



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.



Doc ID: 002277620053 Type: COVE
Recorded: 05/11/2018 at 01:29:00 PM
Fee Amt: \$114.00 Page 1 of 53
Fannin Co. Clerk of Superior Court
DANA CHASTAIN Clerk of Courts

BK **1252** PG **66-118**

Return to:

The Lance Law Firm, P.C.
57 Sears Way
Blairsville, GA 30512

**DECLARATION OF RESTRICTIONS
FOR WATERSIDE AT BLUE RIDGE RV PARK**

This Declaration of Covenants, Condition, and Restrictions for **Waterside at Blue Ridge RV Park** is made this 27 day April, 2018, **SMOKEY MOUNTAIN VENTURES, LLC**, thereafter referred to together with their successors-in-title who come to stand in the same relation to the property as its predecessor did as "**Declarant**".

WITNESSETH

Declarant is the owner of the real property described In Exhibit "A" attached hereto and incorporated herein by reference. Declarant intends by this Declaration to impose upon the Exhibit "A" property mutually beneficial restriction under a general plan of improvement and development for the benefit of all owners of property within Waterside at Blue Ridge RV Park. Declarant desires to provide a flexible and reasonable procedure for the overall development of the property as is now or may hereafter be submitted to this Declaration.

The Declarant's present intention, stated here for information of present intent only and not as a warranty or representation of a future fact, is to develop or allow others to develop Waterside at Blue Ridge RV Park with recreation motor vehicle camping accommodations. Additionally, the Declarant reserves the option, in Declarant's sole discretion, to add commercial space which may or may not be subjected to the jurisdiction of the Association as defined herein and the terms of this declaration. This Declaration and By-Laws recorded herewith set out the method of administration for the Waterside at Blue Ridge RV Park.

Now, therefore, Declarant hereby declares that all of the property described in Exhibit "A" and any additional property as may by subsequent amendment be added and subjected to this Declaration shall be held, sold, and conveyed subject to the following easements,

restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which shall run with the real property submitted to this Declaration and which shall be binding on the parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors, successor-in-title, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I **DEFINITIONS**

The terms in this Declaration and the exhibits to this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

Section 1. “Additional Property” shall mean that certain real property, which is described as “Future Development” on Exhibit “A” attached hereto and which is currently not subject to this Declaration, but may become subject to the terms of this Declaration in accordance with Article XII.

Section 2. “Architectural Review Board” or “ARB” shall mean the Waterside at Blue Ridge RV Park Architectural Review Board, as further set forth in Article VII hereof.

Section 3. “Area of Common Responsibility” shall mean the Common Area, together with those areas, if any, which by the terms of this Declaration, any Supplemental Declaration or other applicable covenants, contract or agreement, become the responsibility of the Association

Section 4. “Articles of Incorporation” or “Articles” shall mean the Articles of Incorporation of Waterside at Blue Ridge Property Owner’s Association, Inc., as filed with the Secretary of State of the State of Georgia.

Section 5. “Association” shall mean Waterside at Blue Ridge Property Owner’s Association, Inc., a Georgia non-profit corporation, its successors or assigns.

Section 6. “Association Legal Documents” shall mean this Declaration and all exhibits hereto, the Articles of Incorporation and Bylaws for the Association and any rules and regulations promulgated thereto, the Design Guidelines promulgated by the ARB, as well as all recorded Plats of the Community, as may be amended from time to time.

Section 7. “Board of Directors” or “Board” shall mean the body responsible for administration of the Association, selected as provided in the Bylaws.

Section 8. “Bylaws” shall mean the Bylaws of Waterside at Blue Ridge Property Owners’ Association, Inc., as they may be amended from time to time.

Section 9. “Common Area” shall mean all real and personal property which the Association now or hereafter owns (including but not limited to bath house, pool(s) and all roads located within the Community), leases or otherwise holds possessory or use rights in for the common use and enjoyments of the Owners, and any easements held by the Association for such purpose. Although the Sales Office may be used as Common Area, it shall remain titled in the Declarant.

Section 10. “Common Expenses” shall mean the actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Lot Owners, including any reasonable reserve, if any, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the Bylaws and the Articles of Incorporation of the Association, but shall not include any expenses incurred during the Declarant Control Period for initial development or original construction.

Section 11. “Community” shall mean the real property described on Exhibit “A” together with any Additional Property as is subjected to this Declaration in accordance with Article XII.

Section 12. “Community-Wide Standard” shall mean the standard of conduct, maintenance or other activity generally prevailing throughout the Community. Such standard may be more specifically determined by the Board of Directors and the ARB.

Section 13. “Declarant” shall mean Smokey Mountain Ventures, LLC, a Georgia limited liability company, or any successor, successor-in-title, or assigns who take title to any portion of the property described on Exhibits “A” hereof for the purpose of development and/or sale and who is designated as the Declarant in an instrument executed by the immediately preceding Declarant and recorded in the Public Records; provided, however, there shall be only one Person entitled to exercise the rights and powers of the “Declarant” hereunder at any one time.

Section 14. “Declarant Control Period” shall mean the period of time during which the Declarant is entitled to appoint the members of the Board of Directors which shall continue until the earlier to occur of the following: (i) When 100% of the total number of the Lots permitted by the Master Plan for the Community and any subsequent Future Development have been conveyed to Persons other than Declarant; or (ii) when, in its discretion, Declarant voluntarily relinquishes such right in an instrument executed by the Declarant and recorded in the Public Records.

Section 15. "Design Guidelines" shall mean the design and construction guidelines and application and review procedures applicable to the Community promulgated and administered pursuant to Article VII hereof.

Section 16. "General Assessment" shall mean assessments levied on all Lots subject to assessment under Article V hereof to fund Common Expenses for the general benefit of all Lots, as more particularly described in Article V hereof.

Section 17. "Lot" shall mean a portion of the Community, whether improved or unimproved, which may be independently owned and conveyed and which is intended for Recreational Vehicle, Park Model or other single-family use and as shall be shown on the Plats.

Section 18. "Management Company" shall mean Waterside Management LLC together with its successors, heirs and/or assigns.

Section 19. "Master Plan" shall mean the land use plan or development plan for the community as such plan may be amended from time to time. Inclusion of property on the master Plan shall not, under any circumstances, obligate the Declarant to subject such property to this Declaration, nor shall the exclusion of Additional Property from the Master Plan bar its later annexation in accordance with Article XII.

Section 20. "Majority" shall mean those cotes, Owners, members or other group, as the context may indicate, totaling more than 50% of the total eligible number.

Section 21. "Member" shall mean an Owner.

Section 22. "Mortgage" shall mean a mortgage, a deed of trust, a deed to secure debt, or any other form of security deed.

Section 23. "Mortgagee" shall mean a beneficiary or holder of a Mortgage.

Section 24. "Mortgagor" shall mean any Person who gives a Mortgage.

Section 25. "Owner" shall mean one or more Persons who hold the record title to any Lot, including the Declarant, but excluding in all cases any part holding an interest merely as security for the performance of an obligation. If a Lot is owned by more than one Person, all such Persons shall be jointly and severally obligated to perform the responsibilities of such Owner.

Section 26. “Park Model” shall mean a transportable unity which has a body width not exceeding 14 feet, is built on a single chassis and is designed to provide living quarters when connected to utilities necessary for the operation of installed fixtures and appliances. The total area of the unit in setup mode, which when measures from the exterior surface of the exterior walls at the level of maximum dimensions and including any bay window that extends the floor line, does not exceed 400 square feet when constructed to ANSI A-119.5 standards, or 500 square feet if constructed to the U.S. Department of Housing and Urban Development standards.

Section 27. “Person” shall mean a natural person, a corporation, a partnership, a trust trustee or any other legal entity.

Section 28. “Plat(s)” shall mean those plats of the survey relating to the Community filed in the Public Records. All of the Plats of survey are incorporated herein by this reference.

Section 29. “Public Records” shall mean the Office of the Clerk of Superior Court of Fannin County, Georgia.

Section 30. “Recreational Vehicle” shall mean Class A, Class B (with Declarant Approval) and Class C Recreational Vehicles (as defined by the Georgia Department of Motor Vehicles), fifth-wheel, pull-behinds as approved by Declarant (16 ft minimum), travel trailers, provided they are at least twenty-four (24) feet in length, modern, commercially, manufactured and presentable in looks and repair. Specifically excluded from the definition of Recreational Vehicles, among others, are tents, tent campers, pop-ups, truck campers, vehicles on a truck, or semi-truck chassis, or such other units not specifically manufactured to be sold as a recreational vehicle, including but not limited to fold out campers and any recreational vehicles not equipped for full utility hookups to water, sewer and electrical systems.

Section 31. “Special Assessment” shall mean assessments levied in accordance with Article V, Section 4 hereof.

Section 32. “Specific Assessment” shall mean assessments, levied in accordance with Article V, Section 5 hereof.

Section 33. “Storage Area” shall mean any area within the community which may be designated by the Declarant as a “Storage Area” which Declarant shall retain the rights to and shall be utilized as a storage area for boats, trailers, dollies, car transporters, recreational vehicles (when not in use) and other items permitted to be stored on-site, space in which may be available for a fee to Owners, occupants and guests subject to such terms and conditions as the Declarant may implement from time to time.

Section 34. "Supplemental Declaration" shall mean an instrument filed in the Public Records which subjects additional restrictions and obligations on the land described in such instrument.

Section 35. "Turnover" shall mean the end of the Declarant Control Period and the transition to an Owner/Member controlled Association.

ARTICLE II

PROPERTY RIGHTS

Section 1. Common Area. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, subject to:

- (a) The Association Legal Documents, as they may be amended from time to time, and subject to any restrictions or limitations contained in this document or any deed conveying such property to the Association;
- (b) The right of the Declarant and/or the Board of Directors to adopt rules regulating the use and enjoyment of the common Area, including rules limiting the number of guest who may use the Common Area, limiting the times of use of common Areas, and/or prohibiting use of certain uses on the Common Area or portions thereof.
- (c) The right of the Board to suspend the right of an Owner to use the common Area or any recreational facilities within the common Area as set forth in Article XVI hereof;
- (d) The right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area, subject to such approval requirements, if any, set forth in this Declaration, and, in the Board's discretion, removing such Common Area from the terms of this Declaration;
- (e) The right of the Declarant and/or the Board to permit use of any recreational facilities situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of use fees, if any, established by the Board and/or Declarant; and
- (f) The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the approval requirements, if any, set forth in this Declaration.

