additions authorized under this and the succeeding subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the Additional Properties which shall extend the operation and effect of the Covenants and Restrictions of this Declaration to such Additional Properties.

(b) The Supplementary Declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Declarant, to reflect the different character, if any, of the Additional Properties as are not inconsistent with the plan of this Declaration. The Declarant expressly reserves, however, the right and option to develop or not develop such properties in any manner it so desires and to submit or not submit such property to the plan and operation of this Declaration. The Declarant shall not be obligated to impose this Declaration on any properties not presently subject to said Declaration and reserves the right to convey such property or properties free of this Declaration.

Section 3. Merger or Consolidation. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, in the alternative, the properties, rights and obligations of another

association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants and Restrictions established by this Declaration within the Properties as herein provided.

ARTICLE III
THE ASSOCIATION; MEMBERSHIP AND VOTING RIGHTS

Section 1. The Association. The Declarant reserves the right to form and establish the Association for the purpose of exercising powers of owning, constructing, maintaining, repairing, reconstructing, improving and administering the Common Properties and providing common services, administering and enforcing the covenants, conditions and restrictions contained herein, and levying, collecting and disbursing Assessments and charges herein created. Further, the Declarant reserves the right to convey to the Association and the Association shall thereupon be deemed to accept any and all of its rights and obligations set forth herein. The Association shall be authorized but not required to provide the following services, the cost of which shall be a Common Expense:

- (a) Clean-up, maintenance, landscaping and improvement of Common Properties, open spaces, conservation areas, creeks and lakes within the Subdivision or in a reasonable proximity to the Subdivision if their deterioration would affect the appearance of the Subdivision.
- (b) Insect and pest control to the extent that it is deemed necessary or desirable in the judgment of the Board of Directors.
- (c) To take any and all actions necessary to enforce all covenants and restrictions affecting the Subdivision and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Subdivision.
- (d) To set up and operate the Architectural Review Board as provided herein.
- (e) To construct structures, improvements, site improvements, utility lines and facilities on open spaces and Common Properties.
- (f) To provide administrative services including, but not limited to, legal, accounting and communication services informing members of activities, notice of meetings, referendums, etc., incident to these listed services.

- (g) To provide liability and property/casualty insurance covering improvements and activities on the open spaces and the Common Properties, independently or in collaboration with the Declarant.
- (h) To provide directors and officers liability insurance for the Association and its duly elected Directors and Officers.
- (i) Maintenance of all lakes and creeks located within the Properties, including the stocking of such lakes and creeks if approved by the Board of Directors.
- (j) Landscaping, maintenance and improvement of all roads, parkways, streets, rights-of-way, conservation areas, trails and walking paths within the Subdivision and any Common Properties or open spaces located therein, including landscaping and maintenance to supplement that performed by Gilmer County or any other governmental entity with respect to those portions of the roads, parkways, streets and rights-of-way within the Subdivision which may be dedicated to public use.
- (k) Maintenance of any drainage easements, improvements and/or facilities located within or adjacent to the Subdivision.
- (l) Erosion and flood control improvements within the Common Properties and elsewhere within the Subdivision, if necessary.
- (m) The design, construction, and maintenance of a security gate at the entrance to the Subdivision or at such other place as shall be determined by the Board of Directors or the Declarant, together with such additional security measures as shall be deemed necessary by the Association's Board of Directors.
- (n) The purchase and acquisition of personal property and equipment as necessary to provide maintenance of the roads within the Subdivision and other Common Properties.
- (o) Establishment and implementation of a wildlife management plan for the Subdivision and the Common Properties.
- (p) To provide any and all other services deemed necessary or desirable in the judgment of the Board of Directors to carry out the Association's obligations and business.

Section 2. Rules and Regulations. The Association, by and through its Board of Directors, may adopt from time to time reasonable rules and regulations governing the use of Common

Properties and Lots within the Subdivision. All Owners, Members and their guests, invitees and licensees shall be bound by such rules and regulations and shall comply therewith.

Section 3. Membership. Every Owner of a Lot, including the Declarant, which is subject to this Declaration shall be a Member of the Association. Membership shall be appurtenant to and not be separated from ownership of any Lot which is subject to assessments.

Section 4. Voting Rights. The Association shall have two classes of voting membership.

(a) Class A. Class A Members shall be every Owner, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. However upon expiration or surrender of its class B membership, Declarant shall become a Class A Member as to any Lots which it owns. If more than one person holds title to a Lot, all such persons shall be Members and the one vote for such Lot shall be exercised as they determine, but in no event shall there be more than one vote cast for any one Lot.

(b) Class B. The Class B Member(s) shall be the Declarant, its successors and assigns. The Class B Member shall be entitled to five (5) votes for each Lot which it owns plus one vote per acre for the Additional Property it owns so long as Declarant has the right to add the Additional Property, but as to the Additional Property, no more than 25 votes may be held by Declarant. The Class B Membership shall cease and be converted to Class A Membership upon the occurrence of the first of the following events:

- (1) when the Declarant executes and records in the Gilmer County Land Records an instrument surrendering its Class B Membership; or
- (2) on December 31, 2021.

When a purchaser of a Lot or Lots takes title thereto from the Declarant, such purchaser becomes a Class A Member.

Section 5. Board of Directors. The Association shall be governed and the business and affairs of the Association shall be managed by a Board of Directors as more particularly set forth in the By-Laws of the Association. Except to the extent otherwise required by the provisions of the Georgia Business Corporation Code relating to not for profit corporations, this Declaration, the By-Laws, or the Articles of Incorporation of the Association, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any consent or action on the part of the Owners.

Section 6. Referendum. Any action which may be taken at a duly called meeting of the Association may also be taken by referendum of the Members of the Association as evidenced by their written votes, approvals or consents. In the event fifty-one (51%) percent, or more, of the total votes actually returned to the Association within the specified time shall be in favor of such action, the referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance.

Section 7. Deferral of Incorporation. Declarant may defer the incorporation or activation of the Association until a reasonable number of Lots have been sold to others as determined by Declarant. Until the Association is incorporated, Declarant shall have all of the rights, powers and functions of the Association. Declarant does not assume any of the obligations or liabilities of the Association.

ARTICLE IV
RIGHTS IN THE COMMON PROPERTIES/EASEMENTS

Section 1. Members' Easements of Enjoyment. Subject to the provisions of this Declaration and the rules and regulations of the Association, every Owner shall have a right and nonexclusive easement of enjoyment in and to the dedicated Common Properties, and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 2. Title to Common Properties. Except as otherwise provided in this Declaration, the Declarant covenants for itself, its successors and assigns, that it shall convey to the Association or cause to be conveyed to the Association on or before December 31, 2011, as Common Properties, the property shown on the Subdivision Plat designated as Common Areas. The Declarant reserves the right to impose additional covenants on such Common Properties at the time of such conveyance. The Declarant also reserves the right, but not the obligation, to convey other Common Properties to the Association. Any Common Properties so conveyed to the Association shall be maintained and repaired by the Association. Certain roads within the Subdivision may be designated public roads or public ways and the maintenance of such roads should be the responsibility of Gilmer County or such other governmental entity exercising control thereover, but the Declarant, in Declarant's sole discretion, shall have the right and option of petitioning for the abandonment of said roads as public roads and conveying or causing to be conveyed and/or designating said roads as Common Properties for maintenance by the Association, in which event the Association agrees to accept ownership and maintenance of said roads and rights-of-way. In any event, the

Association shall be authorized to supplement any landscaping, maintenance or improvement of such roads, rights-of-way, and drainage facilities located within such rights-of-way, the cost of which shall be a Common Expense.

Section 3. Limitation of Members' Easement. The rights and easements created hereby and in the Subdivision Plat shall be subject to the restrictions in this Declaration, including, but not limited to, the following:

(a) The right of the Declarant, and of the Association, to dedicate, transfer or convey all or any part of the Common Properties, with or without consideration, to any successor association, governmental body, county, agency or authority, or to any utility company, provided that no such dedication, transfer or conveyance shall adversely affect the use of the Common Properties by the Owners;

(b) The right of the Declarant, and of the Association, to grant, reserve and accept easements and rights-of-way through, under, over and across the Common Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, electric, fuel, oil and other utilities and services, including a cable or community antenna television system and irrigation or lawn sprinkler systems, and the right of the Declarant to grant and reserve easements and rights-of-way through, under, over, upon and across the Common Properties for the completion of the Subdivision, and for the operation and maintenance of the Common Properties;

(c) The right of visitors, invitees, etc., to ingress and egress in and over those portions of the Common Properties that lie within the private roadways, parking lots and/or driveways (and over any other necessary portion of the Common Properties in the case of landlocked adjacent Owners) to the nearest public road;

(d) The right of the Association, as provided in its By-Laws, to suspend the enjoyment rights of any Owner for any period during which any Assessment remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

(e) The rights of the Declarant and the Association, as the case may be, to establish rules and regulations for the Subdivision and to prescribe fees and charges from time to time for use of any amenities which may now or hereafter be constructed on the Common Properties.

Section 4. Easements for Declarant. During the period that Declarant owns any Common Properties, or owns any Lot primarily for the purpose of sale or has the option to add the Additional Property or any portion thereof to the Subdivision,

Declarant shall have an alienable and transferable right and easement on, over, through, under and across the Common Properties for the purpose of constructing or improving Lots, any improvements to the Common Properties, and the Additional Property and for installing, maintaining, repairing and replacing such other improvements to the Subdivision (including portions of the Common Properties) as are contemplated by this Declaration or as Declarant desires, in its sole discretion, including without limitation any improvements or changes permitted and described in this Declaration, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided that in no event shall Declarant have the obligation to do any of the foregoing.

Section 5. Easements for Utilities. There is hereby reserved for the benefit of Declarant, the Association and their respective successors and assigns the alienable, transferable and perpetual right and easement, as well as the power to grant and accept easements to and from any private or public authority, agency, public service, district, public or private utility or other person upon, over, under and across: (i) all of the Common Properties; (ii) an area across every Lot ten (10') feet in width along the front and rear boundary lines thereof and ten (10') feet in width along the side boundary lines thereof for the purpose of constructing, installing, replacing, repairing, maintaining and using master television antenna and/or cable systems, security and similar systems, and all utilities, including, but not limited to, storm sewers and drainage systems and electrical, gas, telephone, water and sewer lines (including septic tanks and water wells). Such easements may be granted or accepted by Declarant, its successors and assigns or by the Board of Directors; provided, however, that for so long as Declarant owns any portion of the Common Properties, owns any Lot primarily for the purpose of sale or has the option to add the Additional Property or any portion thereof to the Subdivision, the Board of Directors must obtain the written consent of Declarant prior to granting or accepting any such easements. To the extent reasonably possible, all utility lines and facilities serving the Subdivision and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Subdivision so encumbered: (i) to erect and maintain pipes, tanks, lines, manholes, pumps, poles and other necessary equipment and facilities; (ii) to cut and remove any trees, bushes or shrubbery; (iii) to grade, excavate or fill; or (iv) to take any other similar action reasonably necessary to provide economical and safe construction, installation, maintenance, repair, replacement and use of such utilities and systems. Within these easements no structure of any kind, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the

direction of flow of drainage facilities in the easements, unless such structure, planting or other material is first approved by the Declarant.

Section 6. Easements on Lots for Association. There is hereby reserved a general right and easement for the benefit of the Association, its Directors, officers, agents and employees, including, but not limited to, any property manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to the Owner or occupant affected.

Section 7. Sales Offices, Rental Offices, Property Management Offices and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant, its successors and assigns, the perpetual, alienable and transferable right and easement in and to the Property for the maintenance of signs, sales offices, rental offices, property management offices, construction offices, and model or sample Lots, together with such other facilities as in the sole opinion of Declarant reasonably may be required, convenient or incidental to the completion, management, rental, improvement and/or sale of Lots, Common Properties or the Additional Property. The Declarant also reserves the right to grant to any builder or builders the right to operate and maintain builder sales offices at any location within the subdivision upon such terms and conditions as the Declarant in the Declarant's sole discretion may establish.

Section 8. Easements for Additional Property. There is hereby reserved in the Declarant, its successors, assigns and successors in title to the Additional Property, for the benefit of and as an appurtenance to the Additional Property, and as a burden upon the Subdivision, perpetual, non-exclusive rights and easements for: (i) pedestrian and vehicular access, ingress, egress and parking facilities from time to time located on or within the Common Properties or within easements serving the Common Properties or within the streets or roads within the Subdivision, whether or not such streets or roads have been designated as Common Properties; (ii) the installation, maintenance, repair, replacement and use of security systems and utility facilities and distribution lines, including without limitation, drainage systems, storm sewers and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines; and (iii) drainage and discharge of surface water onto and across the Subdivision, provided that such drainage and discharge shall not materially damage or affect the Subdivision or any improvements from time to time located thereon.

Section 9. Maintenance Easement. Subject to the other terms of this Declaration, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement to enter upon any unimproved portions of any Lot for the purpose of landscaping, mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety and appearance within the Subdivision; provided that such easements shall not impose any duty or obligation upon the Declarant or the Association to perform any such actions. Furthermore, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement, but not the obligation, to enter upon any unimproved portions of Lots which are located within ten (10') feet from the water's edge of any creek, pond or other body of water within the Subdivision for the purpose of mowing such area and keeping same clear and free from unsightly growth and trash, as well as for the purpose of maintaining such body of water, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards.

Section 10. Drainage Easements. In addition to any other easements described herein, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns, an alienable, transferable and perpetual right and easement for drainage of surface and storm water, said easements being more particularly shown on the Subdivision Plat, together with any other easements as shown on said Subdivision Plat.

Section 11. Wells and Effluent. There is hereby reserved for the benefit of Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement: (i) to pump water from lakes, ponds and other bodies of water located within or adjacent to or near the Subdivision for the purpose of irrigating any portions of the Subdivision and for other purposes; (ii) to drill, install, locate, maintain and use wells, pumping stations, water towers, siltation basins and tanks and related water and sewer treatment facilities and systems within the Common Areas; or (iii) to spray or locate any treated sewage effluent within the Common Areas.

Section 12. Pedestrian Right-of-Ways. The Declarant reserves the right to create and maintain foot and bike trails up to eight (8') feet wide through portions of the Lots lying not closer than one hundred (100') feet from any residence on a Lot and upon the Common Areas for use by the Association and Members as hiking trails and pedestrian right-of-ways. Pedestrian right-of-

ways may be relocated by Owners to avoid encroaching on building sites.

Section 13. No Partition. There shall be no judicial partition of the Subdivision or any part thereof, nor shall any person acquiring any interest in the Subdivision, the Common Properties or any part thereof seek any such judicial partition unless the Subdivision has been removed from the provisions of this Declaration. This Section shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

ARTICLE V
RIGHT TO ALTER, IMPROVE, MAINTAIN AND
REPAIR COMMON AREAS AND PORTIONS OF LOTS

Section 1. Improvements. The Association shall have the right to make or cause to be made such alterations, modifications, improvements, repairs, maintenances and replacements to the Common Properties and the portions of Lots set forth herein, and the cost thereof shall be assessed as Common Expenses and collected from the Owners on an equal basis.

Section 2. Responsibilities of Owners. Unless specifically identified herein as an obligation of the Association, all maintenance and repair of Lots, together with all other improvements thereon or therein and all lawns, landscaping and grounds on and within a Lot shall be the responsibility of the Owner(s) of such Lot. Declarant shall be responsible for the property owned by Declarant. Each Owner shall be responsible for maintaining such Owner's Lot in a neat, clean and sanitary condition, and such responsibility shall include the maintenance and care of all exterior surfaces of all buildings and other structures. All attendant lawns, trees, shrubs, hedges, grass, natural areas, and other landscaping shall be maintained by the Owner(s) thereof. As provided in Section 3(b) hereof, each Owner shall also be obligated to pay for the costs incurred by the Association for repairing, replacing, maintaining or cleaning any item which is the responsibility of such Owner, but which responsibility such Owner fails or refuses to discharge. No Owner shall: (i) decorate, change or otherwise alter (with the exception of ordinary repairs and the like) the appearance of any portion of the exterior of a structure on any Lot unless such decoration, change or alteration is first approved, in writing, by the Architectural Review Board as otherwise provided herein; or (ii) do any work which, in the reasonable opinion of the Architectural Review Board, would jeopardize the soundness and safety of the Subdivision, reduce the value thereof, or impair any easement or hereditament thereto, without in every such case obtaining the written approval of the Architectural Review Board and the Owners

and Mortgagees of the Lots directly affected thereby or benefitting from such easement or hereditament.

Section 3. Association's Responsibility.

(a) The Association may, but is not obligated to, maintain and keep in good repair all portions of the Common Properties, which may include the maintenance, repair and replacement of: (i) all common area, driveways, walks, trails, ponds, streets, roads, road rights-of-way, drainage easements, trails, jogging paths, landscaped areas/natural areas and other improvements situated within the Common Properties or within easements encumbering Lots; (ii) such security systems and utility lines, pipes, plumbing, wires, conduits and related systems which are a part of the Common Properties and which are not maintained by the Declarant or a public authority, public service district, public or private utility or other person; and (iii) all lawns, trees, shrubs, hedges, grass and other landscaping situated within the Subdivision as it may be constituted from time to time (except individual Lots). The Association shall not be liable for injury or damage to any person or property (A) caused by the elements or any Act of God or by any Owner or any other person, (B) resulting from any rain or other surface water which may leak or flow from any portion of the Common Properties, (C) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system or utility line or facility, the responsibility of the maintenance of which is that of the Association, becoming out of repair, or (D) resulting other than due to the sole negligence or wilful act of the Association. Nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such Owner which may be stored or left in or upon any portion of the Common Properties or any other portion of the Subdivision. No diminution or abatement of Assessments or any dues or charges shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such Assessments being a separate and independent covenant on the part of each Owner.

(b) In the event that the Declarant or the Board of Directors determines that: (i) any Owner has failed or refused to discharge properly his, her or its obligations with regard to the maintenance, cleaning, repair or replacement of items for which he, she or it is responsible hereunder; or (ii) the need for maintenance, cleaning, repair or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his or her family, tenants;

guests or invitees, and is not covered or paid for by insurance in whole or in part, then, in either event, the Declarant or the Association, except in the event of an emergency situation, may give such Owner written notice of the Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such Owner, and setting forth with reasonable particularity the maintenance, cleaning, repairs or replacement deemed necessary. Except in the event of emergency situations, such Owner shall have fifteen (15) days within which to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner to comply with the provisions hereof after such notice, the Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner, and said cost shall be added to and become a part of the Assessment to which such Owner and his Lot are subject and shall become a lien against such Lot. In the event that the Declarant undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse the Declarant for the Declarant's costs and expenses.

ARTICLE VI
COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual Assessment charges, and (2) special Assessments for capital improvements or for maintenance expenses and other Common Expenses and emergencies and other purposes, such Assessments to be established and collected as hereinafter provided. The annual and special Assessments, together with interest, costs and reasonable attorney's fees, shall be a charge upon the land and shall be a continuing lien on the property against which each such Assessment is made. Each such Assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time the Assessment fell due. The obligation for delinquent Assessments shall run with the land and shall pass to his or her successors in title. Upon reasonable request, the Association shall provide an accounting of an Owner's Assessments and any delinquency in payment thereof.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to pay all Common Expenses of the Association, to promote the recreation, health, safety and welfare of the residents of the Properties and, in particular, for the administration, acquisition, construction,

landscaping and improvement and maintenance of Common Properties, including, but not limited to, services and facilities devoted to the purposes set forth herein or for the use and enjoyment of the Common Properties, including, but not limited to, the costs of utilities, repairs, replacements and additions, the cost of labor, equipment, materials, management, maintenance and supervision, the payment of taxes assessed against the Common Properties, the procurement and maintenance of insurance in accordance with the By-Laws, the payment of charges for garbage service, water furnished and water and sewer services or other utilities rendered to the Common Properties, the cost of security systems and facilities, the employment of attorneys, accountants, employees, management companies and contractors as shall be required for the orderly and efficient discharge of its business and the operation of the Association's Common Properties, emergencies, and for all other purposes set forth in this Declaration or the By-Laws, and such other needs as may arise, or as may be required in the judgment of the Association's Board of Directors. The Association shall be authorized to establish reserve funds in such amounts and for such purposes as the Board of Directors of the Association shall determine in its best judgment.

Section 3. Annual Assessment. The Declarant initially, and thereafter the Board of Directors shall fix the annual Assessment based upon the annual budget of the Association as provided herein. When the Board of Directors fixes the annual Assessment for each calendar year, the Board shall at the same time, and in connection therewith, prepare or cause to be prepared, an annual budget showing the services furnished by the Association, and the costs thereof per Lot.

Section 4. Special Assessments for Capital Improvements. In addition to the annual Assessments authorized above, the Association may levy, in any calendar year, a special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Properties, including, but not limited to, fixtures, personal property related thereto and for any other purpose not prohibited by this Declaration, provided that any such Assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members voting in person or by proxy at a meeting called for such purpose. All special Assessments shall be set at a uniform amount for all Lots and may be collected on a monthly, quarterly or yearly basis.

Section 5. Special Assessment for Maintenance, Taxes, Water, Sewer, Other Common Utility Expenses and Emergencies. In addition to the annual and special Assessments authorized above, the Board of Directors of the Association may levy, in any Assessment year, without a vote of the membership, a special Assessment applicable to that year only for the purpose of

defraying, in whole or in part, the cost of improvements and maintenance of the Common Properties, including fixtures and personal property related thereto, or for the cost of the taxes for the Common Properties, and for any emergency repairs, restorations, maintenance or improvements made necessary by any emergencies, as determined in the sole discretion of the Board of Directors of the Association.

Section 6. Uniform Assessment. Except as hereinafter provided in Section 8, all annual Assessments shall be set at a uniform amount for all Lots and shall be collected on a monthly, quarterly or yearly basis, or any other basis approved by the Board of Directors.

Section 7. Association's Working Capital. After these Covenants and Restrictions are recorded and upon conveyance of a Lot by the Declarant, the Board of Directors shall assess each Owner a sum equal to four (4) months' Assessment for working capital. Such sums are separate and distinct from annual Assessments and shall not be considered advance payments of such Assessments, and shall only be due and payable upon the initial sale and conveyance of such Lot by the Declarant. Each Owner's share of the working capital fund must be collected from such Owner by Declarant upon his or her initial purchase of a Lot, and must be transferred to the Association at the time of said closing of such Lot purchase.

Section 8. Date of Commencement of Annual Assessment; Due Dates. The annual Assessments provided for herein shall commence as to any Lot on the day of the conveyance of such Lot by Declarant. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year and the number of days remaining in the month of conveyance. At least thirty (30) days in advance of each annual Assessment period, the Board of Directors shall fix the amount of the annual Assessment and notify every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. Any Assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate equal to the lesser of (a) fifteen (15%) percent per annum or (b) the maximum rate provided by applicable law. The Association may bring an action at law against the Owner to pay the same and/or foreclose the lien against the Lot by suit or action. Upon exercise of its right to foreclose, the Association may elect to declare the entire remaining amount of the annual Assessment due and payable and collect the same through foreclosure. The Owner shall be obligated to pay all court and collection costs and

reasonable attorney's fees of the Association or Declarant in such action or foreclosure and they shall be added to the amount of such Assessment. In the event of any such foreclosure, the former Owner shall be a tenant at sufferance and may be removed or evicted as such, and the Owner shall be required to pay a reasonable rental for the Lot after commencement of the foreclosure action, and the Association in such foreclosure shall be entitled to the appointment of a receiver to collect the same. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Properties or abandonment of such Owner's Lot.

Section 10. Subordination of the Lien. The lien of Assessments provided for herein shall be subordinate to the lien of any first Mortgage upon a Lot whether now existing or hereafter placed on a Lot. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure of a first Mortgage shall extinguish the lien of such Assessments which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, or the Owner of personal liability.

Section 11. Exempt Property. The following Property, individuals, partnerships or corporations, subject to this Declaration, shall be exempted from the Assessments, charges and liens created herein: (a) the grantees in conveyances made for the purpose of granting utility easements; (b) owners of all open space and Common Properties; and (c) unsubdivided land and/or unsold Lots owned by the Declarant.

ARTICLE VII ARCHITECTURAL REVIEW

Section 1. Architectural Review Board.

(a) Except for original and initial construction of improvements by the Declarant on any Lot or upon any other area of the Properties, which such construction is and shall be exempt from the provisions of this Section, no building, wall, fence, ornamentation or other structure or improvements of any nature shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping as may be required by the Architectural Review Board have been approved in writing by the Architectural Review Board. The Architectural Review Board may require a current tree survey to be submitted with any building plans and specifications. Each building, wall, fence or other structure or improvements of any nature, together with any ornamentation or landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and

specifications and plot plan so approved. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Review Board seem sufficient. Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval. The Architectural Review Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

(b) The Architectural Review Board shall be appointed by the Declarant. At such time as the Class B Membership expires, the Architectural Review Board shall be appointed by the Board of Directors of the Association. The Architectural Review Board may consist of at least one and no more than five Members as determined by the party entitled to appoint same.