Section 2. Extension and Assignment of Use Rights. Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Board and in accordance with procedures it may adopt. An Owner who leases his or her Lot shall be deemed to have assigned all such use rights to the lessee of such Lot during the term of the lease, provided the lease is in conformance with the requirements for leases set forth in this Declaration.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a lot shall be deemed to have a membership in the Association. No Owner, whether one or more Persons, shall have more than one membership per Lot owned. In the event a Lot is owned by more than one Person, all Co-Owners shall be entitled to the privileges of membership, subject to the restrictions on voting set forth in Section 2 of this Article and in the Bylaws, and all such Co-Owners shall be jointly and severally obligated to perform the responsibilities of the Owners hereunder. The membership rights and privileges of an Owner who is a natural person may be exercised by the Member or the Member's spouse. The membership rights of an Owner which is a corporation, partnership or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

Section 2. Voting. The Association shall have two classes of membership, Class "A" and Class "B" as set forth below.

(a) Class "A". Class "A" Members shall be all Owners except the Class "B" Member, if any. Class "A" Members shall be entitled to one equal vote for each Lot in which they hold the interest required for membership under Section 1 hereof; there shall be only one vote per Lot.

In any situation where a Member is entitled personally to exercise the vote for his Lot and there is more than one Owner of a particular lot, the vote for such Lot shall be exercised as such Co-Owners determine among themselves and advise the Secretary of the Association in writing prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended, if more than one Person seeks to exercise it.

(b) Class "B". The Class "B" Member is the Declarant. The rights of the Declarant, including the right to approve, or withhold approval of, actions proposed under this Declaration and the Bylaws, are specified herein this Declaration and the Bylaws.

(c) Election of Directors. During the Declarant Control Period, the Board of Directors will consist of one (1) to three (3) members who shall be appointed by the Declarant. Upon the termination of the Declarant Control Period, the Class "B" Membership will terminate automatically, and the Board of Directors will increase to three (3) to five (5) members. After the termination of the Declarant Control Period and the Class "B" Membership, the Class "A" Members will elect the Board of Directors by a Majority vote of the Class "A" Members.

ARTICLE IV RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. Common Area. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings, equipment and common landscaped areas), and shall keep it in good, clean, attractive and sanitary condition, order and repair, pursuant to the terms and conditions hereof and consistent with the Community-Wide Standard. The Association shall be responsible for maintenance of, and pay insurance and taxes on the property identified on the Plats as being Common Area or possible future Common Area, for the benefit of its Members, during all times that such property is made available by Declarant for use by Owners, notwithstanding that such property may not yet have been conveyed to the Association.

Section 2. Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire, hold, and dispose of tangible and intangible personal property and real property. The Declarant, may, but is not obligated, to convey to the Association improved or unimproved Common Area located within the Community or otherwise determined by Declarant, personal property in an "as is" condition or dedication by the Declarant to the Association, subject to any restrictions or limitations set forth in the deed of conveyance. Declarant intends to retain title to the Sales Office and the land upon which it is situated.

Section 3. Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable rules and regulations governing the use of the Community including, but not limited to, rules and regulations governing the use of the Common Area, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Such rules and regulations shall be binding upon all Owners, occupants, invitees, and licensees, if any, until and unless overruled, cancelled, or modified in a regular or special meeting of the Association by the vote of Members representing a Majority of the total Class "A" votes in the Association and, during the Declarant Control Period, by the written consent Declarant.

Section 4. Implied Rights. The Association may exercise any other right or privilege given to it expressly by the Association's Legal Documents. The Association may also exercise every other right or privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 5. Governmental Interests. During the Declarant Control Period, the Declarant may designate sites within the Community for public or quasi-public facilities. No membership approval shall be required for such designation. The sites may include Common Area, in which case the Association shall take whatever action is directed by the Declarant. The sites may include other property not owned by the Declarant or the Association provided the owner of such property consents.

Section 6. Indemnification. To the fullest extent permitted under the law, the Association shall indemnify every officer, director, ARB, member and committee member against any and all expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, ARB member or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section, the Articles of Incorporation or Georgia law.

The officers, directors, ARB members and committee members shall not be liable for any mistake of judgement, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, ARB members or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation if such insurance is reasonably available.

Section 7. Dedication of or Grant of Easement on Common Areas. The Association, acting through the Board of Directors, shall have the power to dedicate portions of the Common Areas to Fannin County, Georgia, or to any other local, state, or federal governmental entity, or quasi-governmental entity, subject to such approval as may be required by this Declaration.

Section 8. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Property safer than it otherwise might be. Neither the Association, The Declarant, nor any successor Declarant shall in any way be considered insurers or guarantors of security within the Community. Neither the Association, the Declarant, nor any successor Declarant shall be held liable for any loss or damage for failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any security system or measure, including any mechanism or system for limiting access to the Community cannot be compromised or circumvented, nor that any such systems or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. Each Owner acknowledges and understands and covenants to inform its tenants and all occupants of its Lot that the Association, its Board of Directors, ARB members, committee members, Declarant, and any successor Declarant are not insurers and that each Person using the Community assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, resulting from acts of third parties.

Section 9. Extreme Weather Events and Stream Flooding. The Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community safer from extreme weather events and localized stream flooding. Neither the Association, the Declarant, nor any successor Declarant shall in any way be considered insurers or guarantors of conditions within the Community. Neither the Association, the Declarant, nor any successor Declarant shall be held liable for any loss or damage for failure to provide adequate flood proofing or minimizing of extreme weather events, or ineffectiveness of protective measures undertaken. No representation or warranty is made that any Lot within the Community is safe or free from flash flooding events on a localized basis, nor that any such systems or protective measures undertaken will in all cases prevent loss or provide the detection or protection for which the system or protective measures are designed or intended. Each Owner acknowledges, and understands and covenants to inform its tenants and all occupants of its Lot that the Association, its Board of directors, ARB members, committee members, Declarant, and any successor Declarant are not insurers and that each Person using the Community assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, resulting from any extreme weather events and/or stream flooding which may be a consequence thereof.

ARTICLE V ASSESSMENTS

Section 1. Creation of Assessments. There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board of

Directors, to be commenced at the time and in the manner set forth in Section 8 of this Article. There shall be four types of assessments; (a) General Assessments to fund Common Expenses for the general benefit of all Lots; (b) Special Assessments as described in Section 4 below; (c) Specific Assessments as described in Section 10 below. Each Owner, other than Declarant, by acceptance of a deed or conveyance for any portion of the Community, is deemed to covenant and agree to pay these assessments.

All assessments, together with interest (at a rate not to exceed the highest allowed by Georgia law) late charges, costs, and reasonable attorneys' fees actually incurred, shall be a charge on the land and shall be a continuing lien upon each Lot against which the assessment is made until paid, as more particularly provided in Section 7 of this Article. Each such assessment, together with interest, late charges, costs, and reasonable attorneys' fees actually incurred, also shall be the personal obligation of the Person who was the Owner of such Lot at the time the assessment liable for such portion thereof may be due and payable at the time of conveyance.

However, no first priority Mortgagee who obtains title to a Lot pursuant to the foreclosure of such Mortgage shall be liable for unpaid assessments which accrued prior to such acquisition of title.

Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Lot, or a lender considering a lot to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments and charges due and against such Lot. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a reasonable fee, as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein, if such statement is reasonably relied upon in connection with the issuance of any Mortgage on such Lot.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors. If the Board so elects, assessments may be paid in two or more installments. Unless the Board otherwise provides, the General Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his Lot, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately.

No Owner may waive or otherwise exempt himself from liability for the assessments, including, by way of illustration and not limitation, by non-use of Common Area or abandonment of the Lot. The obligation to pay assessments is a separate and independent

covenant on the part of each Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

During the Declarant Control Period, the Declarant may elect, on an annual basis and at its sole discretion, to pay the difference between: (i) the income of the Association, including the total of the amount of assessments levied on all other Lots subject to assessments and other sources of income to the Association, and (ii) the amount of actual expenditures (excluding depreciation) by the Association, exclusive of any reserve transfers ("Declarant Subsidy"). The Declarant Subsidy described hereunder may be in the form of cash, "in-kind" contributions of service or materials, loans, or any combination thereof. If the Declarant elects to make a Declarant Subsidy, the amount of the Declarant Subsidy shown on the budget shall be an estimate only and the Declarant will only be obligated to fund such Declarant Subsidy to the extent of any actual operating deficit. The Declarant Subsidy shall be disclosed in the budget of the Association for the year in which it is obtained, in the financial statements, and in the books and records of the Association. The payment of Declarant Subsidy in one year will under no circumstances obligate the Declarant to continue payment of a Declarant Subsidy in future years.

The Association, acting through the Board of Directors, is authorized to obtain loans from the Declarant. The Declarant may advance funds for the purchase of assets for the Association at the request of the Board of Directors of the Association, which upon completion of the annual financial review shall be converted to a note payable on demand upon terms to be agreed upon by the parties. Additionally, the Association, acting through the Board of Directors, is specifically authorized to enter into subsidy contracts or "shared expense" contracts or for "in kind" contribution of services, materials, or a combination of services and materials with the Declarant or other entities for the payment of some portion of the Common Expenses.

Section 2. Computation of General Assessment. At least 30 days before the beginning of each fiscal year, the Board shall prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget may include a capital contribution establishing a reserve fund in accordance with a budget separately prepared as provided in Section 3 of this Article.

The General Assessment shall be levied equally against all Lots and shall be set at a level which is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves, if any. In determining the level of assessments,

the Board, in its discretion, may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Lots subject to assessment under Section 8 hereof on the first day of the fiscal year for which the budget is prepared and the number of Lots reasonably anticipated to become subject to assessments during the fiscal year.

The General Assessment shall be Nine Hundred and 00/100 Dollars (\$900.00) per annum or Two Hundred Twenty-five and 00/100 Dollars (\$225.00) per quarter.

Should the Owner of a Lot own one (1) additional Lot(s) and desire that two (2) Lots be considered as one (1) Lot, then such Lots shall be considered as one (1) Lot for the purposes of Association dues, with the exception of Special Assessments. Should the Owner of a Lot own adjacent Lot(s) and desire that three (3) Lots or four (4) be considered as two (2) Lots, then such Lots shall be considered as two (2) Lots for the purposes of Association dues, with the exception of Special Assessments. The Owner shall have the right to keep in place such combined adjacent Lot(s) for Association purposes for the duration of ownership of such combined adjacent Lot(s).

Immediately upon the recordation of this Declaration, the Board shall adopt a new budget for the calendar year 2018. Commencing with the 2019 annual Budget, the Board shall send a copy of the budget and notice of the amount of the General Assessment to be levied against each Lots for the subsequent calendar year sent to each Owner at least 21 days prior to the beginning of the calendar year for which it is to be effective.

Notwithstanding the foregoing, however, in the event the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall have been determined, the budget in effect for the immediately preceding year shall continue for the current year. Additionally, the Board may, as it deems appropriate, adjust the budget during the fiscal year, in the event the overall variance to the original budget exceeds ten per cent (10%) of the total original budget, by delivering the adjusted budget to the Members at least 30 days before the next (quarterly) assessment due date thereunder.

Section 3. Reserve Budget and Capital Contribution. The Board of Directors may, in its sole discretion, annually prepare a reserve budget for general purpose, which takes into account the number and nature of replaceable assets in the Common Area, the expected life of each asset, and the expected repair or replacement cost. The Board may set the capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual General Assessments, as appropriate, over the period of the budget. The capital contribution, if any, may be fixed by the Board and include within and distributed with the applicable budget, and notice of assessments, as provided in Section 2 of this Article.

Section 4. Special Assessments.

(a) Unbudgeted Expenses. In addition to other assessments authorized hereunder the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Any such Special Assessment will be levied against all Lots, if such Special Assessment is for Common Expenses. Except as otherwise specifically provided in the Declaration, any Special Assessment greater than fifty percent (50%) of the General Assessment per Lot per year must first be approved by Members representing a Majority of the total votes allocated to Lots which will be subject to such Special Assessment, and the affirmative vote or written consent of the Declarant during the Declarant Control Period. Special Assessments shall be payable in such a manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(b) Costs to Cure Non-Compliance. The Association may levy a Specific Assessment against any Lot to reimburse the Association for costs incurred by the Association, including, but not limited to, attorney's fees, in bringing the Lot into compliance with the Association Legal Documents. Such Specific Assessments may be levied upon the vote of the Board and after notice to the Lot Owner.

Section 5. Specific Assessments. The Board shall have the power to specifically assess expenses of the Association against Lots: (a) receiving benefits, items, or services not provided to all Lots within the Community and/or that are incurred upon request of the Owner of a Lot or specific items or services relation to the Lots; or (b) that are incurred as a consequence of the conduct of less than all Owners, their occupants, licensees, invitees, or guests.

Section 6. Lien for Assessments. The Association shall have a lien against any Lot to secure payment of delinquent assessments, as well as interest, late charges, and costs of collection, including reasonable attorneys' fees actually incurred. Such lien shall be prior and superior to all other liens, except: (a) the liens of all taxes, bonds, property assessments, and other levies which by law would be superior; and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages and any lien of the Association) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or nonjudicial foreclosure in accordance with Georgia law.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, and convey the Lot. During the period in which a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot

shall be charged, in addition to its usual assessment, its equal pro rate share of the assessment that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorneys' fees shall be maintainable without foreclosing or waiving the lien securing the same.

The sale or transfer of any Lot shall not affect the assessment lien or relieve such Lot from the lien for any assessments thereafter becoming priority due. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien as to any installments of such assessments which became due prior to such sale or transfer. Where the Mortgagee holding a first priority Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be personally liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all Lots subject to assessment under Section 8 below, including such acquirer, its successors and assigns.

Section 8. Date of Commencement of Assessments. The obligation to pay the assessments provided for herein shall commence as to each Lot on the first day of the month following the month in which the Board first determines a budget and levies assessments pursuant to this Article. Notwithstanding the foregoing or anything in the Declaration to the contrary, assessments shall not commence upon a Lot until the date that such Lot has been conveyed from the declarant to an Owner. The first annual General Assessment levied on each Lot shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Lot.

Section 9. Failure to Assess. The omission or failure of the Board to fix the assessment amounts or rated or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay the General Assessment on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association.

Section 10. Capitalization of Association. Upon each subsequent conveyance of a Lot to an owner other than the Declarant, a contribution (the "Capitalization Assessment") shall be made by or on behalf of the purchaser to the working capital of the Association in an amount equal to one-fourth (1/4) of the current annual general assessment. The Capitalization Assessment shall be in addition to, and not in lieu of, the annual General Assessments levied on the Lot and

shall not be considered an advance payment of any portion thereof. The capitalization Assessment shall be due at the time of each such conveyance.

Section 11. Exempt Property. Notwithstanding anything to the contrary herein, the following property shall be exempt from payment of General Assessments and Special Assessments:

- (a) All Common Area
- (b) All property including without limitation pump stations, sewage treatment facilities, parks, if any; and
- (c) Property retained or owned by the Declarant including but not limited to any future development.

ARTICLE VI MAINTENANCE

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Area of Common Responsibility, such maintenance to be funded and hereinafter provided. The Area of Common Responsibility shall include, but need not be limited to:

- (a) the Common Area;
- (b) any street trees, all landscaping and other flora, parks, sidewalks, structures, and improvements (including irrigation), including pedestrian pathways situated upon the Common Area, if any and/or located within any landscape strip/easement within the Community;
- (c) In the Board's discretion, other landscaping within public rights of way within or abutting the Community, and landscaping and other flora within any public utility easement within the Community (subject to the terms of any easement agreement relating thereto);
- (d) the Community sewage collection and conveyance system located within the Common Area or on Additional Property owned by Declarant but used for the benefit of the Association and its Members (including without limitation: the pump station, the pumps, the spray irrigation system and all pipes, controls, distribution equipment, monitoring equipment, etc);
- (e) all furnishings, equipment and other personal property of the Association;
- (f) other property and improvements which the Association does not own, including, but not limited to, property dedicated to the public, or provide maintenance or services related to such property over and above the level being produced by the property owner, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard. For example, the Association may maintain any fence, wall, entry feature or sign serving to enhance or designate the entry into the Community, regardless of whether such improvements are not located within the Common Area or the Community.

The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that (a) such maintenance responsibility is otherwise assumed by or assigned to an Owner, or (b) such property is dedicated to any other local, state or federal governmental or quasi-governmental entity; provided, however, that in connection with such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities, if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

Except as otherwise specifically provided in section 4 below, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Lots as part of the General Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to this Declaration, other recorded covenant, or agreements with the owner(s) thereof.

If, during the course of performing its maintenance responsibilities hereunder, the Board discovers that maintenance, repair or replacement is require of an item which is the Owner's responsibility, and such maintenance, repair or replacement must be performed for the Association to properly complete its maintenance project, the the Association may perform such work on behalf of the Owner and at the Owner's sole expense, without prior notice to the Owner, such being deemed an emergency situation hereunder.

The Board of Directors determined that the need for maintenance or repair on the Area of Common Responsibility is caused through the willful or negligent act of any Owner or occupant or his or her family, guests, tenant, or invitees, then the Associated may charge the cost of any such maintenance, repair, or replacement as a Specific Assessment against the Owner's or occupant's Lot and the Owner thereof, pursuant to Article V, Section 5 hereof.

The Association and the Declarant shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other person, or resulting from any utility, rain, snow or ice which mat leak or flow from any portion of the Area of Common Responsibility or from any pipe, drain, conduit, appliance or equipment which the Association or Declarant is responsible to maintain hereunder, unless such injury or damage results directly and solely from the negligence or gross negligence of the Association. The Association and the Declarant shall not be liable to any Owner, to any Owner's occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Article where such damage or injury is not a foreseeable, natural results of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by

the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 2. Owner's Responsibility. Each Owner shall maintain his or her Lot and all structures, parking areas, and other improvements comprising the Lot, as well as any right-of-way area located between such Lot and any immediately adjacent street, in a manner consistent with the Community-Wide Standard and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to the Association.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Area of Common Responsibility by an Owner or occupant which is the responsibility of the Association hereunder (including, but not limited to landscaping or Area of Common Responsibility) shall be performed at the sole expense of such Owner or occupant, and the Owner or occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

Section 3. Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her maintenance, repair or replacement obligations pursuant to this Article, the Association may give the Owner written notice of: (a) the Owner's failure or refusal; (b) the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense; and the maintenance, repair, or replacement deemed necessary by the Board.

Unless the Board determines that an emergency exists or a violation is recurring for which notice previously has been issued hereunder, the Owner shall have 10 days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within 10 days. If the Board determines that an emergency exists, a violation is recurring for which notice has been previously issued hereunder or an Owner has not complied with the demand given by the Association hereunder, the Association may provide any such maintenance, repair or replacement, the costs of which shall be a Specific Assessment against the Owner and the Lot pursuant to Article V, Section 5 hereof.

Section 4. Standard of Performance. Unless otherwise specifically provided herein or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants.

ARTICLE VII
ARCHITECTURAL STANDARDS

Section 1. General. No exterior structure, alteration, modification or improvement shall be placed, erected, installed or made upon any Lot or adjacent to any Lot where the purpose of the structure is to service such Lot, and no improvements shall be permitted except in compliance with this Article, and with the prior written approval of the appropriate reviewing body under Section 2 below, unless exempted from the application and approval requirements pursuant to Section 3 below.

This Article shall not apply to the activities of the Declarant, not to construction or improvement or modifications to the Common Area by or on behalf of the Association.

Section 2. Architectural Review. Responsibility for administration of the Design Guidelines, as defined below, and review of all applications for construction and modifications under this Article shall be handled by the Architectural Review Board (ARB), the members of which need not be Members of the Association or representatives of Members and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Board of Directors. The Board of Directors may establish reasonable fees to be charged by the committees on behalf of the Association for review of application hereunder and may require such fees to be paid in full prior to review of any application.

The ARB shall have exclusive jurisdiction for review and approval of all construction of, or modifications to, on any portion of the Community. During the Declarant Control Period, the Declarant shall have the right to appoint all members of the ARB, which may consist of one or more Persons, who shall serve at the Declarant's discretion. There shall be no partial or full surrender of this right prior to that time except in a written instrument in a recordable form executed by the Declarant and recorded in the Public Records. Upon the expiration of the Declarant Control thereafter serve and may be removed in the Board's discretion.

Section 3. Guidelines and Procedures.

(a) The Declarant may prepare the initial design and development guidelines and application and review procedures (the "Design Guidelines") which shall be applicable to all construction activities within the Community and all modifications on or to Lots in the Community. The Design Guidelines may contain general provisions applicable to all of the community, as well as specific provisions which vary from one portion of the Community to another depending upon the location, unique characteristics, and intended use thereof. The

Design Guidelines are intended to provide guidance to Owners regarding matters of particular concern to the ARB in considering applications hereunder. The Design Guidelines are not the exclusive basis for decisions of the ARB and compliance with the Design Guidelines does not guarantee approval for any application.