(c) A majority of the Architectural Review Board may take any action said Board is empowered to take, may designate a representative to act for the Architectural Review Board, and may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Review Board, the remaining members shall have full authority to designate a successor. The members of the Architectural Review Board shall not be entitled to any compensation for services performed pursuant to this covenant. The Architectural Review Board shall act on submissions to it within thirty (30) days after receipt of same, or else the request shall be deemed approved. Requests and submissions shall, however, be in such form and contain such information as the Architectural Review Board may require prior to its being required to act.

(d) The Architectural Review Board shall have the power and authority to establish architectural and building standards and such rules and regulations as it deems appropriate. The Architectural Review Board may establish a fee to cover the expense of reviewing plans and related data at the time plans are submitted for review in order to compensate any consulting architects, landscape architects, urban designers or attorneys.

(e) Any Owner may appeal the decision of the Architectural Review Board to the Board of Directors, provided that all parties involved comply with the decision of the Architectural Review Board until such time, if any, as the Board of Directors amends, or reverses the Architectural Review Board's decision. Appeals petitions must be legibly written, state the grounds for appeal and be submitted to the Board of Directors within three (3) days of the decision of the Architectural Review Board. The Board of Directors shall act upon the appeal by amending, reversing or confirming the

specifications and plot plan so approved. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Review Board seem sufficient. Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval. The Architectural Review Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph.

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decision of the Architectural Review Board within fifteen (15) days of receipt of the petition. The Board of Directors' decision shall be by majority vote.

(f) The paint, coating, stain and other exterior finishing colors on all buildings may be maintained substantially as that originally installed, without prior approval of the Architectural Review Board, but prior approval by the Architectural Review Board shall be necessary before any such exterior finishing color is changed. No building shall be more than three (3) stories or a height of thirty-five (35') feet, without the consent of the Architectural Review Board.

Section 2. Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed improvements. Such approvals and standards shall not be construed as representing or guaranteeing that any building or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, nor the Architectural Review Board shall be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article, nor any defects in construction pursuant to such plans and specifications.

ARTICLE VIII USE RESTRICTIONS

Section 1. Land Use and Building Type. No Lot shall be used except for private single-family residential purposes, provided, however, that nothing herein shall prevent Declarant from using any dwelling as a model or sales office. No building shall be erected, altered, placed or permitted to remain on any Lot other than one single-family dwelling and one Accessory Unit, with attendant out-buildings such as garages, storage sheds and barns. No Lot, including any dwelling thereon or to be built thereon, shall be used for or subject to any type of Vacation Time Sharing Plan as defined by Laws for the State of Georgia, as amended, or any subsequent laws of this State dealing with that or similar type ownership.

Section 2. Conformity and Approval of Structures. No structures, fence, sidewalk, wall, drive, or other improvement shall be placed or altered on any Lot except in accordance with the provisions of this Declaration.

Section 3. Signs. No sign of any kind shall be displayed to public view on a Lot or the Common Properties without the prior written consent of the Declarant. Declarant may post temporary marketing related signs on the Properties.

Section 4. Residence Specifications. No residence shall be erected on any Lot other than a detached dwelling consisting of no less than 1,200 square feet of inside floor area. Accessory Units shall have no minimum square footage requirements but shall be subject to approval of the Architectural Review Board. No temporary or permanent structure shall be erected or located upon any Lot except such dwelling and such outbuildings as shall be approved by the Architectural Review Board.

Section 5. Nuisance. No noxious or offensive activity shall be carried on upon any Lot or Common Properties, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood, with the exception of the business of the Declarant and the transferees of the Declarant in developing all of the Lots.

Section 6. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling, except that no more than four (4) household pets (including no more than three (3) dogs) and no more than one horse per two acres of suitable pasture may be kept or maintained provided that they are not kept for commercial purposes, and provided further, that they shall not constitute a nuisance or cause any unsanitary conditions. Dogs, cats and other household pets as well as horses shall be permitted in the Common Properties, subject to the rules and regulations of the Association.

Section 7. Resubdivision. No Lot shall be subdivided or reduced in size except by the Declarant or with the prior written consent of the Declarant, so long as Declarant retains its Class B membership. Thereafter, any such subdivision must be approved by the Board of Directors.

Section 8. Outside Antennas. No outside radio antenna, satellite dish or television antenna shall be erected on the Properties unless and until approved by the Declarant, its successors and assigns, and the Architectural Review Board.

Section 9. Clothes Drying. No drying or airing of any clothing or bedding shall be permitted outdoors on the Properties or over the deck railings of any dwelling.

Section 10. Completion of Construction. The exterior of all houses and other structures must be completed within twelve (12) months after the construction of the same shall have commenced, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamities. Houses or other dwelling structures may not be temporarily or permanently occupied until the exteriors thereof have been completed. During the continuance of construction the Owner shall require the contractor to maintain the Lot in a reasonably clean and uncluttered

condition. Upon completion of construction, the Owner shall cause the contractor to immediately remove all equipment, tools and construction materials within ninety (90) days of occupancy or substantial completion, whichever date shall first occur. All driveway banks and shoulders must be hydroseeded. Silt fences must be in place prior to road and house construction and removed upon completion. Nothing contained herein shall preclude a builder of speculative homes from leaving interior portions unfinished until sold.

Section 11. Outdoor Recreational Equipment. No gym sets, sand boxes, basketball goals or other outdoor recreational equipment shall be installed or used upon the Properties, except with the approval of the Architectural Review Board.

Section 12. Prohibited Work. No Owner shall do any work which would jeopardize the soundness and safety of the Property, reduce the value thereof or impair any easement or hereditament without, in every such case, unanimous consent of all other Property Owners affected being first obtained.

Section 13. Rebuilding Requirement. Any dwelling or other structure on any Lot which may be destroyed in whole or in part by fire, windstorm or by any other cause or Act of God must be rebuilt or all debris removed and the Lot restored to a natural condition with reasonable promptness, provided, however, that in no event shall such debris remain longer than three (3) months.

Section 14. Repairing Requirement. Each Owner shall, at his sole cost and expense, repair his residence, keeping the same in a condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear.

Section 15. Elevation and Drainage Changes. No changes in the elevation, topography or drainage characteristics of any Lot within the Subdivision shall be made without the prior written approval of the Architectural Review Board nor shall any fill be used to extend any Property beyond any boundary line of any lakefront Lot or creekfront Lot.

Section 16. Tree Removal. No trees or bushes of any kind having a diameter of five (5) inches or more (measured from a point two (2) feet above the ground level) shall be removed from any Lot without the express written authorization of the Architectural Review Board. No trees or shrubs of any size may be cleared within twenty-five (25) feet of any creek, stream or branch. The Architectural Review Board shall further have the authority to require any Owner removing a tree in violation of this provision to replace same at such Owner's cost.

Section 17. Garbage Disposal. Each Owner shall provide garbage receptacles or similar facilities in accordance with reasonable standards established by Gilmer County, which shall be visible from the roads on garbage pick-up days only. No garbage or trash incinerator shall be permitted upon the premises. No burning, burying or other disposal of garbage or trash on any Lot or within the Subdivision shall be permitted. All garbage shall be stored within the residence of each Owner or in storage facilities provided for said residence at the time same is constructed. The storage area must be visually screened in order to conceal it from view from the road and adjacent Lots.

Section 18. Certain Vehicles Prohibited from Subdivision. No tractor trailers or mobile homes, campers, recreational vehicles or other habitable motor vehicles of any kind, whether self propelled or not, school buses, motorcycles, four-wheel all-terrain vehicles, or commercial vehicles, or boat trailers, or boats shall be operated within the subdivision or kept, stored or parked overnight on any Lot, Common Properties or road or street within the Subdivision, except that the storage of trailers and boats is permitted if parked under or in a dwelling and adequately screened from view, or if parked in a garage which has been approved by the Architectural Review Board.

Section 19. Special Hazards. Each Owner accepts and assumes all the risks and hazards of ownership or occupancy attendant to the ownership of such Lot, including, but not limited to its proximity to any Common Properties or bodies of water. Specifically, the Declarant does hereby disclaim any and all liability for any property damage or personal injury resulting from erosion along the bank of any lake or body of water, and all ditches, streams, lakes or other bodies of water located in the Subdivision or adjacent to the Subdivision.

Section 20. Mailboxes. No mailbox may be placed on any Lot until it has been approved by the Architectural Review Board.

Section 21. Regulations. Reasonable regulations governing the use of the Common Properties shall be promulgated by Declarant and/or the Board of Directors and they may be amended from time to time by the Board of Directors of the Association. Copies of such regulations and amendments thereto shall be furnished to each Member by the Association upon request.

Section 22. Fences. No chain link fences shall be permitted on any Lot or any part thereof. No fences of any kind may be located on any Lot without the prior written permission of the Architectural Review Board.

Section 23. Waterfront Lots. No boathouse, dock, wharf or other structure of any kind shall be erected, placed, altered or maintained on Anderson Lake or creeks within the Subdivision unless

the construction plans have been approved by the Architectural Review Board. Any approval by the Architectural Review Board shall be subject to any and all governmental approvals and permits that may be required and it shall be the sole responsibility of the Owner to apply for and obtain any such governmental approvals and permits. Furthermore, a conservation area shall be created below the 1,750 foot contour on the western shore of Anderson Lake. No structures may be built below that contour line.

Section 24. Mining and Drilling Prohibition. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, and no derrick or other structure designed for use in boring for oil or natural gas shall be stored, erected, maintained or permitted in the Subdivision.

Section 25. Setbacks and Building Lines. Each dwelling or other structure which shall be erected on any Lot shall be situated on such Lot in accordance with the building and setback codes and requirements of Gilmer County, Georgia. Notwithstanding the foregoing, no building or other structure shall be erected on any Lot which shall be located within (i) one hundred (100') feet of any lake or pond; (ii) fifty (50') feet of any creek or branch; (iii) seventy-five (75') feet of the front Lot line; or (iv) fifty (50') feet of any side or rear Lot lines. In the event any Lot line of any Lot is contiguous to any lake or pond, the setback shall be one hundred (100') feet. However, in each case individual variances in setbacks and sidelines may be approved by the Architectural Review Board.

Section 26. Junk or Disabled Vehicles. No stripped, partially wrecked, unlicensed or invalidly licensed, disabled or junk motor vehicle, or part thereof, shall be permitted to be parked or kept in the Subdivision.

Section 27. Prohibition of Open Outdoor Storage. No junk, debris or materials of any kind shall be stored on a Lot other than in an approved enclosed structure. Firewood and bicycles may be stored outside in side or rear yards only, provided they are not visible from any Common Properties, easement, street or amenity area.

Section 28. Traffic Regulations. Traffic regulations on all roads and streets within the Subdivision may be enforced under the provisions of Gilmer County laws for regulating traffic on private roads. A speed limit of 25 MPH is established on all roads and streets and all traffic control signs, including, but not limited to, speed limit, stop, directional and no parking signs may be enforced.

Section 29. Hunting. All hunting within the Subdivision shall be at such times and in such locations within the Subdivision as shall be approved and marked by the Board of Directors.

Section 30. Subdivision, Easements and Encroachments. No Lot shall be subdivided except by the Declarant and otherwise as herein provided and no building or residence, including porches or projections of any kind, shall be erected so as to extend over or across any of the building lines as hereinafter established. Provided, however, if any portion of any Common Properties unintentionally encroaches upon a Lot or any part thereof, whether by settlement or otherwise, a valid easement for the encroachment and for the maintenance of same, so long as it shall exist.

Section 31. Increased Size of Lots. Lot or Lots may be subdivided provided the effect is to increase the size of the adjoining Lot or Lots. In such cases, the Declarant may alter the building or set-back lines to conform to such Lot. Should the Owner or Owners of any Lots and/or portions of Lots which have been combined for a single building site subsequently wish to revert to the original plan of subdivision, or make any other combination which would not be in violation of this restriction, that may be done only if the written consent of the Architectural Review Board is first obtained. In such instances, the adjoining Lot Owners, or other Owners in the Subdivision shall not have the right to pass on or interfere with such Lot rearrangement.

Section 32. Alteration of Building Lines in the Best Interest of Development. Where because of size, natural terrain, or any other reason in the sole opinion of the Declarant, it should be in the best interest of the development of the Subdivision that the building lines of any Lot should be altered or changed, then Declarant reserves unto itself, its successors and assigns, and no other, the right to change said lines to meet such conditions. The Declarant may transfer and assign this right of change of building lines to the Architectural Review Board herein established.

Section 33. Replatting of Lots. No Lot shall be subdivided by an Owner, or its boundary lines changed, except by the Declarant or as herein provided. However, the Declarant reserves to itself, its successors and assigns, the right to replat any one or more Lots owned by the Declarant shown on the Subdivision Plat of said Subdivision prior to delivery of the Deed therefor in order to create a modified building Lot or Lots. The restrictions and covenants herein apply to each such building Lot so created or recreated.