Any amendments to the Design Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction of modification has commenced. There shall be no limitation on the scope of amendments to the Design Guidelines; the Declarant and ARB are expressly authorized to amend the Design Guidelines to remove requirements previously imposed or otherwise to make the Design Guidelines more or less restrictive. The ARB shall make the Design Guidelines available to Owners who seek to engage in development or construction within the Community.

(b) Plans and specification showing the nature, kind, shape, color, size, materials, and location of all proposed construction, alteration, modifications and improvements on Lots shall be submitted to ARB for review and approval or disapproval. In reviewing each submission, the ARB may consider the quality of workmanship and design, harmony of external design with existing structures, and the location in relation to surrounding structures, topography and finish grade elevation, among other things. A reasonable fee for processing the application may be charged by the ARB.

If the ARB fails to approve or disapprove such application within 45 days after the application and all required information have been submitted, the Owner submitting the application may issue written notice, via certified mail, to the Association President, informing the President of the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within 10 days of receipt of the Owner's notice, the approval will not be required and this subparagraph will be deemed complied with as to the items specifically identified in the application. However, even if the requirements of this Section are satisfied, nothing herein shall authorize anyone to construct or maintain any modification that is otherwise in violation of the Association Legal Documents, or any applicable zoning or other laws. Except as provided in this Section, no approval of construction or any modification shall be valid unless issued in writing. Owners may not rely on any verbal approval or statements from any person as the approval required for a modification, including Declarant and/or members of the Board of ARB.

Section 4. Specific Guidelines and Restrictions.

(a) Exterior structures, alterations, modifications and improvements shall include, but shall not be limited to, staking, clearing, excavation grading or other site work; installation of utility lines or drainage improvements; initial placement of any Recreational Vehicle or any Park Model or any accessory building; exterior alteration of existing improvements; installation or

replacements of mailboxes; basketball hoops; swing sets or similar sports and play equipment; clotheslines; garbage cans; wood piles; swimming pools gazebos or playhouses; window air conditioning Lots or fans; hot tubs; solar panels; antennas; satellite dishes or any other apparatus for the transmission or reception of television, radio, satellite, or other signals of any kind; hedges, walls, dog runs, animal pens, or fences of any kind, including invisible fences; artificial vegetation or sculpture; and planting or removal of landscaping materials. The foregoing list shall not be indicative that any particular item will be permitted at the Community.

Notwithstanding the foregoing, the Declarant and the Association shall regular antennas, satellite dishes, or any other apparatus for the transmission or reception of television, radio, satellite or other signals of any kind only in strict compliance with all federal laws and regulations.

(b) In addition to the foregoing activities requiring prior approval, the following items are strictly regulated, and the ARB shall have the right, in its sole discretion, to prohibit or restrict these items within the Property. Each Owner must strictly comply with the terms of this Section unless approval or waiver in writing is obtained from the appropriate reviewing body. The ARB may, but is not required to, adopt specific guidelines as part of the Design Guidelines or rules and regulations which address the following items:

1. Tree Removal. No trees shall be removed without the prior written consent of the ARB.
2. Lighting. Exterior lighting visible from a public street shall not be permitted except for; (1) approved lighting as originally installed on a Recreational Vehicle or Park Model; (2) pathway lighting; (3) street lights in conformity with an established street lighting program for the Community; (4) seasonal decorative lights during the usual and common season. All street lights shall be installed or aimed so as to minimize the potential for either a disabling glare to drivers or pedestrians or a nuisance glare to neighboring properties.
3. Temporary or Detached Structures. No temporary or permanent Park Model, RV, dwelling, garbage, barn, outbuilding or any other such improvement or shall be places or erected on any Lot except as approved by the Declarant or ARB.
4. Water Facilities. No individual water supply, sewer or septic system shall be permitted within the Community, except those provided by the Declarant, SMV Water, LLC or the Association.

Section 5. No Waiver of Future Approvals. The approval of the ARB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ARB, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar

proposals, plans and specifications, drawings, or matters subsequently or additionally submitted for approval or consent.

Section 6. Variance. The Board or ARB may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall: (a) be effective unless in writing; (b) be contrary to the restrictions set forth in the Declaration; or (c) stop the Board or ARB from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

Section 7. Limitation of Liability. Review and approval of any application pursuant to this Article may be made on the basis of aesthetic considerations only, and the ARB shall not bear any responsibility for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, the ARB, or member or agent of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approves construction on or modifications to any Lot.

Section 9. Approval of Contractors. Any contractor, subcontractor, electrician, plumber, builder, landscaper, paver, concrete pourer or other similar tradesperson (collectively "Contractor"). prior to performing any work on a Lot must first be approved by the ARB and Declarant. Such approval may be granted pr withheld in the sole and uncontrolled discretion of the ARB and Declarant. Notwithstanding the foregoing, no contractor hired by the Declarant shall be required to obtain approval from the ARB or Declarant under this Section.

Section 10. Enforcement. Any construction, alteration, or other work done in violation of this Article shall be deemed to be nonconforming. Upon written request from the board or the Declarant, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the land to substantially the same condition as existed prior to the construction, alterations, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or its designees shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefitted Lot and collected as a Special Assessment pursuant to Article V, Section 4 hereof.

Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article and/or the Design Guidelines and/or Rules

and Regulations may be excluded by the Board from the community. In such event, neither the Association, not its officers, or directors shall be held liable to any Person for exercising the rights granted by this Section.

In addition to the foregoing, the Board of Directors shall have the authority and standing, on behalf of the Association, to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the ARB.

ARTICLE VII

USE RESTRICTIONS

The Community shall be used only for residential, recreational, and related purposes, which may include, without limitation, offices for any property manager retained by the Association or a sales/lease office used for the Declarant and/or Waterside Management LLC's sales/leasing activities or business offices for the Declarant or the Association consistent with this Declaration. The association, acting through its Board of Directors shall have standing and the power to enforce such standards.

Section 1. Rules and Regulations. In addition to the use restrictions set forth in this Article, the Board may, from time to time, without the consent of the Members, promulgate, modify or delete rules and regulations applicable to the Community. Such rules shall be sent or otherwise forwarded or distributed to all Owners and occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners.

Section 2. Application of Restrictions. The following restrictions shall apply to all of the Lots until such time as they are amended, modified or repealed in whole or in part by the Declarant, or a majority of the Board of the Association, from time to time. All Lots are restricted to use for Recreational Vehicles or Park Models.

1. Recreational Vehicles. During the Declarant Control Period, all Recreational Vehicles to be placed on a Lot are subject to the approval of the Declarant, in its sole discretion or the ARB. This provision shall also apply to replacement Recreational Vehicles acquired subsequent to the acquisition of the Lot. Park Models are prohibited on any Lot designated for use as a Recreational Vehicle, except for those who shall obtain the prior written permission of the Declarant in its sole discretion.

2. Park Models. Park Models shall be permitted subject to the following limitations and conditions:

- 2.1 Declarant Approval. Any Park Model (which includes a park-trailer or park model trailer), shall require the prior written approval of the Declarant as to height, style and location of the Park Model on any Lot.
- 2.2 Designated Dealer. No Park Model shall be placed on any Lot unless it is acquired through a dealer approved by or designated by Declarant or the ARB.
- 2.3 Improvements, Additions, Extensions. Any raised decks, or additions that require additional support and any addition or improvement must receive the prior written approval of the Declarant or the ARB.

3. Prohibited Activities.

3.1 Parking.

- (a) The parking of any vehicle is prohibited on public or private streets or thoroughfares within the Community except for construction vehicles of the Declarant which may be parked in the streets of a construction area during the Declarant Control Period.
- (b) The parking of commercial vehicles or equipment, Recreational Vehicles other than the one such Recreational Vehicle to be parked on the Lot of a Member, boats and other watercraft, trailers, dollies, stored vehicles or inoperable vehicles anywhere within the Community is prohibited except in parking or storage areas as may be designated by Declarant or the Board; provided, construction, service and delivery vehicles shall be exempt from this provisions during daylight hours for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Common Area, and boats may be parked in driveways for not more than 24 hours.
- (c) The parking of passenger vehicles shall be limited to two (2) per Lot at any one time. In the event guest vehicles would cause the limitation of this provision to be exceeded, the guests may park at areas, if any, designated by the Board of Directors of the Association.

3.2 Commercial Use. Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any portion of the Community, except that the Owner or occupant residing on a Lot may conduct ancillary business activities so long as:

- (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell;

- (a) the business activity does not involve visitation or deliveries to the Lot by employees, clients, customers, suppliers, couriers, mail carriers, or other business invitees in greater volume than would normally be expected for a Lot without business activity;
- (b) the business activity does not involve use of the Common Area, except for necessary access to and from the Lot by permitted business invitees;
- (c) the business activity is legal and conforms to all zoning requirements for the Community.
- (d) the business activity does not increase any insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage; and
- (e) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other Owners or occupants, as determined by the Board of Directors discretion.

The Association and the Declarant have no liability for any business activity on the Community. The Association and the Declarant also have no liability for any action or omission by it, its directors, officers, agents, representative and/or vendors, that may adversely impact an Owner's or occupant's business activity. Each Owner and occupant hereby releases and holds harmless the Association, the Declarant, and their directors, officers, agents, representatives and/or vendors, for any interruption or suspension of, or any damages to, any business activities conducted on a Lot. Owners and occupants shall obtain whatever supplemental insurance may be necessary to protect their business assets, business continuity and business interests on their Lots. The Association and the Declarant are not obligated to obtain any insurance coverage for any Owner's or occupant's business activity.

The term "business" as used in this provision, shall include, without limitation, any occupation, work or activity that involves the provision of goods or services to persons other than the provider's family for a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore.

During the Declarant Control Period, no real estate brokerage firms, real estate sales offices, For Sale and/or For Rent signage, or any other business directly or indirectly selling, leasing and/or managing real property or improvements shall be permitted within the Community except with the Declarant's prior written approval which may be denied in Declarant's sole discretion.