Section 34. Boating and Additional Restrictions for Lots Fronting on Lakes or Creeks. All boating and swimming activities in such lakes shall be prohibited without the consent of the Board of Directors. Fishing shall be permitted within the lakes and creeks so long as all regulations of the Georgia Game and Fish

Commission, as the same may be amended from time to time, are strictly observed. All property Owners adjacent to the lakes and creeks shall be prohibited from using insecticides, pesticides and other hazardous materials within twenty-five (25') feet of such lakes or creeks. Nothing herein shall be deemed to make Anderson Lake a part of the Common Area or create any easement on or over it. Such rights must be specifically created by deed or easement from the Declarant.

Section 35. Changes in Boundaries; Additions to Common Properties. Declarant reserves for itself and its successors and assigns the right to change and realign the boundaries of the Common Properties and any Lots or other Properties owned by Declarant, including the realignment of boundaries between adjacent Lots and between Lots and Common Properties. In addition, Declarant reserves the right, but shall not have the obligation, to convey to the Association at any time and from time to time such real or personal property as it determines to be conveyed as an addition to the Common Properties and subject to the other provisions set forth in this Declaration. No Lot shall be subdivided, or its boundary lines changed by an Owner except as provided in this Declaration.

Section 36. Water Wells and Septic Tanks. Private water wells may be drilled or maintained on any Lot by the Owner or Common Properties by or with the consent of the Declarant or the Association so long as neither the Association, nor any public service district, any governmental unit or any public or private utility shall have installed a water distribution line within one hundred (100') feet of such Lot or Common Properties with average daily water pressure in such line adequate for the normal household use of the dwellings served by such distribution line. Septic tanks or similar sewerage facilities may be installed or maintained on any Lot by the Owner or Common Properties by or with the consent of the Declarant or the Association so long as neither the Association, nor any public service district, any governmental unit or any public or private utility shall have had installed a sanitary sewer line within one hundred (100') feet of such Lot or Common Properties, which line is connected to adequate sewerage treatment facilities.

Section 39. Lighting. No mercury vapor or similar lights which are situate upon poles or lamp posts similar to street lights shall be permitted on any Lot without the prior written consent of the Architectural Review Board.

Section 40. Variances. The Board of Directors of the Association shall be authorized to grant variances and/or easement encroachment agreements where the strict interpretation of this Declaration would create undue hardship or inconvenience for the Owner of any Lot within the Subdivision.

ARTICLE IX
INSURANCE AND CASUALTY LOSSES

Section 1. Insurance.

(a) The Board of Directors or its duly authorized agents shall have the authority to obtain and continue in effect adequate property insurance, in such form as the Board deems appropriate, for the benefit of the Association and insuring all insurable improvements in and to the Common Properties against loss or damage by fire or other hazards, including, without limitation, extended coverage, flood, vandalism and malicious mischief, such coverage to be in an amount sufficient to cover the full replacement cost (without depreciation, to include anticipated costs of demolition and clearing prior to building, but subject to such deductible levels as are deemed reasonable by the Board) of any repair or reconstruction in the event of damage or destruction from any such hazard;

(b) The Board or its duly authorized agents shall have the authority to obtain a public liability insurance policy covering the Common Properties and all damage or injury caused by the negligence of the Association, its members, its directors and officers, or any of its agents. Such public liability policy shall provide such coverages as are determined to be necessary by the Board of Directors.

(c) The Board or its duly authorized agents shall have the authority to and may obtain: (i) worker's compensation insurance to the extent necessary to comply with any applicable law; and (ii) such other types and amounts of insurance as may be determined by the Board to be necessary or desirable.

(d) All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association (and others as the Association designates) and costs of all such coverage shall be a Common Expense. Exclusive authority to adjust losses under policies obtained by the Association and hereafter in force with respect to the Subdivision shall be vested in the Board of Directors; provided, however, that no Mortgagee or other security holder of the Common Properties having any interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto. Insofar as permitted by law and reasonably obtainable, the Association shall make every effort to secure insurance policies with the provisions hereinafter set forth:

- (1) all policies shall be written with a company holding rating of A+10 or better in such financial categories as established by Best's Key Rating Guide, if such a company is available or, if not

available, its equivalent rating or the best rating possible.

- (2) all property insurance policies shall be for the benefit of the Association, and/or Owners and Owner's Mortgagees, if applicable, as their interests may appear.
- (3) all policies shall contain a waiver of subrogation by the insurer as to any claims against the Association, the Association's Directors and Officers, the Owners and their respective families, servants, agents, tenants, guests and invitees, including without limitation the Association's manager.
- (4) all policies shall contain a provision that no policy may be canceled, invalidated or suspended on account of the conduct of one or more of the individual Owners, or their respective families, servants, agents, employees, tenants, guests and invitees, or on account of the acts of any Director, officer, employee or agent of the Association or of its manager, without prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured.

(e) It shall be the individual responsibility of each Owner at his own expense to provide, as he sees fit, public liability, property damage, title and other insurance with respect to his own Lot. The Association may obtain, maintain and pay the premiums upon a "master" or "blanket" type policy of flood insurance insuring all Lots and Common Properties.

Section 2. Damage to or Destruction of Common Properties. Immediately after the damage or destruction by fire or other casualty to all or any part of the Common Property or other Property covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and, in any such event, the Board shall obtain reliable and detailed estimates of the cost of repair or reconstruction. The cost of repair or reconstruction as used in this Section means repairing or restoring the property to substantially the same condition it existed prior to the casualty. Within sixty (60) days following any damage or destruction of all or part of the Common Properties or other insured Property, the Association shall restore or replace such damaged improvements, to include trees, shrubbery, lawns, landscaping, and nature vegetation. If the insurance proceeds, if any, for such damage or destruction are not sufficient to defray the cost thereof, and such

deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board of Directors may levy a special Assessment against all Owners, without the necessity of a vote of the Members of the Association, such special Assessment to be in an amount sufficient to provide funds to pay such excess cost or repair or reconstruction. Such a special Assessment shall be levied against the Owners equally in the same manner as annual Assessments are levied, and additional Assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such Assessments shall be held by and for the benefit of the Association together with the insurance proceeds, if any, for such damage or destruction. Such insurance proceeds and Assessments shall be disbursed by the Association in payment for such repair or reconstruction pursuant to and in accordance with such method of distribution as is established by the Board of Directors. Any proceeds remaining after defraying such costs shall be retained by and for the benefit of the Association.

Section 3. Damage to or Destruction of Lots. In the event of damage or destruction by fire or other casualty to any Lots, such Owner shall, at his/their own expense, promptly clear away the ruins and debris of any damaged improvements or vegetation and leave such Lot in a clean, orderly, safe and sightly condition. Any reconstruction shall be in accordance with all applicable standards, restrictions and provisions of this Declaration and applicable zoning, subdivision, building and other construction requirements.

ARTICLE X GENERAL PROVISIONS

Section 1. Control by Declarant. NOTWITHSTANDING ANY OTHER LANGUAGE OR PROVISION TO THE CONTRARY IN THIS DECLARATION, IN THE ARTICLES OF INCORPORATION OR IN THE BY-LAWS OF THE ASSOCIATION, Declarant hereby retains for a period of ten years from recording of this Declaration, the right to appoint and remove any member or members of the Board of Directors of the Association and any officer or officers of the Association so long as Declarant retains its Class B Membership as provided in Article III hereof. Every grantee of any interest in the Subdivision, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors and officers of the Association in accordance with the foregoing provisions.

Section 2. Application. All Property Owners, their guests, family members, employees and tenants, or any other persons who may in any manner use the Properties or any portion thereof, shall be subject to the provisions hereof and to the provisions of the By-Laws, Articles of Incorporation and rules and regulations of the Association.

Section 3. Enforcement. Declarant, the Association, or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, easements, reservations, liens, and charges now or hereafter imposed by the provisions of this Declaration. Failure by Declarant, the Association, or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. It is recognized that if an Owner violates this Declaration, a remedy at law would in many instances be inadequate. Therefore, this Declaration may be enforced by a mandatory or prohibitory injunction or other equitable relief. If the Declarant or the Association finds it necessary to enforce the provisions of this Declaration against an Owner (other than the Declarant) by suit or other legal proceeding, and if the Declarant or the Association is the prevailing party in any such litigation, then the Owner against who this Declaration was enforced shall pay to the Declarant or Association its court costs and reasonable attorneys fees.

Section 4. Severability. Invalidation of any one of these covenants, easements and restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 5. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property constituting the Subdivision, and shall inure to the benefit of and be enforceable by the Declarant, the Association or any Owner for a period of thirty (30) years from the date of recording and thereafter shall automatically continue in effect for additional periods of ten (10) years each, unless prior to the expiration of the initial or a subsequent extension of the term of this Declaration, the Owners of no less than two-thirds (2/3) of the Lots and the holder of any first Mortgage on such Lots agree in writing to cancel this Declaration and record a written cancellation thereof.

Section 6. Assignment. The Declarant shall have the right to assign to any one or more persons, firms, corporations, partnerships or associations any rights, powers or duties reserved or given to the Declarant in this Declaration.

Section 7. Amendments By Declarant. So long as Declarant retains its Class B Membership, Declarant may amend this Declaration in any particular manner, by an instrument in writing filed and recorded in the Office of the Clerk, Superior Court of Gilmer County with or without the approval of any Owner or Mortgagees. Any amendment made pursuant to this Section shall be certified by Declarant as having been duly approved by Declarant, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot, agrees

to be bound by such amendments. In addition to the foregoing amendment rights, the Declarant shall have the right at any time to amend the covenants and restrictions of this Declaration to correct typographical or clerical errors, and as may be required by any governmental authority, institutional or governmental lender, insurer or purchaser of Mortgage loans including, for example, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Veterans Administration or the Federal Housing Administration.

Section 8. Amendments by Owners. In addition to the amendments by Declarant set forth in the previous Section of this Declaration, this Declaration may be amended at any time by an instrument signed by the Owners of not less than two-thirds (2/3) of the Lots provided, however, that so long as Declarant retains its Class B Membership, no such amendment shall be valid unless approved in writing by the Declarant. In addition to the foregoing method, amendments to this Declaration may be proposed and adopted in the following manner:

(a) Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered.

(b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by Members of the Association. Such amendment must be approved by Owners holding at least two-thirds (2/3) of the total votes in the Association, provided, however, that so long as Declarant retains its Class B Membership or has the option under this Declaration to add Additional Property or any portion thereof to the Subdivision, such amendment must be approved by Declarant.

(c) The agreement of the required percentage of the Owners and, where required, the Declarant, to any amendment of this Declaration shall be evidenced by their execution of such amendment, or, in the alternative, the sworn statement of the President of the Association attached to or incorporated in the amendment executed by the Association, which statement shall state that the agreement of the required Owners was obtained. Any such amendment of this Declaration shall become effective when recorded or at such later date as may be specified in the amendment itself.

Section 9. Waiver. No provision hereof shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

Section 10. Gender and Number. All pronouns used herein shall be deemed to include the masculine, the feminine and nonpersonal entities, as well as the singular and plural wherever the context requires or permits.

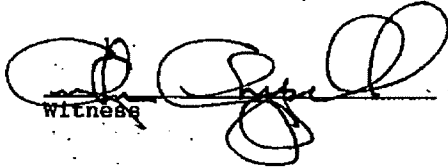
Section 11. Rule Against Perpetuities, etc. Declarant herein shall not in any way or manner be liable or responsible for any violation of these restrictions by any person other than itself. In the event that any of the provisions hereof are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event, such terms shall be reduced to a period of time which shall not violate the Rule Against Perpetuities or any other law of the State of Georgia, and such provision shall be fully effective for such reduced period of time.

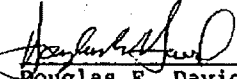
Section 12. No Dedication of Common Properties. The Common Properties are a private park, facility or amenity and neither the recording of any such plat nor any other act of the Declarant with respect to the Property is, or is intended to be, or shall be construed, as a dedication to the public of any said parks, Common Properties unless expressly so stated. An easement for the use and enjoyment of each of said areas designated as parks is reserved to the Declarant, its successors and assigns; to the persons who are, from time to time, members of the Association; and to the invitees of all the aforementioned persons; the use of which shall be subject to such rules and regulations as may be prescribed by the Association, if the Association is the Owner of the facility or Property involved.

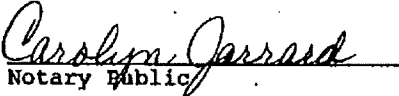
WITNESS the hand and seal of the Declarant the date first above written.

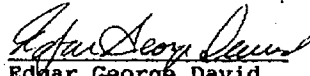
Signed, sealed and delivered ANDERSON LAKE LIMITED
in the presence of: PARTNERSHIP, a Georgia
limited partnership

By: Gilmer Land Co., Inc.
Its: general partner


Witness

By: 
Douglas E. David
Its: President


Carolyn Jarrard
Notary Public

Attest: 
Edgar George David
Its: Secretary

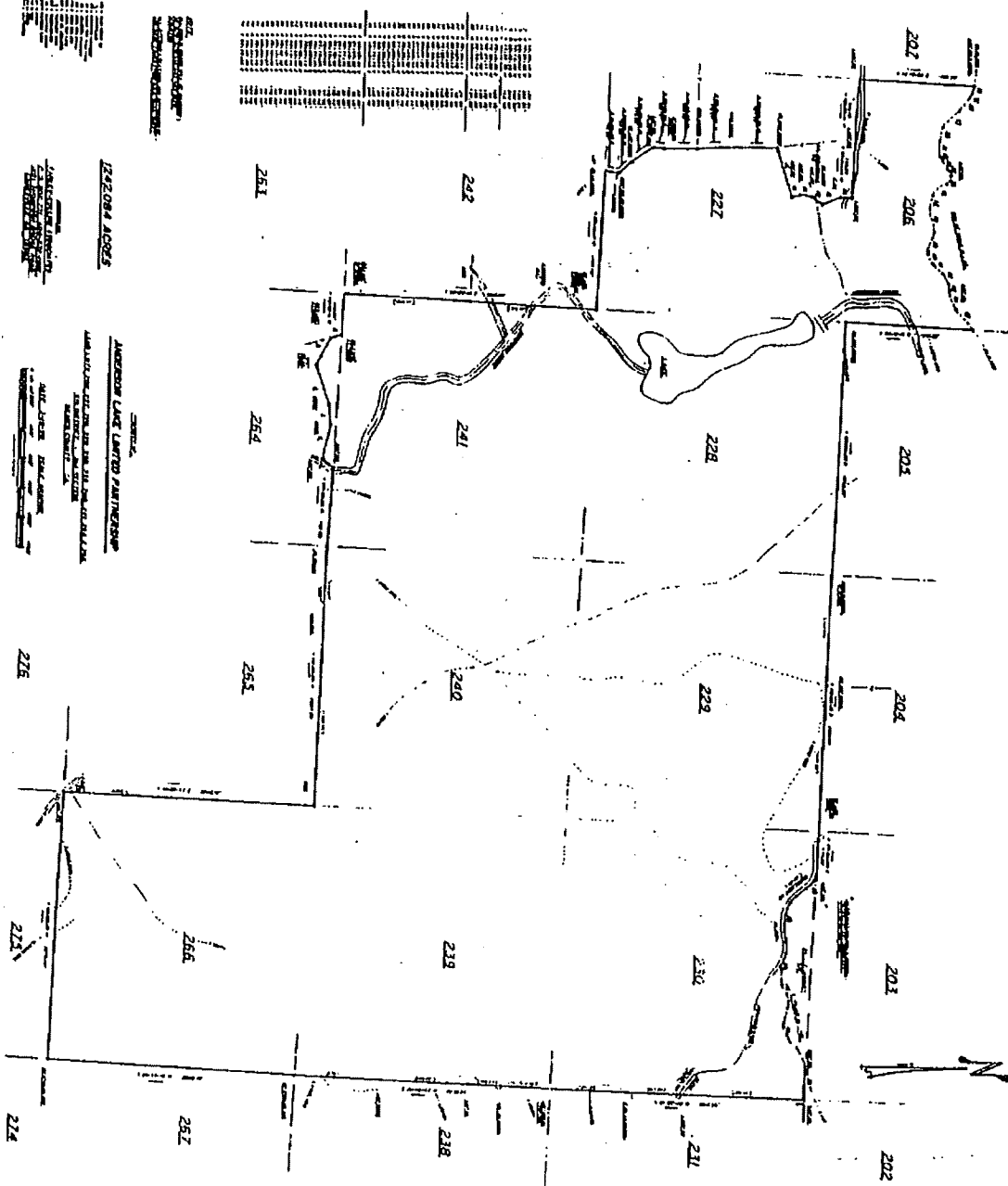
My Commission Expires:
MY COMMISSION EXPIRES APRIL 15, 1999

(CORPORATE SEAL)

(NOTARIAL SEAL)

LIST OF EXHIBITS

- "A." Description of the Property
- "B." Description of property which may be added to the Property, in whole or in part.



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GILMER COUNTY

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BRETT JONES, ATTORNEY AT LAW, PC
146 RIVER STREET
ELLIJAY, GA 30540
706-636-5297

GILMER COUNTY
GEORGIA

Please Cross Reference to:
Deed Book 1901, page 469

**AMENDMENT TO AMENDED AND RESTATED
DECLARATION OF COVENANTS AND RESTRICTIONS
FOR ANDERSON CREEK RETREAT**

THIS AMENDMENT is made this the 30th day of June, 2015, by **ANDERSON LAKE, LLLP**, a Georgia limited liability limited partnership (hereinafter referred to as "Declarant"),

BACKGROUND INFORMATION

A. Declarant is the Developer of the property described in and encumbered by the Declarations referred to below.

B. Declarant executed and recorded a DECLARATION OF COVENANTS AND RESTRICTIONS FOR ANDERSON CREEK RETREAT dated June 28th, 2002, recorded in Deed Book 888, Page 355, Gilmer County, Georgia records (the "Original Declaration"). In January 2013, Declarant executed the RESTATED AND AMENDED DECLARATION OF COVENANTS AND RESTRICTIONS FOR ANDERSON CREEK RETREAT, which was recorded January 30, 2015, in Deed Book 1901, page 469 in the Office of the Clerk, Superior Court of Gilmer County, Georgia (herein the "Restated Declaration") in order to bring all prior amendments to the Original Declaration into one document for convenience of reference.

C. There are inadvertent typographical or erroneous statements in the Restated Declaration which Declarant wishes to correct. Declarant reserved the right to make such an Amendment in Article X, Section 7 of the Restated Declaration.

NOW, THEREFORE pursuant to the above-referenced provision for amendment the Declarant hereby amends the Restated Declaration as follows:

1. ARTICLE VI, Section 12 (a), (b) and (c) are amended to restate those subsections in their entirety so that they read as follows:

Section 12. Ridge Special Assessments.

(a) The Declarant conveyed the Ridge Property to the Association, subject to certain reservations, on or about October 31, 2013, and as security for payment of the purchase price of the property, the Association has given to the Declarant a Deed to Secure Debt recorded at Deed Book 1845, page 22, Gilmer County Records, on the property so conveyed, to secure a the 2013 Promissory in the amount of \$130,000 dated October 31, 2013 from the Association to the Declarant. To provide funds to pay the 2013 Note and the purchase price for the Ridge Property, each Member of the Association (regardless of the number of lots owned) agreed to pay to the Association a special assessment of \$6,500 (the "Ridge Special Assessment"), and the Members voted to approve such assessment [See Footnote 1]. Members may pay the Ridge Special Assessment in full or may elect to pay the Ridge Special Assessment in annual payments on July 1 of each year over a twelve year term at an interest rate of five (5%) per annum; the annual payment for each Member electing to pay over twelve years is \$733.37. A Member may prepay his or her outstanding principal and accrued and unpaid interest at any time. As described below certain Members have already paid or are exempt. The Association shall use the proceeds of the Ridge Special Assessments to pay the Promissory Note from the Association to the Declarant.

(b) Any officer of the Association may review the status of payment of the Ridge Special Assessment on request to Declarant. It was agreed that the calculation of the Ridge Special Assessment would be on a per capita basis depending on the number of Members of the Association as of October 31, 2013, who are not exempt, such that a Member owning more than one lot shall only be charged one Ridge Special Assessment. If there is more than one owner of a lot, they shall be considered one Member for the purpose of determining the Ridge Special Assessment.

(c) The lots presently subject to the Declaration and owned by the Declarant are exempt from the Ridge Special Assessment as a result of the Declarant having conveyed the property to the Association at a discounted price in 2013 as Common Area. Each of the owners and their lot(s) shown on Exhibit "D" are exempt from the further payment since each of said owners have prepaid their assessment in full as of the date shown on Exhibit "D" and their lots are therefore no longer subject to the Ridge Special Assessment.

¹ Declarant conducted a referendum in order to receive the votes and opinions of the Members of Anderson Creek Retreat Property Owners Association, Inc., a non-profit Georgia Corporation (herein called the "Association") concerning the purchase by the Association of certain property known as the Ridge Preserve by the Association (The "Ridge Property"). The Declarant notified the Members of the proposed purchase and included a description document dated December 12, 2012. The Declarant and the Members of the Association other than Declarant subsequently by a substantial majority voted for and declared their desire to purchase said property for a price of One Hundred Ninety Five Thousand and no/100 Dollars (\$195,000.00) payable over a period of twelve (12) years at an interest rate of 5%, but subject to prepayment at any time. A portion of the purchase price has been prepaid and the balance is to be evidenced by a \$130,000.00 Promissory Note (the 2013 Promissory Note) from the Association to the Declarant secured by a Deed to Secure Debt on the Ridge Property to be conveyed to the Association by the Declarant.

2. The Restated Declaration as amended above remains in full force and effect.

Anderson Lake, LLLP

Chelsea Beemer
Witness

By: *Douglas E. David*
Douglas E. David, General Partner

[Seal]

Jennifer Jones
Notary Public

[Notary Seal]



CROSS REFERENCE:
DEED BOOK: 888 PAGE: 355
DEED BOOK: 1342 PAGE: 332
DEED BOOK: 1842 PAGE: 287
DEED BOOK: 1876 PAGE: 379

STATE OF GEORGIA
COUNTY OF GILMER

**AMENDED AND RESTATED DECLARATION
OF COVENANTS AND RESTRICTIONS FOR
ANDERSON CREEK RETREAT**

RECITALS

WHEREAS, Anderson Lake, LLLP a Georgia Limited Liability Partnership, heretofore executed and recorded a DECLARATION OF COVENANTS AND RESTRICTIONS FOR ANDERSON CREEK RETREAT dated June 28th, 2002, recorded in Deed book 888, Page 355, Gilmer County, Georgia Records (the "Initial Declaration"), encumbering the property more particularly described on Exhibit "A".

WHEREAS, the Initial Declaration was amended by the First Amendment & Supplementary Declaration of Covenants and Restrictions for Anderson Creek Retreat, dated January 16, 2007, and recorded in Deed Book 1347, page 332, Gilmer County, Georgia Records (the "First Amendment") and

WHEREAS, the Initial Declaration was amended by the Second Amendment to Declaration of Covenants and Restrictions for Anderson Creek Retreat, dated October 25, 2013, and recorded in Deed Book 1842, page 287, Gilmer County, Georgia Records (the "Second Amendment") and

WHEREAS the Initial Declaration was amended by the Third Amendment to Declaration of Covenants and Restrictions for Anderson Creek Retreat, dated August 1, 2014, and recorded in Deed Book 1876, page 379, Gilmer County, Georgia Records (the "Third Amendment") and

WHEREAS pursuant to and in accordance with the terms of ARTICLE X, Section 7 of the Declaration, the Initial Declaration may be amended by the Declarant by writing filed and recorded in the Office of the Clerk, Superior Court, Gilmer County with or without the approval of any Owner or Mortgagee. NOW, THEREFORE,

KNOWN ALL MEN BY THESE PRESENTS that by virtue of the Declaration, the Declarant does hereby amend said Initial Declaration as follows:

1. The foregoing Recitals are incorporated herein and made a part of this Amended and Restated Declaration.
2. The Declarant hereby amends the Initial Declaration in its entirety for the purpose of updating and bringing into conformity the Declarant to reflect the current condition and governance of the Association and its property.
3. As modified hereby, the Initial Declaration and all prior amendments thereto are herein amended and restated in there, entirety, and this Amended and Restated Declaration (Hereinafter the "Declaration") shall replace and supersede the Initial Declaration and First through Third Amendments thereto.

IN WITNESS WHEREOF, the undersigned has affixed its hands and seal as of the date first written.

SIGNED, SEALED, AND DELIVERED
IN THE PRESENCE OF:

Ashley Murrece
Witness

Jennifer Jones
Notary Public

Anderson Lake, LLLP:

By: Douglas E. David
Douglas E. David,
Its General Partner;



ANDERSON CREEK RETREAT DECLARATION OF COVENANTS AND RESTRICTIONS
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**AMENDED AND RESTATED DECLARATION OF COVENANTS AND RESTRICTIONS FOR
ANDERSON CREEK RETREAT**

STATE OF GEORGIA
GILMER COUNTY

**DECLARATION OF COVENANTS AND RESTRICTIONS FOR ANDERSON CREEK
RETREAT**

THIS DECLARATION, made this 28th day of January 2015, by Anderson Lake LLLP, a Georgia limited liability limited partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, the Declarant owns real property in Gilmer County, Georgia, more particularly described in Exhibit "A" attached hereto; and

WHEREAS, the Declarant proposes to sell lots consisting of the Property described in Exhibit "A" and other contiguous or nearby property owned or to be subsequently acquired by Declarant containing homesites together with certain Common Properties in a private park setting as more fully described herein and Declarant may record a plat in the Gilmer County land records.