3.3 Subdivision of Lots. No Person other than the Declarant shall subdivide or change the boundary lines of any Lot or combine Lots without the Association's prior written approval. Any such action that the Board approves shall be effective only upon recording of a plat or other legal instrument reflecting the subdivision or new boundaries of the affected Lots. In the absence of such recorded instrument, adjacent Lots owned by the same Owner shall

continue to be treated as separate Lots for purposes of voting and assessment, even though such Lots may, contain one Recreational Vehicle or Park Model. During the Declarant Control Period, Declarant expressly reserves the right to subdivide any Lot or combine and Lots, and to re-plate the Common Area, a Lot or Lots (including changing the boundaries and size of a Lot or deleting a Lot or Lots from the Community) which it owns, without the consent of the Owners except those Owners whose Lots are affected thereby.

3.4 Site Improvements and/or Modifications. Any site improvement and/or modification desired to be undertaken by a Lot owner shall require the written approval of the Declarant.

3.5 Personal Property Maintenance. No Recreational Vehicle, Park Model or Lot shall fall into disrepair, or to become unsafe, unsanitary or unsightly. All Recreational Vehicles, park Models, Lots shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

3.6 Animals. No animals, livestock, reptiles, insects, poultry or other animals of any kind shall be raised, bred or kept on any Lot or on the common Areas, except usual and ordinary domestic dogs, cats, fish and birds inside bird cages, may be kept as household pets on any Lot provided they are not kept, bred, or raised therein for commercial purposes, and such permitted animals are subject to such Rules and Regulations as may be adopted by the Board of the Association. In addition the following shall apply:

- (a) All animals shall be on a leash or carried when outside the Recreational Vehicle.
- (b) All pet owners shall immediately remove and properly dispose of any pet litter deposited on any portion of any Lot or Common Area.
- (c) No potbellied pigs, snakes, American Pit Bull Terriers, Rottweilers, Doberman Pinschers, wolf-hybrid dogs (or any mixed breed of any of the foregoing animals), may be brought onto or kept in the Community at any time. Additionally, the Board of Directors may require any animal that: (1) exhibits aggressive behavior, including but not limited to: snarling, growling, hissing, lunging, snapping or biting; or (2) is kept in an unsanitary condition; or (3) is loud and disruptive, be permanently removed from the Community upon five (5) days written notice.
- (d) Where applicable, all pets shall be duly licensed either in Fannin County, Georgia or in such other location that an Owner resides. Any animal regulations promulgated by Fannin County, Georgia Animal Control, which are more restrictive and stringent than those set forth herein, shall control

3.7 Foul or Obnoxious Odors. Any activity which emits foul or obnoxious odors outside the Lot or creates noise or other conditions which tend to disturb the peace or threaten the safety of the occupants of other Lots shall be prohibited within the Community.

3.8 Illegal Activities. Any activity which violates local, state or federal laws or regulations; however, the Board shall have no obligation to take enforcement action in the event of a violation shall be prohibited within the Community.

3.9 Hobbies and related Activities. Pursuit of hobbies or other activities which tend to cause an unclean, unhealthy or untidy condition to exist outside of enclosed structures on the Lot shall be prohibited within the Community.

3.10 Noxious or Offensive Activities. Any noxious or offensive activity which in the reasonable determination of the Board tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Area or to any Owner shall be prohibited within the Community.

3.11 Artificial Lakes, Exterior Sculpture, and Similar Items. No artificial vegetation or permanent flag poles shall be permitted on the exterior of any portion of the Community. No exterior sculpture, fountains, flags and temporary flagpoles, birdhouses, birdbaths, other decorative embellishments, or similar items shall be permitted unless approved in accordance with Article VII of this Declaration; provided, however, the American flag will be allowed subject to reasonable restrictions as established by the ARB.

3.12 Playground. No jungle gyms, swing sets, or similar playground equipment shall be erected or installed on any Lot without prior written approval of the ARB in accordance with Article VII hereof. Any playground or other play areas or equipment furnished by the Association or erected within the Community shall be used at the risk of the use. The Association shall not be held liable to any Person for any claim, damage, or injury occurring thereon or related to the use thereof.

3.13 Pools. No swimming pools, whirlpools or spas shall be erected, constructed or installed on any Lot except as Declarant within common areas or with Declarant approval.

3.14 Outside Burning. Outside burning of trash, leaves, debris, or other materials, except as may be authorized by the Declarant, shall be prohibited within the Community.

3.15 Loudspeakers, etc. Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be an unreasonable annoyance or nuisance to occupants of other Lots in the board's judgement, except alarm devices used exclusively for security purposes shall be prohibited within the Community.

3.16 Dumping. There shall be no dumping of grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, stream, pond, or lake, or elsewhere within the Properties except that fertilizers may be applied to landscaping on Lots provided care is taken to minimize runoff, and Declarant and Builders may dump and bury rocks and trees removed from a building site on such building site.

3.17 Trash. Rubbish, trash, or garbage must be placed in approved containers.

3.18 Swimming. Swimming is not allowed in the creeks or ponds within the Community. The Association shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the creeks within the community.

3.19 Fireworks. Use and discharge of firecrackers and other fireworks shall be prohibited unless sponsored by the Declarant or the Association. Neither the Declarant nor the Association shall have any obligation to take action to prevent or stop such discharge

3.20 Storage of Hazardous Fuels. On-site storage of gasoline, heating, or other fuels, except that a reasonable amount of fuel may be stored in each Lot for emergency purposes and for the operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment.

3.21 Garage, Rummage and Moving Sales. Any business, trade, garage sale, moving sale, rummage sale, or similar activity shall be prohibited within the Community; unless a non-recurring activity organized by a group of Owners and approved by the Declarant or the Association.

3.22 Hunting, Trapping. Capturing, trapping, or killing of wildlife within the Community shall be prohibited, unless authorized by the Declarant or the Association and in accordance with State and local law and any governmental entities having jurisdiction. All fishing in any creeks on the Community shall be restricted to catch and release only.

3.23 Holiday Decorations. Holiday lighting and decorations on the exterior of Lots shall be prohibited within the Community except for lighting and decorations that are displayed in commemoration or celebration of publicly observed holidays. Such lighting and decorations may not be displayed more than four weeks in advance of the holiday and must be removed within ten (10) days after the holiday has ended.

3.24 Unightly Devices. Plants, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community shall be prohibited within the property.

3.25 Sheds. Sheds not approved by or constructed by Declarant, its approved contractors or subcontractors shall be prohibited within the Community. Structures, equipment, or other items on the exterior portions of a Lot which have become rusty, dilapidated, or otherwise fallen into disrepair shall be prohibited within the Community.

3.26 Fences. No fences may be erected upon any Lot.

3.27 Free-Standing Structures. Free-standing air conditioning equipment, storage rooms, screen rooms and Florida rooms (or similar) may not be installed on any Recreational Vehicles or Park Models. Recreational Vehicles and Park Models may have portable, removable, temporary screen rooms or awnings, provided such accessories should be stores, or removed when the Recreational Vehicle or Park Model is to be left unoccupied longer than 24 hours, unless such temporary awnings or enclosures are securely anchored and are approved by the ARB.

3.28 Exterior Storage. The exterior use and or storage of refrigerators, freezers, LP gas bottled over one-hundred (100) pounds, boats, boat equipment, trailers, dollies, trailer vehicle parts, or any other items not deemed compatible to the Lots and surrounding area are prohibited. This prohibition includes storage of any item of any type beneath a Recreational Vehicle or Park Model. Additionally, no part of the Recreational Vehicle or Park Model with attachments thereto and/or the transportation vehicle shall be part so as to extend beyond and of the Lot lines, flip outs and pullouts included. Nothing herein shall permit the storage of these items in the Storage Area, subject to the terms and conditions of use of the Storage Area.

3.29 Vehicle Maintenance. No vehicle maintenance mat be performed upon the Lot of Common Area, except in areas which are designated by the Declarant or the Association for the purpose, or in the event of an emergency.

3.30 A.T.V.'s. All-terrain vehicles (ATVs) are prohibited to be used within the Community except for the storage of ATVs in any Storage Area for use off-site.

3.31 Boats Restricted. The storage of any boats in the Storage Area or in any area as may be designated by the Declarant or the Board are subject to the terms and conditions imposed by the Declarant or the Board on the use of such area.

3.32 Docks. No docks shall be installed on any Lot.

3.33 Other Restricted Activities. Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Community or which use excessive amounts of water may be required or which results in unreasonable levels of sound or light pollution. The easements for public utilities shall not be blocked or impaired in any manner.

3.34 Mailboxes. No mailboxes are permitted on any Lots. Each owner agrees to use the mail area designated by the Declarant or any community Mail Kiosk constructed on the Common Area. Each Owner agrees that the Board of Directors of the Association may remove any unauthorized mailbox and that all costs for such removal shall be paid by the Owner.

4. Golf Cart Restrictions. Golf carts shall be permitted, without the prior written approval of the Declarant or the Board of Directors, subject to the following:

- (a) All golf carts shall be insured and evidence of such will be filed in the offices of the Association.
- (b) All golf cart drivers must have a valid driver's license.
- (c) Unless equipped with lights, no golf cart shall be driven after dark.
- (e) All carts shall be driven in areas designated by the Association.

5. Antennas, Satellite, Dishes. Except as provided below or otherwise approved by the Board of Directors, no antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained outdoors in any portion of the Community. Direct broadcast satellite ("DBS") antennas and multi-channel multi-point distribution services ("MMDS") one meter or less in diameter and television broadcast service antennas may be installed in accordance with rules and regulations of the Federal Communication Commission ("FCC") and the Association. Any such devices shall be installed in the least conspicuous location available on the Lot that permits reception of an acceptable quality signal.

6. Landscaping. All landscaping must be approved and authorized by the declarant or the Association. Any landscaper who performs work on a Lot must be on the approved list of landscape contractors maintained by the Association.

7. Stream Buffer Areas. **OWNERS ARE PROHIBITED FROM TAKING ANY ACTION WHATSOEVER THAT IN ANY WAY WHATSOEVER DISTURBS, CHANGES, AFFECTS OR ALTERS ANY PORTION OF STREAM BUFFER AREAS AS SHOWN ON THE PLATS.**

8. Traffic Regulations. All vehicular traffic on the private streets and roads within the Community shall be subject to the provisions of the laws of the State of Georgia and Fannin County concerning operation of motor vehicles on public streets. The Board of Stewards is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic within the Community, including reasonable safety measures and speed limits (including modifications of those in force on public streets) and restrictions on the types of vehicles which may be driven or kept in the Community. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between such provisions of the laws of the State of Georgia and Fannin County and the Association rules, the Association rules shall control unless the laws of the State of Georgia or Fannin County are determined by the Board to be more restrictive. Only drivers licensed to operate motor vehicles by the State of Georgia or by any other state in the United States may operate any type of motor vehicle within the Community, including golf carts, mopeds, motorcycles and motor driven bicycles. In order to operate a golf cart in the Community, the Owner or user thereof shall have complied with any regulations and requirements for the operation thereof as may be required by the Association. All vehicles of any kind and nature which are operated within the Community shall be operated in a careful, prudent, sage and quiet manner with due consideration for the rights of Owners and occupants within the Community.