WHEREAS, the Declarant wishes to accomplish the following objectives for its benefit and for the benefit of Owners of the property subject to this Declaration by the imposition of the covenants and restrictions set forth herein:

- (a) To maintain a park-like character and create a residential mountain retreat;
- (b) To preserve, protect and maintain open space and wildlife habitat;
- (c) To maintain the quality and value of any Common Area Properties including parks, camps, trout streams, lakes, branches, springs, early settler wagon roads, and homestead ruins;
- (d) To minimize the possibility of any disruptions of the peace and tranquility of the rural retreat;
- (e) To prevent any property Owner or any other persons from building or carrying on any activity in the property subject to this Declaration to the detriment of any Owners;
- (f) To keep property values high, stable and in a state of reasonable appreciation;
- (g) To maintain, improve, and landscape the Common Properties, including all roads and easements and facilities within the property subject to this Declaration; and

WHEREAS, the Declarant, in this Declaration, retains and reserves the right, privilege and option to submit to the provisions of this Declaration at a later time all or any portion of the real property owned or hereafter acquired by Declarant;

NOW, THEREFORE KNOW ALL MEN BY THESE PRESENTS THAT the Declarant hereby declares that the property described in Exhibit "A" attached hereto (the "Property") and any Additional Property which Declarant may see fit to add to the property subject to this Declaration by subsequent amendment, shall be held, mortgaged, transferred, sold, conveyed, occupied and used subject to the following easements, restrictions, covenants, charges, liens and conditions which are hereby imposed for the purpose of protecting the value and desirability of the property subject to this Declaration and which restrictions, easements, charges, liens, conditions, and covenants shall touch and concern and run with title to the real property subjected to this Declaration and which shall be binding on all parties having any right, title or interest in said properties or any portion of them. This Declaration also binds the respective heirs, devisees, fiduciary representatives, successors, successors in title and/or assigns, and shall inure to the benefit of anyone or anything who/which purchases or takes any interest in real property within the lands subject to this Declaration.

ARTICLE I DEFINITIONS

When used in this Declaration, unless the context shall prohibit or require otherwise, the following words shall have the following meanings, and all definitions shall be applicable to the singular or plural forms of any such term(s):

"Accessory Unit" shall mean and refer to a guesthouse, caretaker quarters, servants quarters, bed and breakfast unit or other similar structure.

"Additional Property" or "Additional Properties" shall mean and refer to all or any of the real property described in Exhibit "C" and any improvements thereon.

"Approved by the Declarant" shall mean written approval issued by the Declarant signed an authorized officer or partner or by a representative designated by Declarant in writing.

"Assessment" shall mean and refer to any Owner's share of the Common Expenses or any other charges from time to time assessed against an Owner by the Association in the manner herein provided.

"Association" shall mean and refer to Anderson Creek Retreat Property Owners Association, Inc., its successors and assigns, or if such corporate name is not available when the Association is formed, another non-profit corporation formed by the Declarant to be the Association for the purposes of this Declaration.

"Board of Directors" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

"By-Laws" or "By Laws of the Association" shall mean and refer to those By-Laws of then Association which govern the administration and operation of the Association, as may be amended from time to time.

"Common Properties" or "Common Areas" shall mean and refer to those tracts of land with any improvements thereon which now or hereafter are designated as Common Properties or Common Areas by the Declarant (or by other Owners with the consent of the Declarant) by recorded deed or instrument, and which may be deeded or sold to the Association and which are expressly identified or designated in said deed or other recorded document as "Common Properties" or "Common Area." The term "Common Properties" shall also include any personal property acquired by the Association. The Common Properties may include without limitation all maintenance areas, roads, streets, rights-of-way, trails, green areas, open spaces, signage, parking areas, lakes, creeks, branches, entrance ways and other properties which may now or hereafter be designated as Common Properties or Common Areas by Declarant. The Common Properties are intended for the common use and enjoyment of the Owners, and residents of any of the Property, and their guests and by such other persons who are permitted by the Association to use the Common Areas subject to such fee schedules and operating rules adopted by the Declarant of the Association. Nevertheless, any land, which is sold by the Association for use as Common Properties, shall lose their character as Common Properties upon the execution of such Sale. The Declarant reserves the right to convey "Common Properties" to the Association. Such conveyance shall be made subject to the provisions of this Declaration and shall contain such additional restrictions, reservations, liens and encumbrances as set forth in the deed of conveyance. The Declarant may add land encumbered by a mortgage. As an appurtenance to such conveyances, the Declarant may transfer to the Association any or all of the powers, immunities and privileges reserved unto the Declarant as well as all of the Declarant's obligations with respect thereto, including the obligation to maintain and enhance. The Declarant may convey to the Association additional real or personal property, improved or unimproved, located within the Properties which upon conveyance or dedication to the Association shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of the Owners. The Declarant, its successors and assigns, may elect to convey any open space within the Properties to the National Trust for Historic Preservation, The Nature Conservancy, or other similar nonprofit land conservation organization.

"Common Expense(s)" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of financial, equipment or material reserves, consistent with the provisions and intent of this Declaration.

"Declaration" shall mean this Declaration and all supplements and amendments to this Declaration as filed in the Office of the Clerk, Superior Court of Gilmer County, Georgia.

"Declarant" shall mean and refer to Anderson Lake LLLP, a Georgia limited liability limited partnership, its successors and assigns. The Declarant shall have the right to assign in whole or in part any and all rights or duties that it may possess, as Declarant, to the Association or any other person or entity provided, however, that the instrument or assignment shall expressly so provide.

"Greenway" shall mean certain portions of the Property designated by this Declaration or land hereafter designated by recorded documents by the owner of such land as a Greenway in a recorded

document making reference to this Declaration and being expressly designated as a Greenway. Greenways are reserved for Owners for pedestrian, bicycle and equestrian traffic and other limited uses provided in this Declaration.

"Living Space" shall mean and refer to enclosed and covered areas within a dwelling on a Lot, exclusive of garages, rooms over garages, enclosed porches, carports, breezeways, terraces, balconies, decks, patios, courtyards, greenhouses, atriums, attics and basements.

"Lot" shall mean and refer to any plot or portion of the Property (other than Common Properties or Greenway) whether shown upon any recorded Subdivision Plat of the Property or whether created by deed without a recorded plat, together with the improvements thereon, with the exception of the Common Properties. Any Lot which may be divided by any public or private road as shown on the Plat shall nevertheless be deemed one Lot.

"Member" shall mean and refer to every Owner of a Lot which is subject to assessment and shall include the Declarant while it is the record Owner of any Lot.

"Mortgagee" means the holder of a security deed, mortgage or deed to secure debt on any part of the Property.

"Property" or "Properties" shall mean and refer to all property which are subject to this Declaration.

"Owner" shall mean and refer to the record Owner (including the Declarant), whether one or more persons or entities, holding the fee simple title for any Lot, but excluding any person having such interest merely as security for the performance of an obligation.

"Subdivision" shall mean and refer to those tracts or parcels of land described in Exhibit "A", together with all improvements presently thereon or subsequently constructed thereon, and, upon the submission to the provisions of this Declaration of the Additional Properties described in Exhibit "C", or any portion thereof, and the real property described in Exhibit "A" and the real property described in Exhibit "C", or such portion thereof so submitted, together with all improvements thereon or hereafter constructed thereon.

"Subdivision Plat" shall mean and refer to the plat or plats of Anderson Creek Retreat recorded or to be recorded in Gilmer County, Georgia prepared by Mark E. Chastain, GRLS #2718, together with any future revision, addition or amendment thereto, including any subdivision plat for any portion of the Additional Property as may be submitted to the terms of this Declaration, and recorded from time to time in the Office of the Clerk, Superior Court of Gilmer County.

ARTICLE II PROPERTY

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed and occupied, subject to these covenants, is located in Gilmer County, Georgia, and is more particularly described in Exhibit "A" attached hereto and by reference incorporated herein.

Section 2. Additional Property. Additional Properties may become subject to this Declaration in the following manner:

(a) Additions. The Declarant, its successors and assigns, shall have the right, without further consent of the Association at any time prior to December 31, 2017, to bring within the plan and operation of this Declaration Additional Properties, whether or not owned by the Declarant, its successors or assigns, in future stages of the development, whether or not immediately contiguous and adjacent, provided, however, such Additional Properties are in the same general vicinity of the Property and are of the same general character, regardless of whether the Lots within such Additional Properties are of a size greater or smaller than the Lots presently subject to this Declaration. The additions authorized under this and the succeeding subsection shall be made by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the Additional Properties which shall extend the operation and effect of the Covenants and Restrictions of this Declaration to such Additional Properties.

The Supplementary Declaration may contain such complementary additions and modifications of the Covenants and Restrictions contained in this Declaration as may be necessary or convenient, in the judgment of the Declarant, to reflect the different character, if any, of the Additional Properties as are not inconsistent with the plan of this Declaration. The Declarant reserves the right to bring other Property within the plan and operation of this Declaration. The Declarant expressly reserves, however, the right and option to develop or not develop such properties in any manner it so desires and to submit or not submit such property to the plan and operation of this Declaration. The Declarant shall not be obligated to impose this Declaration on any properties not presently subject to said Declaration and expressly reserves the right to convey such property or properties free of this Declaration.

(b) Merger or Consolidation. Upon a merger or consolidation of the Association with another association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the Covenants and Restrictions established by this Declaration within the Properties as herein provided.

ARTICLE III THE ASSOCIATION; MEMBERSHIP AND VOTING RIGHTS

Section 1. The Association. The Declarant reserves the right to form and establish the Association for the purpose of exercising powers of owning, maintaining, repairing, reconstructing, improving and administering the Common Properties and providing common services, administering and enforcing the covenants, conditions and restrictions contained herein, and levying, collecting and disbursing Assessments and charges herein created. Further, the Declarant reserves the right to convey to the Association and the Association agrees to accept any and all of its rights and obligations set forth herein. The Association shall be authorized but not required to provide the following services, the cost

of which shall be a Common Expense:

- (a) Clean up, maintenance, landscaping and improvement of Common Properties, open spaces, greenways, creeks and lakes within the Subdivision or in a reasonable proximity to the Subdivision if their deterioration would affect the appearance of the Subdivision.
- (b) Insect and pest control to the extent that it is deemed necessary or desirable in the judgment of the Board of Directors.
- (c) To take any and all actions necessary to enforce all covenants and restrictions affecting the Subdivision and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Subdivision.
- (d) To set up and operate the Architectural Review Board as provided herein. (e) To construct improvements on open spaces and Common Properties.
- (f) To provide administrative services including, but not limited to, legal, accounting and communication services informing members of activities, notice of meetings, referendums, etc., incident to the above listed services.
- (g) To provide liability and property/casualty insurance covering improvements and activities on the open spaces and the Common Properties, independently or in collaboration with the Declarant.
- (h) To provide directors and officers liability insurance for the Association and its duly elected Directors and Officers.
- (i) Maintenance of all lakes and creeks located within the Properties, including the stocking of such lakes and creeks if approved by the Board of Directors.
- (j) Landscaping, maintenance and improvement of all roads, parkways, streets, rights-of-way, greenways, trails and walking paths within the Subdivision and any Common Properties or open spaces located within the Subdivision.
- (k) Maintenance of any drainage easements, improvements and/or facilities located within or adjacent to the Subdivision.
- (l) Erosion and flood control improvements within the Common Properties and elsewhere within the Subdivision, if necessary.
- (m) The design, construction, and maintenance of a security gate at the entrance to the Subdivision or at such other place as shall be determined by the Board of Directors or the Declarant, together with such additional security measures as shall be deemed necessary by the Association's Board of Directors.
- (n) The purchase and acquisition of personal property and equipment as necessary to

provide maintenance of the roads within the Subdivision and other Common Properties.

- (o) Establishment and implementation of a wildlife management plan for the Subdivision and the Common Properties.
- (p) To provide any and all other services deemed necessary or desirable in the judgment of the Board of Directors to carry out the Association's obligations and business.

Section 2. Rules and Regulations. The Association, by and through its Board of Directors, may adopt from time to time additional reasonable rules and regulations governing the use of Common Properties and Lots within the Subdivision. All Owners, Members and their guests, invitees and licensees shall be bound by such rules and regulations and shall comply therewith.

Section 3. Membership. Every Owner of a Lot, including the Declarant, which is subject to this Declaration shall be a member ("Member") of the Association. Membership shall be appurtenant to and not be separated from ownership of any Lot which is subject to assessments.

Section 4. Voting Rights. The Association shall have two classes of voting membership.

(a) Class A. Class A Members shall be every Owner, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. However upon expiration or surrender of its class B membership, Declarant shall become a Class A Member as to all lots which it owns. If more than one person holds title to a Lot, all such persons shall be Members and the one vote for such Lot shall be exercised as they determine, but in no event shall there be more than one vote be cast for any Lot.

(b) Class B. The Class B Member shall be the Declarant, its successors and assigns. The Class B Member shall be entitled to one a vote equal to the number of Lots it owns, plus an additional number of votes such that the Declarant will have one vote more that the total of all other votes held by the other Owners. The Class B Membership shall cease and be converted to Class A Membership upon the occurrence of the first of the following events:

- (1) when the Declarant executes and records an instrument surrendering its Class B Membership; or
- (2) when the Declarant has conveyed to others all proposed Lots in the Subdivision (Lots shall include those Lots contained in the Property or any Additional Property which Declarant shall bring under the terms of this Declaration); or
- (3) on December 31, 2025.

When a purchaser of a Lot or Lots takes title thereto from the Declarant, such purchaser becomes a Class A Member.

Section 5. Board of Directors. The Association shall be governed and the business and affairs of the Association shall be managed by a Board of Directors as more particularly set forth in the

By-Laws of the Association. Except to the extent otherwise required by the provisions of the Georgia Code relating to nonprofit corporations, this Declaration, the By-Laws, or the Articles of Incorporation of the Association, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further consent or action on the part of the Owners. Notwithstanding any other provision to the contrary contained in any instruments evidencing or establishing the Subdivision.

Section 6. Referendum. Any action which may be taken at a duly called meeting of the Association may also be taken by referendum of the Members of the Association. In the event fifty-one (51%) percent, or more, of the total votes actually returned to the Association within the specified time shall be in favor of such action, the referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance.

Section 7. Deferral of Incorporation. Declarant may defer the incorporation or activation of the Association until a reasonable number of Lots have been sold to others as determined by Declarant. Until the Association is incorporated, Declarant shall have all of the powers and functions of the Association. However neither the Association nor the Declarant shall be obligated to perform any maintenance of the Common Areas (under Article V.3. or otherwise) until the Association is formed.

ARTICLE IV RIGHTS IN THE COMMON PROPERTIES/EASEMENTS

Section 1. Members Easements of Enjoyment.

(a) Subject to the provisions of these Covenants and the rules and regulations of the Association, every Owner shall have a right and nonexclusive easement of enjoyment in and to the Common Properties, as provided herein, and such easement shall be appurtenant to and shall pass with the title to or interest in every Lot.

(b) Each Owner or lessor of a Lot shall have a non-exclusive, perpetual easement for ingress and egress for vehicular and pedestrian traffic over the roads shown on Exhibit "B" or otherwise designated as roads by this Declaration or by any subdivision plat or other recorded document. Each party entitled to use a road shall be entitled to, but not obligated to maintain it. Any party who damages a road or trail by misuse shall be solely responsible for its repair.

Section 2. Title to Common Properties. The Common Properties may be owned by the Association or a Lot owner or may be shown as a road or common Area on any subdivision plat. The Declarant also reserves the right, but not the obligation, to convey Common Properties to the Association and the Association agrees to accept such Common Properties, including, but not limited to, the streets, roads and rights-of-way within the Subdivision. Any Common Properties so conveyed to the Association shall be maintained and repaired by the Association.

Section 3. Extent of Members' Easement. The rights and easements created hereby and in the

Subdivision Plat shall be subject to the following:

(a) The right of the Declarant, and of the Association, to dedicate, transfer or convey all or any part of the Common Properties, with or without consideration, to any successor association, governmental body, district, agency or authority, or to any utility company, provided that no such dedication, transfer or conveyance shall adversely affect the use of the Common Properties by the Owners;

(b) The right of the Declarant, and of the Association, to grant, reserve and accept easements and rights-of-way through, under, over and across the Common Properties, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, electric, fuel oil and other utilities and services, including a cable or community antenna television system and irrigation or lawn sprinkler systems, and the right of the Declarant to grant and reserve easements and rights-of-way through, over and upon and across the Common Properties for the completion of the Subdivision, and for the operation and maintenance of the Common Properties;

(c) The right of visitors, invitees, etc., to ingress and egress in and over those portions of the Common Properties that lie within the private roadways, parking lots and/or driveways (and over any other necessary portion of the Common Properties in the case of landlocked adjacent Owners) to the nearest public road;

(d) The right of the Association, as provided in its By-Laws, to suspend the enjoyment rights of any Owner for any period during which any Assessment remains unpaid, and for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;

(e) The rights of the Declarant and the Association, as the case may be, to establish rules and regulations for the Subdivision and to prescribe fees and charges from time to time for use of any amenities which may now or hereafter be constructed on the Common Properties.

Section 4. Easements Reserved for Declarant. During the period that Declarant owns any Common Properties, or owns any Lot primarily for the purpose of sale or has the option to add the Additional Property or any portion thereof to the Subdivision, Declarant shall have an alienable and transferable right and easement on, over, through, under and across the Common Properties for the purpose of constructing or improving Lots, any improvements to the Common Properties, and the Additional Property and for installing, maintaining, repairing and replacing such other improvements to the Subdivision (including portions of the Common Properties) as are contemplated by this Declaration or as Declarant desires, in its sole discretion, including without limitation any improvements or changes permitted and described in this Declaration, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided that in no event shall Declarant have the obligation to do any of the foregoing.

Section 5. Easements for Utilities. There is hereby reserved for the benefit of Declarant, the Association and their respective successors and assigns the alienable, transferable and perpetual right and easement, as well as the power to grant and accept easements to and from any private or public authority, agency, public service, district, public or private utility or other person upon, over, under and

across: (i) all of the Common Properties; (ii) an area across every Lot ten (10') feet in width along the front and rear boundary lines thereof and ten (10') feet in width along the side boundary lines thereof for the purpose of installing, replacing, repairing, maintaining and using master television antenna and/or cable systems, security and similar systems, and all utilities, including but not limited to storm sewers and drainage systems and electrical, gas, telephone, water and sewer lines. Such easements may be granted or accepted by Declarant, its successors and assigns or by the Board of Directors; provided, however, that for so long as Declarant owns any portion of the Common Properties, owns any Lot primarily for the purpose of sale or has the option to add the Additional Property or any portion thereof to the Subdivision, the Board of Directors must obtain the written consent of Declarant prior to granting or accepting any such easements. To the extent possible, all utility lines and facilities serving the Subdivision and located therein shall be located

underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier, with respect to the portions of the Subdivision so encumbered: (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities; (ii) to cut and remove any trees, bushes or shrubbery; (iii) to grade, excavate or fill; or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and systems. Within these easements no structure of any kind, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements, unless such structure, planting or other material is first approved by the Declarant.

Section 6. Easements for Association. There is hereby reserved a general right and easement for the benefit of the Association, its Directors, officers, agents and employees, including but not limited to any property manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner or occupant affected.

Section 7. Sales Offices, Rental Offices, Property Management Offices and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant, its successors and assigns, the perpetual, alienable and transferable right and easement in and to the Property for the maintenance of signs, sales offices, rental offices, property management offices, construction offices, and model or sample Lots, together with such other facilities as in the sole opinion of Declarant reasonably may be required, convenient or incidental to the completion, management, rental, leasing, improvement and/or sale of Lots, Common Properties or the Additional Property. The Declarant also reserves the right to grant to any builder or builders the right to operate and maintain builder sales offices at any location within the subdivision upon such terms and conditions as the Declarant in the Declarant's sole discretion may establish.

Section 8. Easements for Additional Property. There is hereby reserved in the Declarant, its successors, assigns and successors in title to the Additional Property, for the benefit of and as an appurtenance to the Additional Property, and as a burden upon the Subdivision, perpetual, non-exclusive rights and easements for: (i) pedestrian and vehicular access, ingress, egress and parking facilities from time to time located on or within the Common Properties or within easements serving the

Common Properties or within the streets or roads within the Subdivision, whether or not such streets or roads have been designated as Common Properties; (ii) the installation, maintenance, repair, replacement and use of security systems and utility facilities and distribution lines, including without limitation drainage systems, storm sewers and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines; and (iii) drainage and discharge of surface water onto and across the Subdivision, provided that such drainage and discharge shall not materially damage or affect the Subdivision or any improvements from time to time located thereon.

Section 9. Maintenance Easement. Subject to the other terms of this Declaration, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement to enter upon any unimproved portions of any Lot for the purpose of landscaping, mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety and appearance within the Subdivision; provided that such easements shall not impose any duty or obligation upon the Declarant or the Association to perform any such actions. Furthermore, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement, but not the obligation, to enter upon any unimproved portions of Lots which are located within ten (10') feet from the water's edge of any creek, pond or other body of water within the Subdivision for the purpose of mowing such area and keeping same clear and free from unsightly growth and trash, as well as for the purpose of maintaining such body of water, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards.

Section 10. Drainage Easements. In addition to any other easements described herein, there is hereby reserved for the benefit of the Declarant, the Association and their respective agents, employees, successors and assigns, an alienable, transferable and perpetual right and easement for drainage of surface and storm water, said easements being more particularly shown on the Subdivision Plat, together with any other easements as shown on said Subdivision Plat.

Section 11. Wells and Effluent. There is hereby reserved for the benefit of Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement: (i) to pump water from lakes, ponds and other bodies of water located within the Subdivision for the purpose of irrigating any portions of the Subdivision and for other purposes; (ii) to drill, install, locate, maintain and use wells, pumping stations, water towers, siltation basins and tanks and related water and sewer treatment facilities and systems within the Common Areas; or (iii) to spray or locate any treated sewage effluent within the Common Areas.

Section 12. Greenway Areas. The Greenway areas shall be encumbered by an easement for pedestrian, bicycle and equestrian traffic for use by the Owners of any Lot and their guests, agents, invitees and licensees. The Association, is not responsible for any maintenance of any Greenway, but any Owner who is entitled to use the Greenway and the Declarant may maintain it. No person shall use the Greenway area for any purpose other than pedestrian, bicycle or equestrian traffic. The Declarant may operate maintenance vehicles within the Greenway.

Section 13. No Partition. There shall be no judicial partition of the Subdivision or any part of the Common Areas.

ARTICLE V
RIGHT OF ASSOCIATION TO ALTER, IMPROVE, MAINTAIN AND REPAIR COMMON AREAS
AND PORTIONS OF LOTS

Section 1. Improvements. The Association shall have the right to make or cause to be made such alterations, modifications, improvements, repairs, maintenance and replacements to the Common Properties and the portions of Lots set forth herein, and the cost thereof shall be assessed as Common Expenses and collected from the Owners on an equal basis.

Section 2. Responsibilities of Owners. Unless specifically identified herein, all maintenance and repair of Lots, together with all other improvements thereon or therein and all lawns, landscaping and grounds on and within a Lot shall be the responsibility of the Owner(s) of such Lot. Declarant shall be responsible for property owned by Declarant. Each Owner shall be responsible for maintaining such Lot in a neat, clean and sanitary condition, and such responsibility shall include the maintenance and care of all exterior surfaces of all buildings and other structures. The Owner(s) shall maintain all attendant lawns, trees, shrubs, hedges, grass, natural areas, and other landscaping thereof. As provided in Section 3(b) hereof, each Owner shall also be obligated to pay for the costs incurred by the Association for repairing, replacing, maintaining or cleaning any item which is the responsibility of such Owner, but which responsibility such Owner fails or refuses to discharge. No Owner shall: (i) decorate, change or otherwise alter the appearance of any portion of the exterior of a structure on any Lot unless such decoration, change or alteration is first approved, in writing, by the Architectural Review Board as otherwise provided herein; or (ii) do any work which, in the reasonable opinion of the Architectural Review Board, would jeopardize the soundness and safety of the Subdivision, reduce the value thereof, or impair any easement or hereditaments thereto, without in every such case obtaining the written approval of the Architectural Review Board and the Owners and Mortgagees of the Lots directly affected thereby or benefiting from such easement or hereditaments.

Section 3. Association's Responsibility.

(a) Except as may be herein otherwise specifically provided, the Association shall maintain and keep in good repair all portions of the Common Properties, which responsibility shall include the maintenance, repair and replacement of: (i) all common area, driveways, walks, trails, ponds, streets, roads, road rights-of-way, drainage easements (**ALL STREETS IN THIS SUBDIVISION ARE PRIVATE STREETS AND ARE NEITHER MAINTAINED BY GILMER COUNTY NOR CONSIDERED PART OF THE ROAD SYSTEM OF GILMER COUNTY. THE RESPONSIBILITY FOR THE UPKEEP AND MAINTENANCE OF THE STREETS SHOWN ON THE PLAT FOR ANDERSON CREEK RETREAT ARE THE RESPONSIBILITY OF THE INDIVIDUAL HOMEOWNERS THROUGH THE ANDERSON CREEK RETREAT PROPERTY OWNERS ASSOCIATION**) trails, jogging paths, landscaped areas/natural areas and other improvements situated within the Common Properties or within easements encumbering Lots; (ii) such security systems and utility lines, pipes, plumbing, wires, conduits and related systems which are a part of the Common Properties and which are not maintained by the Declarant or a public authority, public service district, public or private utility or other person; and (iii) all lawns, trees, shrubs, hedges, grass and other landscaping situated within the Subdivision as it may be constituted from time to time (except individual Lots). The Association shall not be liable for injury or damage to any person or property (A) caused by the elements or by any

Owner or any other person, (B) resulting from any rain or other surface water which may leak or flow from any portion of the Common Properties, or (C) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system or utility line or facility, the responsibility of the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such Owner which may be stored or left in or upon any portion of the Common Properties or any other portion of the Subdivision. No diminution or abatement of Assessments or any dues or charges shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay such assessments being a separate and independent covenant on the part of each Owner.

(b) In the event that the Declarant or the Board of Directors determines that: (i) any Owner has failed or refused to discharge properly his, her or its obligations with regard to the maintenance, cleaning, repair or replacement of items for which he or it is responsible hereunder; or (ii) that the need for maintenance, cleaning, repair or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his family, tenants, guests or invitees, and is not covered or paid for by insurance in whole or in part, then, in either event, the Declarant or the Association, except in the event of an emergency situation, may give such Owner written notice of the Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such Owner, and setting forth with reasonable particularity the maintenance, cleaning, repairs or replacement deemed necessary. Except in the event of emergency situations, such Owner shall have fifteen (15) days within which to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner to comply with the provisions hereof after such notice, the Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner, and said cost shall be added to and become a part of the assessment to which such Owner and his Lot are subject and shall become a lien against such Lot. In the event that the Declarant undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse the Declarant for the Declarant's costs and expenses.

ARTICLE VI COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessment charges, and (2) special assessments for capital improvements or for maintenance expenses and other common expenses and emergencies and other purposes, such Assessments to be established and collected as hereinafter provided. The annual and special Assessments, together with interest, costs and reasonable attorney's fees, shall be a charge upon the land and shall be a continuing lien on the property against which each such Assessment is made. Each such Assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal

obligation of the person who was the Owner of such property at the time the Assessment fell due. The obligation for delinquent Assessments shall run with the land and shall pass to his successors in title. Upon reasonable request, the Association shall provide an accounting of an Owner's Assessments and any delinquency in payment thereof.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to pay all Common Expenses of the Association, to promote the recreation, health, safety and welfare of the residents of the Properties and, in particular, for the administration, acquisition, construction, landscaping and improvement and maintenance of Common Properties, including but not limited to, services and facilities devoted to the purposes set forth herein or for the use and enjoyment of the Common Properties, including, but not limited to, the costs of utilities, repairs, replacements and additions, the cost of labor, equipment, materials, management, maintenance and supervision, the payment of taxes assessed against the Common Properties, the procurement and maintenance of insurance in accordance with the By-Laws, the payment of charges for garbage service, water furnished and water and sewer services or other utilities rendered to the Common Properties, the cost of security systems and facilities, the employment of attorneys, accountants, employees, management companies and contractors as shall be required for the orderly and efficient discharge of its business and the operation of the Association's Common Properties, emergencies, and for all other purposes set forth in this Declaration or the By-Laws, and such other needs as may arise, or as may be required in the judgment of the Association's Board of Directors. The Association shall be authorized to establish reserve funds for such purposes as the Board of Directors of the Association shall determine in their best judgment.

Section 3. Annual Assessment. The Declarant initially, and thereafter the Board of Directors shall fix the annual Assessment based upon the annual budget of the Association as provided herein. When the Board of Directors fixes the annual Assessment for each calendar year, the Board shall at the same time, and in connection therewith, prepare or cause to be prepared, an annual budget showing the services furnished by the Association, and the costs thereof per Lot.

Section 4. Special Assessments for Capital Improvements. In addition to the annual Assessments authorized above, the Association may levy, in any calendar year, a special Assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Properties, including, but not limited to, fixtures, personal property related thereto and for any other purpose not prohibited by this Declaration, provided that any such Assessment shall have the assent of two-thirds (2/3) of the votes of each class of Members voting in person or by proxy at a meeting called for such purpose. All special Assessments shall be set in a uniform amount for all Lots and may be collected on a monthly, quarterly or yearly basis.

Section 5. Special Assessment for Maintenance, Taxes, Water, Sewer, Other Common Utility Expenses and Emergencies. In addition to the annual and special assessments authorized above, the Board of Directors of the Association may levy, in any assessment year, without a vote of the membership, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of improvements and maintenance of the Common Properties, including fixtures and personal property related thereto, or for the cost of the taxes for the Common Properties, and for any emergency repairs, restorations, maintenance or improvements made necessary by any emergencies, as

determined in the sole discretion of the Board of Directors of the Association.

Section 6. Uniform Assessment. Except as hereinafter provided in Section 8, all annual Assessments shall be set at a uniform amount for all Lots and shall be collected on a monthly, quarterly or yearly basis, or any other basis approved by the Board of Directors.

Section 7. Association's Working Capital. After these Covenants are recorded and upon conveyance of a Lot by the Declarant, the Board of Directors shall assess each Owner a sum equal to four (4) months' assessment for working capital. Such sums are separate and distinct from annual Assessments and shall not be considered advance payments of such Assessments, and shall only be due and payable upon the initial sale and conveyance of such Lot by the Declarant. Each Owner's share of the working capital fund must be collected from such Owner upon his initial purchase of a Lot, and must be transferred to the Association at the time of said closing of such Lot purchase.

Section 8. Date of Commencement of Annual Assessment; Due Dates. The annual Assessments provided for herein shall commence as to any Lot on the day of the conveyance of such Lot by Declarant. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year and the number of days remaining in the month of conveyance. At least thirty (30) days in advance of each annual Assessment period, the Board of Directors shall fix the amount of the annual Assessment and notify every Owner subject thereto. The Board of Directors shall establish the due dates. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid.

Section 9. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate equal to the lesser of (a) eighteen (18%) percent per annum or (b) the maximum rate provided by applicable law. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot in like manner as a mortgage of real property, or both. Upon exercise of its right to foreclose, the Association may elect to declare the entire remaining amount of the annual Assessment due and payable and collect the same through foreclosure. Penalties, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such Assessment. In the event of any such foreclosure, the Owner shall be required to pay a reasonable rental for the Lot after commencement of the foreclosure action, and the Association in such foreclosure shall be entitled to the appointment of a receiver to collect the same. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Properties or abandonment of such Owner's Lot.

Section 10. Subordination of the Lien. The lien of Assessments provided for herein shall be subordinate to the lien of any first priority mortgage upon such Lot, provided that no holder of a first mortgage has at any time been related or affiliated with the owner of the Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to a foreclosure or any proceeding in lieu of foreclosure of any such first priority mortgage, shall extinguish the lien of such assessments as to the payment thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 11. Exempt Property. The following Property, individuals, partnerships or corporations, subject to this Declaration, shall be exempted from the Assessments, charges and liens created herein: (a) the grantees in conveyances made for the purpose of granting utility easements; and (b) owners of all open space, Greenway and Common Properties.

Section 12. Ridge Special Assessments.

(a) The Declarant has conveyed the Ridge Property to the Association, subject to certain reservations, on or about this date, and as security for payment of the purchase price of the property, the Association has given to the Declarant a Deed to Secure Debt on the property so conveyed, to secure the 2013 Promissory Note¹ dated this date from the Association to the Declarant. Each Member of the Association (regardless of the number of lots owned) other than those excepted as described below shall pay an annual assessment on or before May 1st of each year commencing May 1, 2014 in an amount determined as provided below to pay the annual payments due on the 2013 Promissory Note (said assessments are herein called the "Ridge Special Assessment").

(b) The amount of the annual Ridge Special Assessment shall for each member be determined each year by the Declarant by dividing the annual payment due that year for the 2013 Promissory Note by the number of Members, but excluding any Member who is exempted as provided below or due to having prepaid his or her share of the amount due under the 2013 Promissory Note. Any officer of the Association may review the determination of the Ridge Special Assessment on request to Declarant. It is intended and agreed that the calculation of the Ridge Special Assessment shall be on a per capita basis depending on the number of Members of the Association who are not exempt, such that a Member owning more than one lot shall only be charged an annual Ridge Special Assessment using one (1) as the numerator of the fraction used to determine the Ridge Special Assessment. If there is more than one owner of a lot, they shall be considered one Member for the purpose of determining the Ridge Special Assessment. The resulting amount shall be the annual assessment for each Member which is subject to the Ridge Special Assessment for that year.

(c) The lots presently subject to the Declaration and owned by the Declarant are exempt from the Ridge Special Assessment as a result of the Declarant having conveyed the 2013 property to the Association at a discounted price. In addition, each of the owners and their lot(s) shown on Exhibit "D" are exempt from the assessment under this section since each of said owners have prepaid in full their share of the purchase price of the property conveyed to the Association as of the date shown on Exhibit "D". Any member subject to the Ridge Special Assessment may at any time prepay an amount

¹ Declarant conducted a referendum in order to receive the votes and opinions of the Members of Anderson Creek Retreat Property Owners Association, Inc., a non-profit Georgia Corporation (herein called the "Association") concerning the purchase by the Association of certain property known as the Ridge Preserve by the Association (The "Ridge Property"). The Declarant notified the Members of the proposed purchase and included a description document dated December 12, 2012. The Declarant and the Members of the Association other than Declarant subsequently by a substantial majority voted for and declared their desire to purchase said property for a price of One Hundred Ninety Five Thousand and no/100 Dollars (\$195,000.00) payable over a period of twelve (12) years at an interest rate of 5%. A portion of the purchase price has been prepaid and the balance is to be evidenced by a \$130,000.00 Promissory Note (the "2013 Promissory Note") from the Association to the Declarant secured by a Deed to Secure Debt on the Ridge Property to be conveyed to the Association by the Declarant.

equal to the unpaid principal balance of the 2013 Promissory Note plus any accrued interest thereon divided by the number Members then subject to the Ridge Special Assessment, and said sum shall be paid to the Declarant and thereafter that Member and his or her lot or lots shall no longer be subject to the Ridge Special Assessment. If additional lots are brought under the Declaration by Declarant or otherwise, the denominator of the fraction used to determine the annual amount of the Ridge Special Assessment shall be increased by the number of additional lots.

(d) The Ridge Special Assessment is in addition to any other assessment (regular or special) provided in the Declaration, and the lots of the Members who are subject to the Ridge Special Assessment are subject to a lien for collection of the Ridge Special Assessment the same as for other assessments. In addition to any other available remedies for non-payment, if a Member fails to pay a Ridge Special Assessment, any other Member or third party approved by the Declarant may advance the payment, and upon such advance the Member whose Ridge Special Assessment was advanced shall owe the Member or third party making the advance the amount of the advance plus interest thereon at the rate of the lesser of eighteen (18%) per annum or the maximum interest rate permitted by law as a personal debt to the advancing party, and the advancing party shall be entitled to reasonable attorney's fees if the collection of the debt is handled by or through an attorney at law.

ARTICLE VII ARCHITECTURAL REVIEW

Section 1. Architectural Review Board. Except for original and initial construction of improvements by the Declarant on any Lot or upon any other area of the Properties, which such construction is and shall be exempt from the provisions of this Section, no building, wall, fence, ornamentation or other structure or improvements of any nature shall be erected, placed or altered on any Lot until the construction plans and specifications and a plan showing the location of the structure and landscaping as may be required by the Architectural Review Board have been approved in writing by the Architectural Review Board. The Architectural Review Board may require a current tree survey to be submitted with any building plans and specifications. Each building, wall, fence or other structure or improvements of any nature, together with any other structure or improvements of any nature, together with any ornamentation or landscaping, shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved. Refusal of approval of plans, specifications and plot plans, or any of them, may be based on any grounds, including purely aesthetic grounds, which in the sole and uncontrolled discretion of said Architectural Review Board seem sufficient. Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval. The Architectural Review Board shall have the power to promulgate such rules and regulations as it deems necessary to carry out the provisions and intent of this paragraph. The Class B Member of the Association shall appoint the Architectural Review Board. At such time as the Class B Membership expires, the Board of Directors of the Association shall appoint the Architectural Review Board.

A majority of the Architectural Review Board may take any action said Board is empowered to