9. Lease Restrictions. The following restrictions apply to all Lots:

9.1 All leases of any Lots shall be administered by the Waterside Management, LLC unless Owner seeks to use a Leasing/Rental Company of their choice. In the event a Lot Owner seeks to rent or lease using a Leasing/Rental Company of their choice, notice will be given to Declarant and/or Waterside Management LLC that includes the names and contact information of the parties renting or leasing as well as the name and contact information of the Leasing/Rental Company. Should a Lot Owner use a Leasing/Rental Company of their choice, Lot Owner shall assume all responsibility and liability for Leasing/Rental Company and Renting/Leasing parties. Regardless of any wording herein, the Lot Owner or Leasing/Rental

Company shall pay a Resort fee of Five dollars (\$5.00) per rental period for RV Lots and Ten dollars (\$10.00) for Park Model per rental period.

9.2 Rental rates pertaining to Waterside Management LLC rentals/leases shall be established on an annual basis by Waterside Management, LLC and shall be acted upon in the same manner and at the same time as the annual budget for the Association.

9.3 The tenant shall be responsible for the payment of all sales and tourism.

9.4 Waterside Management LLC shall be paid a rental administration fee of 30% of the total rent. As part of the rental administration, Waterside Management, LLC shall cause the sales and tourism taxes to be collected from the Tenant and paid to the appropriate taxing authority on behalf of the Owner.

9.5 Notwithstanding anything contained herein to the contrary, Owner may allow friends or family members to use the Lot for a period not to exceed two hundred and forty (240) consecutive days in any calendar year, provided that no consideration is paid to owner. In the event there is any monetary consideration, the arrangement shall be deemed a lease and subject to these restrictions.

9.6 All tenants, friend and family members who use the Lot will be required to register with the front desk and acknowledge that they have been provided with a copy of this Declaration, any that they will abide by its terms. All tenants, friends and family members will also be required to check-out when they depart the premises for more than twenty-four hours and will be required to re-register upon their return. These provisions are required to provide an accurate count of residents in the Community in the event of any emergency.

9.7 In the event any Owner violated these restrictions, the Declarant and/or Waterside Management, LLC may seek to terminate the arrangement, may deprive the unapproved tenant of use of the Common Areas and access to the Community and may further seek to recover from the Owner, the full value of rental administration fee for the unauthorized rental period.

10. Resales of Lots. Any resale of a lot shall be listed and sold by the Declarant, and/or Waterside Management, LLC by and through their real estate agent. A Lot Owner may sell their lot "by owner" or through a real estate company of their choosing provided written notice is submitted to Declarant and/or Waterside Management, LLC.

ARTICLE IX
INSURANCE AND CASUALTY LOSSES

Section 1. Association Insurance. The Association, acting through its Board of Directors or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available.

(a) The Board shall obtain blanket "all-risk" property insurance, if reasonably available, for all insurable improvements on the Common Area and on other portions of the Area of Common Responsibility to the extent that the Association has assumed responsibility for maintenance, repair and/or replacement thereof in the event of a casualty. If the blanket "all-risk" coverage is not generally available at reasonable cost, then at a minimum an insurance policy providing fire and extended coverage, including coverage for vandalism and malicious mischief, shall be obtained. The face amount of such insurance shall be sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured peril.

(b) The Board also shall obtain commercial general liability insurance on the Area of Common Responsibility, ensuring the Association and its Members for damage or injury caused by negligence of the Association or any of its Members, employees, agents or contractors while acting on its behalf. If generally available at a reasonable cost, the commercial general liability coverage (including primary and any umbrella coverage) shall have a limit of at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage, provided the Association may obtain such additional coverage as it may determine in its discretion.

(c) The Board shall obtain workers compensation insurance and employer's liability insurance, if and to the extent required by law.

(d) The Board may obtain a fidelity bond or dishonesty insurance on Directors, Officers, employees, and other persons handling or responsible for the Association's funds, regardless of whether they are compensated by the Association. If reasonably available, the fidelity bond or dishonesty insurance shall cover at least one-quarter of the annual assessments from all members plus the reserve funds in the custody of the Association at any time during the term of the bond or policy. The bond or policy must provide that it may not be canceled, substantially modified or subject to non-renewal without at least 30 days prior written notice to the Association.

(e) The Board shall obtain such additional insurance as the Board, in its business judgement, determines advisable, which may include, without limitation, flood insurance.

Premiums for all insurance on the Area of Common Responsibility shall be common Expenses and shall be included in the General Assessment.

The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the coverage required hereunder. In the event of an insured loss, the deductible shall be treated as a Common Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard, that the loss is the result of the negligence or willful conduct of one or more Lot Owners, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Lots pursuant to Article V, Section 5 hereof.

Section 2. Requirements of Insurance. All insurance coverage obtained by the Board of Directors, whether obtained on behalf of the Association shall be governed by the following provisions:

- (a) All policies shall be written with a company authorized to do business in Georgia which holds a Best's rating of A or better and is assigned a financial size category of IX or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating which is available.
- (b) All insurance shall be written in the name of the Association as trustee for the benefitted parties. Policies on the Common Area shall be for the benefit of the Association and its Members.
- (c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (d) In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees.
- (e) The Board of Directors shall be required to use reasonable efforts to secure insurance policies that will provide the following:
 - (1) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, officers, employees, and its manager, the Owners and their tenants, servants, agents, and guests;

- (2) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;
- (3) a statement that no policy may be cancelled, invalidated, suspended, or subjected to nonrenewal on account of any one or more individual Owners;
- (4) a statement that no policy may be cancelled, invalidated, suspended, or subjected to nonrenewal on account of any curable defect or violation without prior demand in writing delivered to the Association to cure the defect or violation and the allowance of a reasonable time thereafter within which it may be cured by the Association, its manager, any Owner or Mortgagee;
- (5) a statement that any "other insurance" clause in any policy excludes individual Owners' policies from consideration; and
- (6) a statement that the Association will be given at least thirty days' prior written notice of any cancellation, substantial modification, or non-renewal.

Section 3. Owners Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket "all-risk" property insurance on its Lot (s) and structures constructed thereon providing full replacement cost coverage (less a reasonable deductible) provided the Association should have no obligation to verify such coverage.

Section 4. Damage and Destruction.

- (a) Immediately after damage or destruction by fire or other peril to all or any part of the Community 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 shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other peril, allowing for any changes or improvement necessitated by changes in the applicable building codes.
- (b) Any damage to or destruction of the Common Area shall be repaired or constructed unless the Members representing at least seventy-five (75%) percent of the total Class "A" votes in the Association, and the Declarant, if any, decide within 60 days after the loss not to repair or reconstruct.

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

(c) If it is determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, the affected portion of the Community shall be cleared of all debris and ruins. Thereafter the Community shall be maintained by the Association in a neat and attractive, landscaped condition consistent with Community-Wide Standard.

Section 5. Disbursement of Proceeds. Any insurance proceeds remaining after defraying such costs of repair or reconstruction, or if no repairs or reconstruction is made, any proceeds remaining after making such settlement as is necessary and appropriate, shall be retained and for the benefit of the Association and placed in a capital improvements account.

Section 6. Repair and Reconstruction. If the insurance proceeds are insufficient to defray the costs of repairing or reconstructing the damage to the Common Area, the Board of Directors shall, without the necessity of a vote of the Members, levy a Special Assessment against those Lot Owners responsible for the premiums for the applicable insurance coverage under Section 1 of this Article. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE X **NO PARTITION**

Except as is permitted in this Declaration or amendments hereto, there shall be no judicial partition of the Common Area or any part thereof. No Person acquiring any interest in the Community or any part thereof shall seek any judicial partition unless the community or such portion thereof have been removed from the provisions of this Declaration. This Article 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 XI
CONDEMNATION

Whenever any Common Area is taken by, or conveyed in lieu of condemnation to, any authority having condemnation or eminent domain power, the Board of Directors shall give notice thereof to each Owner. If any structure on the Common Area is so taken or conveyed, the

Board shall arrange for and supervise the prompt reconstruction of such structure, to the extent sufficient Common Area is available, with such improvements or modification it deems appropriate, unless 80% of the Owners vote not to do so.

If proceeds from the condemning authority are not sufficient to defray the Board's estimated or actual costs of reconstruction, including, but not limited to, any professional fees and premiums for construction bonds the Board deems necessary, the Board may levy a Special Assessment against all Owners without the necessity of a membership vote or compliance with any other requirements for approval of Special Assessments in this Declaration. Any surplus funds remaining after the reconstruction is completed shall be common funds of the Association to be used as determined by the Board.

ARTICLE XII
ANNEXATION AND WITHDRAWAL OF PROPERTY

Section 1. Annexation Without Approval of Membership. After the Declarant Control Period, subject to the consent of the owners thereof, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association. After the expiration of the Declarant Control Period, such annexation shall require the affirmative vote of Members representing a majority of the Class "A" votes of the Association represented at a meeting duly called for such purpose and the consent of the Declarant, so long as the Declarant owns property subject to this Declaration.

Annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the Public Records. Any such Supplemental Declaration shall be signed by the president and secretary of the Association, and by under the owner of the property being annexed. Any such annexation shall be effective upon filing unless otherwise therein.

Nothing in this Declaration shall require the Declarant or any successor to submit any portion of the Additional Property or any property to this Declaration or to develop any Additional Property in any manner whatsoever.

Section 2. Withdrawal of Property. The Declarant reserves the right to amend this Declaration unilaterally at any time during the Declarant Control Period without prior notice and without the consent of any Person, for the purposes of removing certain portions of the Community then owned by the Declarant or its affiliated or the Association from the provisions of this Declaration, to the extent originally included in error or as a result of any changes whatsoever in the plans for the community desired to be affected by the Declarant.

Section 3. Additional Covenants and Easements. The Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by Supplemental Declaration to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such owners to pay the costs incurred by the Association. Such additional covenants and easements shall be set forth in a Supplemental Declaration filed either concurrent with or after the annexation of the subject property and shall require the written consent of the owner(s) of such property, if other than the Declarant.

Section 4. Amendment. This Article shall not be amended without the prior written consent of the Declarant so long as the Declarant owns any property described in Exhibit "A".

Article XIII

EASEMENTS

Section 1. Easements for Utilities. There are hereby reserved unto Declarant during the Declarant Control Period, the Association, and the designees of each (which may include, without limitation, SMV Water, LLC or their designated and/or third party contractors, and any utility) access and maintenance easements upon, across, over and under all of the Community to the extent reasonably necessary for the purpose of replacing, repairing, and maintaining cable television/internet systems, master television antenna systems, security and similar systems, roads, walkways, bicycle paths, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including but not limited to, water, sewers, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on property which it owns or within easements designated for such purposes on recorded plats of the Property. Notwithstanding anything to the contrary herein, this easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing Recreational Vehicle or Park Model on a Lot and any damage to a Lot resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the Person exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

Without limiting the generality of the foregoing, there are hereby reserved for the SMV Water, LLC, electric company, cable provider, and natural gas supplier easements across all the Common Area for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. However, the exercise of this easement shall not extend to permitting entry into any Recreational Vehicle or Park Model on any Lot. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Community, except as may be approved by the Association's Board of Directors or as provided by Declarant.

The Association also shall have the right, but not the obligation, to exercise an easement upon, across, over, and under all of the Community to the installation, maintenance, repair and use of water sub-meters, if the Board chooses to install water sub-meters to the Lots.

Section 2. Water Use Maintenance and Easement Agreement For Waterside at Blue Ridge RV Park

There may be located on the Development a Water System or county/city water servicing the submitted property and all other properties added by amendment. Developer reserves for itself, its successors and assigns, as well as for all future water providers, a permanent and perpetual easement over all submitted property for the purpose of installation, repair, maintenance, upgrades and all other uses necessary for provision of water throughout the development should the Developer choose to install a water system.

Should Developer install such a water system, all future lot owners of Waterside at Blue Ridge RV Park and all other properties added by amendment shall have a permanent and perpetual right to contract for water service (and may obtain water service only from said Water System) from the above-described water system at the rates established by the Water Provider, including but not limited to monthly or annual charges for service tap-on / meter fee charges.

Should Declarant install a water system, Declarant reserves the right to ownership of the water system to any lot owner; OR to transfer the ownership of the water system to a private water-providing company OR municipality OR to itself should it choose to continue ownership and operation of the water system. All provisions of these water-system related terms shall transfer to the heirs, successors, or assigns of the Declarant.

Declarant shall have no obligation to pay any fees or costs associated with the installation, repair, maintenance, upgrades, operation or use of the water and or sewage system. So long as the Declarant owns one or more lots in the Park, said Lot(s) shall be also excluded from any of the above stated fee and/or costs obligations.

Section 3. Right of Entry. The Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security, and safety reasons, to perform maintenance pursuant to Article VI hereof, and to inspect for the purpose of ensuring compliance with the Association Legal Documents which right may be exercised by the Association's Board

of Directors, officers, agents, employees, managers, and all policeman, firemen, ambulance personnel, and similar emergency personnel in the performance of their perspective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board, but shall not authorize entry into any Recreational Vehicle or Park Model, without permission of the Owner, except by emergency personnel acting in their official capacities.

Section 4. Easement for Association Maintenance. There is hereby reserved to the Association and its designee, a perpetual easement and right over and across all Lots as may be reasonably necessary for the maintenance required hereunder, including, but not limited to, maintenance of driveway, water line, detention or storm water drainage facilities. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment of the Lots and reasonable steps shall be taken to protect such property.

Section 5. Easement During Construction and Sale Period. Notwithstanding any provisions nor or hereafter contained in the Association's Legal Documents, Declarant reserves an easement across the Community for the Declarant to maintain and carry on, upon such portions of the Community as the Declarant may reasonably deem necessary, such facilities and activities as in the sole opinion of Declarant may be required or convenient for Declarant's development, construction and sales activities, including, but not limited to: the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, on or in the Community, including, without limitation, any Lot; the right to tie into any portion of the Community with streets, driveways, paths, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a ta-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, cable television, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; the right to grant easements over, under, in or on the Community, including without limitation the Lots, for the benefit of neighboring properties for the purpose of tying into and/or connecting and using sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; the right to convert Lots (with the consent of the Owner thereof) to Common Area; the right to construct utilities and other improvements on Common Area; the right to carry on sales and promotional activities in the Community and the right construct and operate business offices, signs, construction trailers, model residences and sales offices. Declarant may use Lots, offices or other buildings owned or leased by Declarant as model homes. This Section shall not be amended without the Declarant's written consent until the termination of the Declarant Control Period.

Section 6. Pedestrian Easements. Declarant hereby expressly reserves perpetual, non-exclusive pedestrian easements for access to the Common Area for the benefit of the Association and Owners.

Section 7. Public in General. The easements and rights created in this Article do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public; provided, however, nothing set forth herein shall in any way limit or restrict any existing easements or rights already granted to the public as such easements or rights are previously recorded in the Fannin County, GA records. The Board of Directors hereby reserves the right to close temporarily, to the extent reasonably practicable, upon fifteen (15) days prior written notice (which may be given by posting in conspicuous locations upon the relevant portion of the Community), all or any portion of the Community that, in reasonable opinion of the Board, may be legally necessary to prevent a dedication thereof, or any accrual of any rights therein, in the general public or in any Person other than the Persons for which such easements are expressly created in this Declaration.

Section 8. General. Each Lot shall be subject to those easements, if any, shown or set forth on the Plats for the Community, as amended from time to time as well as the easements now or hereafter established by Declarant in this Declaration or by any other documents filed in the Public Records.

Section 9. Easement for Drainage. There is hereby reserved to the Declarant and granted to the Association a blanket easement across the Community; provided, however, such easement area shall not include any portion of the Community within the boundaries of any improvements within the Community owned by a party other than the Association. This easement shall include the right to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill. It is anticipated that increased storm water run-off across downstream property will result from the construction of impervious surface within or adjacent to the Community. Neither the Declarant, the Association nor any other Owner constructing according to plans and specifications approved hereunder shall have any liability to any Owner due to the increased flow or increased velocity of surface water existing or resulting from approved construction within the Community.

Section 10. Easements in Favor of Additional Property Owner. There is reserved to Declarant and its successors and assigns, including any purchaser of the Additional Property, a non-exclusive easement upon, across, above and under all property within the Community (including the Common Area and Lots) for purposes of improving the Additional Property whether or not it is submitted to this Declaration. In accordance therewith and until such time as Declarant or its successors record an amendment to the Declaration affecting the submission of the Additional Property, then it shall be expressly permissible for Declarant and its successor and

assigns to maintain and carry on, upon such portion of the Community as Declarant may deem necessary, such facilities and activities as in the sole opinion of the Declarant may be required, convenient or incidental to Declarant's or Waterside Management, LLC's improvement, sales activity and/or leasing activities for the Additional Property whether or not it is submitted as part of the Community, including without limitation:

- (a) The right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Community;
- (b) The right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, repair any device which provides utility or similar services, including without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community.
- (c) Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the person causing the damage at his or her sole expense. Any increased utility usage fees will be apportioned equitably against the Additional Property Owner. This section shall not be amended without the Declarant's or Declarant's successors and assigns express written consent, so long as the Additional Property has not been submitted to this Declaration.

ARTICLE XIV **MORTGAGEE PROVISIONS**

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

Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

- (a) Any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;
- (b) Any delinquency in the payment assessment or charged owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of the Declaration or Bylaws relating to such Lot or the Owner or occupant which is not cured within 60 days. Notwithstanding this provision, any holder of a first

Mortgage is entitled to written notice upon request from the Association of any default in the performance by an owner of a Lot of any obligation under the Declaration or Bylaws which is not cured within 50 days;

(c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) Any proposed action which would require the consent of a specified percentage of Eligible Holders.

Section 2. No Priority. No provision of this Declaration or the Bylaws gives or shall be constructed as giving any Owner or other part priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 3. Notice of Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

Section 4. Applicability of Article. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Association Legal Documents.

Section 5. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is sent to the Mortgagee by certified or registered mail, return receipt requested.

Section 6. FHA/VA Approval. During the Declarant Control Period, the following actions shall require the prior approval of the Federal Housing Administration or the Veterans Administration, if either such agency is insuring or guaranteeing the Mortgage on any Lot: a dedication of Common Area, mortgaging of Common Area, or material amendment of this Declaration as applicable to Mortgages on Lots.

ARTICLE XV

DECLARANT RIGHTS

Section 1. Transfer of Declarant Rights. Any or all of the special rights and obligations of the Declarant set forth in the Associations Legal documents may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Declaration or in the Bylaws, as applicable. Furthermore, no such transfer

shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Public Records.

Section 2. Declarant Sales Activities. Notwithstanding any provisions contained in this Declaration to the contrary, during the Declarant Control period, it shall be expressly permissible for the Declarant to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Lots, including, but not limited to, business offices, signs, model Lots and sales offices. The Declarant shall have easements for access to and use of such facilities. The right to maintain and carry on such facilities. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to use Lots owned by the Declarant and any clubhouse or community center which may be owned by the Association, as models and sales offices respectively.

Section 3. Operation of On-Site Real Estate Office. Declarant and/or Waterside Management shall have the right to operate a real estate office in the RV Park for purposes of real estate sales, leases, rentals, management or any other commercial purpose Declarant and/or Waterside Management LLC may choose to engage in. Declarant and/or Waterside Management LLC shall have the right to place a permanent or temporary structure on Declarant controlled property to effectuate the operation of any such commercial activity.

Section 4. Recording of Additional Covenants. So long as the Declarant continues to have rights under this Article, no Person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Community without Declarant's review and written consent. Any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the public records.

Section 5. Declarant Approval Rights.

a) This Article, and any provisions of the Association's Legal Documents affording Declarant any right, power or privilege, may not be amended without the express written consent of the Declarant. However, the rights contained in this Article shall terminate upon earlier of (i) expiration of Developer Period or (ii) when, in its sole discretion, the Declarant determines and voluntarily relinquishes such right in a written instrument executed by the Declarant and recorded in the public Records.

b) During the Declarant Control Period, the Declarant shall have the right to disapprove any action, policy or program of the Association, the Board and any committee

which, in the sole judgement of the Declarant would tend to impair rights of the Declarant under the Association Legal Documents, or interfere with development of, construction on, or marketing or sale of any portion of the Community, of diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board or any committee as may be granted to the Declarant in the Association Legal Documents.

c) The Declarant shall be given written notice of all meetings and actions/decisions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any committee. Such notice shall be given by certified mail, return receipt requested, or by a personal delivery at the address the Declarant has registered with the secretary of the Association, which notice complies with the Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularly the agenda to be followed at such meeting. The Declarant may, in writing, waive its right to receive notice in the same manner as provided in the Bylaws.

d) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. The Declarant its representatives or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of all subject committee.

e) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements set forth above have been met and the time period set forth below has expired.

f) The Declarant, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following receipt of written notice of the proposed action/decision. No action, policy or program shall be effective or implements if the Declarant exercises its right to disapprove. This right to disapprove may be used to block proposed actions but shall include a right to require any action or counteraction on behalf of any committee, or the Board or the Association. The Declarant shall not use its right to disapprove to reduce the level of services which the Association is obligate dot provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 6. Contractor Fees. Declarant reserves the right to exclusively receive rebates, referral fees, commissions, exclusive license fees, "door" fees or other forms of compensation, directly or indirectly, from utility service providers, or other exclusive or approved contractors, or vendors working on the Property. No Owner shall have the right to hold the Association or Declarant responsible for any deficiency in the services supplied or the quality of the products provided, such responsibility shall be solely between the individual Lot Owner and the supplier or vendor involved.

Section 7. Amendment Affecting Declarant. No amendment may remove, revoke, or modify any right or privilege of the Declarant without the written consent of the Declarant or the assignee of such right or privilege.

ARTICLE XVI

AUTHORITY AND ENFORCEMENT

Section 1. Compliance with Association Legal Documents. All Owners, and their lessees and guests shall comply with the Association Legal Documents. The Association, and in any appropriate case, one or more aggrieved Owners, may take action to enforce the terms of the Association Legal Documents directly against all violation Persons. However, if an Owner's family member, guest or occupant violated the Association Legal Documents, the Association, in its sole discretion, is permitted to enforce the terms of the Association Legal Documents, The Association, in its sole discretion, it permitted to enforce the terms of the Association Legal Documents against (a) only the Owner; (b) only the violating family member, guest or occupant; or (c) both the Owner and the violating family member, guest or occupant. Notwithstanding anything herein to the contrary, the Owner of the Lot is always ultimately responsible for his or her own actions and the actions of all family members, occupants and guests of such Lot.

Nothing herein shall be constructed to affect the rights of an aggrieved Owner or occupant to proceed independently for relief from interference with his or her personal or property rights against a person violating the Association Legal Documents. The Board of Directors may, in its discretion, require the aggrieved Owner or occupant to independently pursue all available remedies under Georgia law against the Violator before the Association intervenes and commences enforcement action against such Violator.

Section 2. Types of Enforcement Actions. In the event of a violation of the Association Legal Documents, the Association shall have the power to take any or all of the following actions separately or simultaneously; provided, however, all suspensions and fines shall comply with the procedures described below and nothing herein shall authorize the Association or the Board to deny ingress or egress to or from a Lot.

- (a) Suspend all violators' rights to use the Common Area.
- (b) Suspend the voting rights of a violating Owner.
- (c) Impose reasonable fines against all violators, which shall constitute a lien on the violating Owner's Lot;
- (d) Use self-help to remedy the violation.
- (e) Bring an action for permanent injunction, temporary injunction and/or specific performance to compel the violator to cease and/or correct the violation; and

(f) Record in the Public Records a notice of violation identifying any uncured violation of the Association Legal Documents regarding the Lot.

Section 3. Suspension and Fining Procedure. Except as provided below, before imposing fines or suspending right to use the Common Area or the right to vote, the Association shall give a written violation notice to the violator as provided below.

(a) Violation Notice. The written violation notice to the violator shall;

- 1- Identify the violation, suspension(s) and/or fines(s) being imposed; and
- 2- Advise the violator of the right to request a violation hearing before the Board of Directors to contest with violation or request reconsideration suspension(s) or the fine(s)

Notwithstanding the violator's right to request a violation hearing, suspension(s) and/or fine(s) shall commence on the date of the written violation notice, unless a later date is specified in such notice.

(b) Violation Hearing. If the violator submits a written request for a violation hearing within 10 days of the date of the violation notice described above, then the Board of Directors shall schedule and hold. In executive session, a violation hearing. If a violator fails to timely request a violation hearing, such violator loses the right to contest the violation and request reconsideration of the suspension(s) and/or the fine(s). If a violator timely requests a violation hearing, the violator shall have a reasonable opportunity to address the Board regarding the violation; provided, however, the Board may establish rules of conduct for the violation hearing, including, but not limited to, limits on the amount of time one person can speak and limits on the number of participants who may be present at one time. The minutes of the violation hearing shall contain a written statement of the results of such hearing.

(c) No Violation Notice and Hearing Required. No violation notice or violation hearing shall be required to:

- (1) Impose late charges on delinquent assessments;
- (2) suspend a violating Owner's voting rights if the violator's Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, in which case suspension of the violating Owner's right to vote shall be automatic and shall continue until the violation no longer exists or the Board of Directors otherwise reinstates such rights in writing;
- (3) suspend a violator's right to use the Common Area if the violator's Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, in which case suspension of the violator's right to use the Common Area shall be

automatic (which shall allow the Association to tow and/or boot a violator's vehicle located on the Common Area without complying with the Suspension and Fining Procedures described above):

- (4) engage in self-help in an emergency.
- (5) Impose fines for each day of a continuing violation, in which case, each day the violation continues or occurs again constitutes a separate violation and fine(s) may be imposed on a per diem bases without any further notice to the violator, or
- (6) impose fines if the same violation occurs again on the same Lot, in which case fine(s) may be imposed on a per diem basis without any further notice to the violator.

Section 4. Self-Help. In addition to all other enforcement rights granted herein, the Board of Directors may elect to enforce any provision of the Association Legal Documents by self-help without the necessity for compliance with the Suspension and Fining Procedures described above.

By way of example and not limitation, the Association or its duly authorized agent shall have the authority to tow vehicles that are in violation of parking regulations and enter a Lot or any portion of the Common Area to abate or remove any structure, thing or condition that violated the Association Legal Documents. Unless an emergency exists, before exercising self-help, the Association shall give the violator at least two days prior to the structure, thing or condition being placed on the Lot and causing the violation. Such removal, abatement and restoration shall be accomplished at the violator's sole cost and expense. If the same violation occurs again on the same Lot, the Association may exercise self-help without any further notice to the violator.

Section 5. Injunctions and Other Suits at Law or in Equity. All Owners agree and acknowledge that there may not be adequate remedies at law to enforce the Association Legal Documents. Therefore, in addition to all other enforcement rights granted herein, the Association is hereby entitled to bring an action for permanent injunction, temporary injunction and/or specific performance to compel a Violator to cease and desist and/pr correct any violation, and to recover its attorney's fees actually incurred in such action if it substantially prevails.

Section 6. Costs and Attorneys' Fees for Enforcement Actions. In any action taken by the Association to enforce the association Legal Documents, the Association shall be entitled to recover from the Violator, any and all costs incurred by the Association, including but not limited to attorneys' fees actually incurred, all of which shall constitute a specific assessment and a lien against the violating Owner's Lot.

Section 7. Failure to Enforce. The Board of Directors has the sole discretion to decide which, if any, enforcement action to pursue against each Violator. The failure of the Board to enforce any provision to the Association legal Documents shall not be deemed a waiver of the right of the Board to do so thereafter. No right of action shall exist against the Association for failure to enforce if the Board of Directors determines that:

- (a) The Association's position is not strong enough to justify taking enforcement action;
- (b) a particular violation is not of such a material nature as to be objectionable to a reasonable person;
- (c) a particular violation is not of such a material nature to justify the expense and resources to pursue or continue to pursue enforcement action;
- (d) the aggrieved Owner or occupant asserting a failure of enforcement has not independently pursue all available individual remedies under Georgia law; or
- (e) the Association enforces only against an owner for the violation of the Owner's family member, guests or occupant or the Association does not enforce against the Owner and enforces only against the violating family member, guest or occupant.

ARTICLE XVII

GENERAL PROVISIONS

Section 1. Term. The covenants and restrictions of this Declaration shall run with and bind the Property and shall inure the benefit of and shall be enforceable by the Association or the Owner of any Property, their respective legal representatives, heirs, successors, and assigns for a term of 20 years from the date this Declaration is recorded. After such time the covenants and restrictions shall be automatically extended for successive periods of 20 years, unless an instrument in writing, signed by a majority of then Owners, has been recorded within the year preceding the beginning of each successive period of 20 years, agreeing to change said covenants and restriction, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

Section 2. Amendment.

- (a) By Declarant. During the Declarant Control Period, the Declarant may unilaterally amend this Declaration for any purpose. Thereafter, the Declarant may unilaterally amend this Declaration if such amendment is (i) necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue the title insurance coverage on the Lots; (iii) required by an institutional or governmental lender or purchaser of mortgage loans,

including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots; (iv) necessary to loans on the Lots; or (v) otherwise necessary to satisfy the requirements of any governmental agency. However, any such amendment shall not adversely affected the title to any Lots unless the Owner shall consent thereto in writing.

(b) By Owners. After the Declarant Control Period ends, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing sixty-six and two-thirds (66- $\frac{2}{3}$ %) percent of the total Class "A" votes in the Association, and the approval of the Declarant if it then owns any property subject to this Declaration.

If an Owner consents to any amendment to this Declaration or the Bylaws, it will be conclusively presumed that such Owner has the authority so to consent, and no contrary

provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

Notwithstanding the foregoing, the Board of Directors, with the written consent of the Declarant, and without a vote of the Members, may amend this Declaration for the sole purpose of electing to be governed by the provisions of the Georgia Property Owner's Association Act, O.C.G.A. 44-3-220 *et seq.*

Notwithstanding anything herein to the contrary, no amendment may remove, revoke, or modify any right or privilege of the Declarant without the written consent of the Declarant or the assignee of such right or privilege.

Section 3. Severability. Invalidation of any provision or portion of a provision of this Declaration by judgement or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 4. Compliance. Every Owner and occupant of any Lot shall comply with all lawful provisions of this Declaration, the Bylaws, and the rules and regulations of the Association. Failure to comply shall be grounds for an action to recover sums due, for carnages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in a proper case, by any aggrieved Lot Owner(s). In addition, the Association may avail itself of any and all remedies provided in this Declaration or the Bylaws.

Section 5. Disclosures. Each Owner acknowledges the following: