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DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
VISTA VIEW ESTATES

This Declaration of Covenants, Conditions, and Restrictions for Vista View Estates is made this 25 day of August, 1988, by VISTA VIEW DEVELOPMENT CORP., (hereinafter referred to, together with any successor who comes to stand in the same relationship to the Property as VISTA VIEW DEVELOPMENT CORP., as "Declarant"). Declarant is the present owner of all the property shown on the Plat of property known as Vista View Estates, such property being more particularly described on Exhibit "A", attached hereto and incorporated herein by reference.

W I T N E S S E T H

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 restrictions under a general plan of improvement and development for the benefit of all owners of property within Vista View Estates, and such other parcels of property as may hereafter be made subject hereto in accordance with the terms hereof. Declarant, by the terms hereof desires to provide a flexible and reasonable procedure for the overall development of the property, and to establish a method for the administration, maintenance, preservation, use, and enjoyment of such property as is now or may hereafter be submitted to this Declaration.

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 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 all parties having any right, title, or interest in the described property or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall insure to the benefit of each owner thereof.

Article I
Definitions

Section 1. "Additional Property" shall mean all that property described in Exhibit "B", attached hereto, which may be subjected to the terms of this Declaration.

Section 2. "Association" shall mean and refer to the VISTA VIEW ESTATES OWNERS' ASSOCIATION, INC., its successors and assigns.

Section 3. "Board of Directors" or "Board" shall be the elected body of the Association having its normal meaning under the Georgia Nonprofit Corporation Act and law.

Section 4. "Builder/Owner" shall mean and refer to the owner of a Lot who owns such Lot solely for the purpose of development and sale to third parties who is, in Declarant's sole discretion, designated a Builder/Owner.

Section 5. "Common Area" shall mean all access and subdivision roads and all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the owners and all areas designated on the plat of survey filed with this declaration or amendments thereto as "recreation area" or "greenbelt area" and shall include an easement for recreational use of areas designated on said plats as "Lake".

Section 6. "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association and the Subdivision, including any reasonable reserve, all as may be imposed hereunder or found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation.

Section 7. "Declaration" shall mean this Declaration of Covenants, Conditions, and Restrictions as the same may be amended or supplemented from time to time.

Section 8. "Lake Area" shall mean that portion of the Properties designated as "Lake" on the plats of survey filed with this Declaration or amendments thereto and shall include all dams and any other structures or devices used to regulate, control or maintain the water level in the areas designated "Lake" on said plats.

Section 9. "Lot" shall mean a portion of the Properties, other than the Common Area, intended for any type of independent residential use of ownership. Lots may be shown on the plats of survey filed with this Declaration or amendments thereto or may be further described in any other Declaration which may be made applicable to all or any portion of the Properties. The term "Lot" shall include within its meaning, but shall not be limited to, a living unit or condominium unit, as well as a designated or platted portion of the Properties intended for use and occupancy by a single household which is not included in a condominium regime.

Section 10. "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 11. "Mortgage" shall include a security deed, as well as a mortgage, and a "first mortgage" is a first priority security deed or mortgage.

Section 12. "Mortgagee" shall include a beneficiary or holder of a security deed, as well as a mortgagee. A "first mortgagee" is the holder of a first priority security deed or mortgage on a Lot.

Section 13. "Mortgagor" shall include the grantor of a security deed, as well as a mortgagor.

Section 14. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation.

Section 15. "Person" means a natural person, a corporation, a partnership, trustee, or other legal entity.

Section 16. "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto and shall further refer to such Additional Property as may hereafter be annexed by amendment to this Declaration or which is owned in fee simple by the Association.

Section 17. "Subdivision" shall mean and refer to the property now or hereafter subjected to the terms of this Declaration.

Article II

Property Rights

Section 1. General. Every Owner shall have a right and easement of enjoyment in and to the Common Area subject to any restrictions, limitations, or provisions contained in this Declaration or any deed conveying to the Association such property. Such right and easement may be delegated to the members of one's family and his or her tenants and invitees, subject to such regulations or procedures as may be adopted by the Board. The aforementioned right and easement of enjoyment shall be appurtenant to and shall pass with the title to every Lot, subject to the following reservations, rights, and provisions:

(a) the right of the Association to suspend an Owner's voting rights and right to use the facilities as may be located on the Common Area for any period during which any assessment by the Association remains unpaid, and for any infraction of the Association's rules and regulations for the duration of the infraction and for an additional period thereafter not to exceed thirty (30) days;

(b) the right of the Declarant or the Association, with the approval of Declarant, so long as Declarant owns any Lot subject to this Declaration or has a right to annex Additional Property pursuant to Article VI hereof, to dedicate, transfer, or grant permits, licenses, and easements in and to the Common Area for utilities, roads, and other

purposes reasonably necessary or useful for the proper development, maintenance, or operation of the Subdivision, all as benefit the Additional Property or the Properties or any portions thereof;

(c) the right of the Association to borrow money for the purpose of (i) improving the Properties or any portion thereof, (ii) acquiring additional Common Area, or (iii) repairing or improving any facility located or to be located on the Properties, and to give as security for the payment of any such loan a mortgage conveying all or any portion of the Common Area; provided, however, the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements, and privileges herein reserved or established for the benefit of Declarant, any Owner, any other person, or the holder of any mortgage, irrespective of when executed, given by Declarant or any Owner encumbering any Lot or other property located within the Subdivision;

(d) the easement right of Declarant and its successors and assigns to enter and travel upon, over, and across the Common Area for the purpose of completion and repair of the improvements within the Properties or Additional Property and for all reasonable purposes to further assist and enhance the marketing of property or Lots located or to be located on the Properties, Additional Property, or other property as may be owned by Declarant;

(e) Declarant hereby reserves and retains for the benefit of the Additional Property and for the benefit of Declarant and Declarant's successors-in-title or interest to the Additional Property or any part or portion thereof and for the uses of visitors, invitees, licensees, and other users of the Additional Property, a perpetual, non-exclusive easement, right and privilege over, upon, through, and across all roads, paved areas, and recreational amenities and facilities as may now or hereafter exist on the Common Area, subject, however, to the Association's right provided for in Article XII hereof; and

(f) the right of the Association to charge reasonable admission fees and other fees for use of any recreational facilities as may be located on the Common Area, subject, however to the limitation that no fees hereunder may be charged against the Declarant.

Section 2. Owner's Right to Ingress, Egress, and Support. Every Owner shall have the right of ingress and egress over, upon, and across the Common Areas, and all roads, necessary for access to his or her Lot and shall have the right to lateral support. Such rights shall be appurtenant to and pass with the title to each Lot.

Section 3. Easement of Encroachment. If any portion of

the improvements constructed on the Common Area encroaches upon a Lot or any improvement constructed on a Lot encroaches upon the Common Area as a result of construction, reconstructions, repair, shifting, settlement, or movement or any portion of the improvements, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists; provided, however, if any improvement on a Lot is knowingly and willfully constructed, reconstructed, or repaired so as to encroach on the Common Area, no such easement shall exist.

Section 4. Use of Common Area. Other than for the right of ingress and egress, the Owners are hereby prohibited and restricted from using any of the Common Area outside their respective Lots except as may be allowed by the Association's Board of Directors or as may be expressly permitted in this Declaration or any amendment or Supplementary Declaration applicable to all or a portion of the Properties. By way of explanation and not limitation, no planting or gardening shall be done upon the Common Area, and no fences, hedges, or walls shall be erected or maintained upon the Common Area, except as are installed by Declarant or, if authorized by Declarant, a Builder/Owner in accordance with the initial construction of the improvements located thereon or as approved by the Association's Board of Directors or their designated representatives. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of Owners and is necessary for the protection of said Owners.

Section 5. Acknowledgement of Rights of Use. Each Owner and member of the Association, by acceptance of a deed to any Lot in the Subdivision is deemed to accept the reservations, rights or use, licenses, easements, and permits existing in, through, and over the Common Area.

Section 6. Conveyance of Common Area. The Association covenants to accept title to all or portions of the Common Area when offered by the Declarant.

Section 7. Rules and Regulations. The Board of Directors may establish reasonable rules and regulations concerning the use of the Common Area and improvements located thereon. No rule or regulation shall, however, diminish, alter, or affect the rights of use, easements, permits, or licenses existing in Declarant or its successors and assigns. Furthermore, no rule or regulation shall affect or treat Declarant or its successors and assigns in a manner different than the Association's rules may affect or treat members. Copies of such regulations and amendments thereto shall be furnished by the Association to all Owners and the Declarant prior to the rule's effective date. Such regulations shall be binding upon the Owners and users, their families, tenants, guests, invitees, and agents, until and unless such regulation, rule, or requirement is specifically

overruled, cancelled, or modified by the Board. The Board shall have the authority to impose reasonable monetary fines and other sanctions for violations of its rules, and monetary fines may be collected by lien and foreclosure, as provided in Article VII hereof. In addition, the Board shall have the right to suspend votes and the right to use the Common Area (other than for access to one's Lot) for violation of its rules, as well as to proceed judicially to enjoin and abate violations of such rules as if such rules were use restrictions contained herein as covenants on the Properties.

Section 8. Construction and Sale Period. Despite any provisions contained in this Declaration to the contrary, it shall be expressly permissible for Declarant and all Builder/Owners as authorized by the Declarant to maintain and carry on upon such portion of the Properties as the Declarant may deem necessary, including, but not limited to, the Common Area, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient, or incidental to construction or sale, including, without limitation, business offices, signs, model homes, and sales offices, so long as construction on or original offering for sale of all or any portion of the Properties or Additional Property, including Lots, continues. The right to maintain and carry on such facilities and activities shall include specifically the right to use Lots owned by Declarant or Builder/Owners as models and sales offices and to authorize sales and construction personnel to travel upon and enter the Common Area.

Section 9. No Partition. Except as is permitted in this Declaration, there shall be no partition of the Common Area or any part thereof, nor shall any person acquiring any interest in any of the Properties or any part thereof seek any such partition, judicial or otherwise, unless the affected area has been removed from the provisions of this Declaration. This Section shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

Section 10. Easements for Utilities, Etc. There is hereby reserved the power to grant blanket easement upon, across, over, and under all of the Property for ingress, egress, installation, replacing, repairing, and maintaining master television antenna or cable systems, security, and similar systems, walkways, and all utilities, including, but not limited to, water, sewers, telephones, gas, cable television, and electricity. The Board shall, upon written request of Declarant, grant such easements as may be reasonably necessary for the development of any property contained in Exhibit "A" or "additional property". Declarant reserves the easements and rights-of-way as shown on any Subdivision Plat or the Plat of any portion of the Subdivision or any of the Properties for the purpose of

constructing, maintaining, and repairing a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, or any other utility Declarant determines to install in, across, and/or under the Properties; provided, however, Declarant reserves the right to make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements, if any, and, provided, further, nothing herein shall be interpreted as requiring the Declarant to supply or furnish or arrange for supplying or furnishing of any facilities, systems, or services herein referenced or otherwise herein implied. Neither Declarant nor any utility company using the easements referred to in this Declaration shall be liable for any damages done by them or their assigns, agents, employees, or servants to any fences, shrubbery, trees, flowers, or any other property of the Owner situated on the property covered by said easements.

Section 11: Easement for Lake Area Maintenance: There is hereby reserved an easement over the Properties for the purpose of maintaining or repairing each Lake Area.

Article III
Association Membership and Voting Rights

Section 1. Membership. Every person who is the record owner of the fee interest in any Lot that is subject to this Declaration shall have a membership in the Association. The foregoing is not intended to include persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership.

Section 2. Multiple Owners. No Owner, whether one or more persons, shall have more than one (1) membership per Lot owned or occupied; provided, however, multiple use rights for multiple owners may be authorized and regulated by the Board. The rights and privileges of membership, including the right to vote, may be exercised by a member or the member's spouse.

Section 3. Voting. the Association shall have two (2) classes of membership, Class "A" and Class "B", as follows:

(a) Class "A". Class "A" members shall be all Owners, including Builder/Owners, with the exception of the Class "B" members. Class "A" members shall be entitled on all issues to one (1) vote for each Lot in which they hold the interest required for membership by Section 1 hereof. When more than one person holds such interest in any Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advise, the Lot's vote shall be suspended in the event more than one person seeks to exercise it.

(b) Class "B". The Class "B" member shall be the Declarant. Until termination of the Class "B" vote, as below provided for, the Class "B" member shall be entitled to three (3) times the total number of then existing Class "A" votes. The Class "B" membership shall terminate upon the happening of the earlier of the following:

(i) one hundred twenty (120) days after seventy-five (75%) percent of the Lots contemplated to be part of the Subdivision have been conveyed to purchasers other than Builder/Owners or affiliates of Declarant;

(ii) when, in its discretion, the Declarant so determines; or

(iii) ten (10) years following conveyance of the first Lot in the Subdivision to a purchaser other than a Builder/Owner or affiliate of Declarant.

From and after the happening of these events, whichever occurs earlier, the Class "B" members shall be deemed to be class "A" members entitled to one (1) vote for each Lot in which it holds the interest required for membership under Section 1 hereof.

Article IV
Association Powers and Responsibilities

A. In General.

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 and shall keep it in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof. The Association shall maintain, operate, and preserve the Common Area for the good and benefit of the community.

Section 2. Services. The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof and any other personnel as the Association's Board of Directors shall determine to be necessary or desirable for the proper operation of the properties. Such personnel may be furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Properties or the enforcement of this Declaration. The Association may, but shall not be required to, arrange as an Association, expense with others to furnish trash collection, cable television, and other common services to each Lot within the Subdivision.

Section 3. 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.

Section 4. Power to Contract. The Association may, acting through its Board of Directors, contract with any other person to provide services and/or perform services on behalf of such other person.

Section 5. Enforcement of Restrictions. The Association shall have the right and power to enforce each and every restriction herein contained, including those restrictions relating to architectural approval and modification, and shall have all those powers and privileges necessary or desirable to so act.

Section 6. Power to Assess. The Association shall have the right and power, as more particularly set forth in this Declaration, to fix, levy, collect and enforce payment by any lawful means, all charges and assessments pursuant to the terms of this Declaration, to pay all expenses in connection therewith, and all other expenses incident to the conduct and affairs of the business of the Association.

Section 7. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, the By-Laws, or its Articles of Incorporation and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

b. Maintenance.

Section 1. Association Responsibility. The Association shall maintain and keep in good repair the Common Area, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and other flora, structures, and improvements situated upon the Common Area.

Section 2. Owner's Responsibility. Subject to Article X hereof, the maintenance responsibility of an Owner shall be as follows:

(a) All maintenance of Lots, unless specifically identified hereunder as being the responsibility of the Association or another party, shall be the responsibility of the Owner of such Lot.

(b) In the event the Board of Directors of the Association determines that (i) an Owner has failed or refused to discharge properly his or her obligations with

regard to the maintenance, repair, or replacement of items for which he or she is responsible hereunder; or (ii) that the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his or her family, guests, lessees, or invitees, the Association, except in the event of an emergency situation, shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement at their sole cost and expense; the notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary and the cost thereof. The noticed party shall have fifteen (15) days within which to pay such amount claimed; or, in the event such maintenance or repair is to the Owner's Lot complete said maintenance, repair, or replacement; or, in the event that such maintenance, repair, or replacement is not capable of completion within said fifteen (15) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at such person's sole cost and expense, and the cost shall be added to and become a part of the assessment to which such party is subject and shall become a lien against the Lot.

C. Insurance and Casualty or Liability Losses.

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy applicable to the Common Area covering the Association, its officers, directors, members, and agents. The public liability policy shall have at least a Two Hundred Fifty Thousand (\$250,000.00) Dollar per person limit, as respects bodily injury and property damage, a Five Hundred Thousand (\$500,000.00) Dollar limit per occurrence, and a Fifty Thousand (\$50,000.00) Dollar minimum property damage limit. Unless otherwise provided by the Board of Directors, the cost of all such insurance coverage shall be paid from the common expense. Each insurance policy may contain a deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as Trustee, for the respective benefitted parties, as further identified in (b) below. Such insurance shall be governed by

the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Georgia and holding a rating of XI or better in the Financial Category as established by A. M. Best Company, Inc., if available, or, if not available, the most nearly equivalent rating.

(b) All policies on the Common Area shall be for the benefit of the Owners and their mortgagees, as their interests may appear.

(c) Exclusive authority to adjust losses under policies in force on any portion of the Properties, including the Common Area, 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's Board of Directors hereunder be brought into contribution with insurance purchased by individual owners, occupants, or their mortgagees, and the insurance carried by the Association shall be primary.

(e) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement, if reasonably available, with an annual review by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the White County, Georgia area.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its Manager, the owners and their respective tenants, servants, agents, and guests;

(ii) that no policy may be cancelled, invalidated, or suspended on account of any one or more individual owners;

(iv) that no policy may be cancelled, invalidated or suspended on account of any defect or of the conduct of any director, officer, or employee of the Association or its duly authorized Manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its Manager, any owner or mortgagee; and

(v) that any "other insurance" clause in any policy exclude individual owners' policies from consideration.

In addition to the other insurance required by this Section, the Board shall obtain, as a common expense, workmen's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but may not be less than three (3) months' assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion or persons serving without compensation and may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction, as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstructions, or in the event no repair or reconstruction is made after making such settlement as is necessary and appropriate with the affected Owner or owners and their mortgagee(s), as their interest may appear, shall be retained by and for the benefit of the mortgagee of any part of the Properties and may be enforced by such mortgagee.

(b) If it is determined, as provided for in this Article, that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 2(a) hereof.

Section 3. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Properties covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damage 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 casualty.

(b) Any damage or destruction to the Common Area shall

be repaired or reconstructed unless at least seventy-five (75%) percent of the total vote of the Association and the Declarant shall decide within sixty (60) days after the casualty 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 information shall be made available; provided, however, that such extension shall not exceed sixty (60) days. No mortgagee shall have the right to participate in the determination of whether the damage or destruction shall be repaired or reconstructed.

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

Section 4. Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners ultimately responsible for the payment of the policy premium in the same proportion as an Owner's assessment bears to the Association's budget. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be deposited to the benefit of the Association.

Section 5. Lot Owner's Responsibility. By virtue of taking title to a Lot, each Owner of a Lot covenants and agrees with all other Owners and with the Association to carry all risk property coverage insurance on all structural improvements as may be situated on the Lot. Each such Owner further covenants and agrees that in the event of a partial loss or damage and destructing resulting in less than total destruction of any structure located on a Lot, he or she shall proceed promptly to repair or reconstruct the damaged structure in a manner consistent with the original construction. In the event that a structural improvement is totally destroyed or rendered uninhabitable or unusable and the owner thereof determines not to rebuild or reconstruct, then that owner shall clear that Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction. The obligation of a Lot Owner hereunder specified shall not be applicable to any

Owner whose Lot is insured under a casualty insurance policy obtained by an association of owners on his behalf.

Article V
Condemnation

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, the award made for such taking shall be payable to the Association, as Trustee for all Owners, to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant and at least seventy-five (75%) percent of the Class "A" members of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area, to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article IV hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

Article VI

Annexation of Additional Property

Section 1. Annexation Without Approval of Class "A" Membership. As the owner thereof, or if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option (but not the obligation), from time to time at any time until ten (10) years from the date this Declaration is recorded in the Clerk's Office, White County, Georgia, to subject to the provisions of this Declaration and the jurisdiction of the Association all or any portion of such other Property as may be owned by the Declarant as is or may be contiguous to the property described in Exhibit "A" attached hereto and by reference made a part hereof, whether in fee simple or leasehold, by filing in the Clerk's Office, White County, Georgia, an amendment annexing such property. Such amendment to this Declaration shall not require the vote of members. Any such annexation shall be effective upon the filing for record of such amendment, unless otherwise

provided therein. Such amendment may specify such specific use restrictions and other covenants, conditions, and restrictions to be applicable to the annexed property as Declarant may, in its own discretion determine.

Declarant shall have the unilateral right to transfer to any other person the said right, privilege, and option to annex additional property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least that part of said real property annexed.

Section 2. Annexation With Approval of Class "A" Membership. Subject to the written consent of the owner thereof, upon the written consent or affirmative vote of a majority of the Class "A" members present or represented by proxy at a meeting duly called for such purpose, and of the Declarant, the Association may annex real property as otherwise authorized to be annexed pursuant to Section 1 of this Article, and following the expiration of the right in Section 1, the property otherwise subject to annexation under Section 1 hereof, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Clerk's Office, White County, Georgia, a supplementary amendment in respect to the property being annexed. Any such supplementary amendment shall be signed by the President and the Secretary of the Association, and any such annexation shall be effective upon filing, unless otherwise provided therein. The time within which and the manner in which notice of any such meeting of the Class "A" member of the Association, called for the purpose of determining whether additional property shall be annexed, and the quorum required for the transaction of business at any such meeting, shall be as specified in the By-Laws of the Association for regular or special meetings, as the case may be.

Article VII Assessments

Section 1. Creation of General Assessment. There are hereby created General Assessments for Common Expenses as may from time to time be specifically authorized by the Board of Directors. General Assessments shall be levied against all Lots subject to this Declaration and shall be used to pay expenses determined by the Board to be for the benefit of the Association, its members, and the Properties as a whole, including, but not limited to, maintenance and insurance of the Common Area and expenses otherwise incurred by the Association in accordance with its rights, powers, and privileges. From and after the commencement date as provided herein, the General Assessment shall be equally levied against and payable by each Lot.

Section 2. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Lot, by

acceptance of a deed, whether or not it shall be so expressed in such instrument, is deemed to covenant and agree to pay to the Association, in accordance with the provisions hereof:

- (a) general assessments;
- (b) special assessments, such assessments to be established and collected as hereinafter provided; and
- (c) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with Article II, Section 7, hereof.

All such assessments, together with interest at the rate of nine (9%) percent per annum and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made, all as provided in Section 6 hereof. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment arose, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration of the annual assessment for delinquents; the assessments shall be paid annually in advance, unless otherwise provided by the Board of Directors.

Section 3. Computation of General Assessments.

(a) It shall be the duty of the Board at least thirty (30) days prior to the meeting at which the budget will be presented to prepare a budget covering the estimated costs of operating the Association and the Properties during the coming year. The Board shall cause a copy of the budget and assessments to be levied therefrom to be available to all members at a central location on the Properties at least fifteen (15) days prior to the meeting. The budget and assessment established therefrom shall become and be effective unless disapproved at the meeting at which it is proposed by a vote of a majority of the total Association eligible vote. Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget and assessments in effect for the current year shall continue for the succeeding year.

(b) Despite anything else contained herein, the amount of the budgeted assessment in any particular year may be

increased by the Board of Directors of the Association in a succeeding year without a vote of or consideration by the members, so long as the proposed assessment does not exceed the current "maximum allowable assessment amount." The current "maximum allowable assessment" amount shall be determined as follows:

Take the difference between the consumer price index, as established by the Consumer Price Index for Urban Wage Earners and Clerical Workers, U.S. City Average, all Items, ("Index"), for June of the year under consideration and the consumer price index as established by the Index for June, 1988, and divide such difference by the consumer price index as established by the index for June, 1988. Thereafter, the resulting quotient is to be multiplied by one hundred (100). This resulting figure, as a percentage, multiplied by the assessment existing in June, 1988, is the percentage amount by which the assessment in existence may be increased, such increased amount being the current maximum allowable assessment amount.

Section 4. Special Assessments. In addition to the assessments authorized elsewhere herein, the Association may levy a Special Assessment in any year. Any special assessment must first be approved by a majority of the Board and a majority of the Class "A" members and, so long as the Class "B" member exists, be approved by the Class "B" member.

Section 5. Lien for Assessments. To secure the payment of the Assessments established hereby and to be levied on Lots, there shall be reserved a lien for the benefit of the Association, said lien to be enforceable through appropriate proceedings at law by such beneficiary; provided, however, each such lien shall be superior to all other liens, except (a) all taxes, bonds, assessments, and other levies which, by law, would be superior thereto; and (b) the lien or charge of any first mortgage of record made in good faith and for value.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. During the period owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be assessed or levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata 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, rent, and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 6. Effect of Nonpayment of Assessments:

Additional Maintenance Fee. Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than thirty (30) days shall incur a late fee in the amount of Ten (\$10.00) Dollars or ten (10%) percent of the assessment amount owed, whichever is greater.

Section 7. Commencement of Assessment. The general assessments provided for herein (and the possibility of a special assessment as provided herein) shall commence against a Lot at such time as the Lot is transferred by Declarant to any person other than a Builder/Owner, and in the case of a transfer to a Builder/Owner shall commence as to fifty (50%) percent of the then current general assessment at such time as the Lot is transferred to the Builder/Owner and the remaining fifty (50%) percent of the then current general assessment at such time as the Builder/Owner transfers the Lot to any person.

Article VIII
Architectural Standards

All property which is now or may hereafter be subjected to this Declaration is subject to architectural review. This review shall be in accordance with this Article and such standards as may be promulgated by the Board of Directors and Declarant.

Section 1. New Construction. The Declarant shall have exclusive jurisdiction over all original construction on any portion of the Properties until such time as Declarant shall assign this right and power to the Association's Board of Directors. The Declarant may promulgate Architectural Standards and Application Procedures. It shall, upon request, make both available to Owners and Builder/Owners who seek to engage in development of or construction upon all or any portion of the Properties and shall conduct its operations in accordance therewith. The Declarant shall and may act independently of the Association and its Board until such time as the Declarant assigns its rights to the Board of Directors, at which time the Board shall function in respect to new construction in the same fashion as it otherwise does for modifications. This Section may not be amended without the written approval of Declarant.

Section 2. Modifications. The Board of Directors of the Association shall have jurisdiction over modifications, additions, or alterations made on or to existing structures as may exist on any Lot; provided, however, the Board shall not have jurisdiction over modifications or alterations made by the Declarant or Builder/Owners on Lots owned by either.

The Board shall promulgate detailed standards and procedures governing its area of responsibility and practice. The following procedure for application procedure, as well as following design standards, shall apply for original construction and modifications.

Section 3. Approvals and Standards.

(a) Application. Prior to any original construction or modification, plans and specifications showing the nature, kind, shape, color, size, materials, and location of such construction, modifications, additions, or alterations, shall be submitted to the Declarant or Board, depending on which entity has jurisdiction thereof as provided above, for approval as to quality of workmanship and design and harmony of external design with existing structures and as to location in relation to surrounding structures, topography, and finish grade elevation. Nothing contained herein shall be construed to limit the right of an owner to remodel the interior of his dwelling structure or to paint the interior of his dwelling structure any color desired. In the event the Board or Declarant, as however the case may be, after receiving the plans, fails to approve or to disapprove such plans or to request additional information reasonably required within sixty (60) days after submission, the plans shall be deemed approved.

(b) Standards. The provisions of Article XI shall govern any construction on or improvement to any Lot. Such Provisions may be supplemented as above provided.

Section 4. Liability. Notwithstanding the approval by the Board of plans and specifications or its inspection of the work in progress, neither Declarant, the Association, nor any person acting on behalf of any of them shall be responsible in any way for any defects in any plans or specifications or other material submitted, not for any defects in any work done pursuant thereto. Each person submitting such plans or specifications shall be solely responsible for the sufficiency thereof and the adequacy of improvements constructed pursuant thereto.

Article IX
Mortgagees' Rights

The following provisions are for the benefit of holders, insurers, or guarantors of first mortgages in the Subdivision. To the extent applicable, necessary, or proper, the provisions of this Article apply to both this Declaration and to the By-Laws of the Association. Where indicated, these provisions apply only to "eligible holders," as hereinafter defined.

Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first mortgage who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the unit number), (therefore becoming an "eligible holder"), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Lot on which there is a first mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the mortgage of such eligible holder, insurer, or guarantor, where such delinquency has continued for a period of sixty (60) days;

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

(d) any proposed action which would require the consent of eligible holders.

Section 2. Special FHLMC provision. So long as required by The Mortgage Corporation, but only provided that the Subdivision is a planned development approved by The Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless two-thirds (2/3) of the first mortgagees or Owners give their consent, the Association shall not:

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

(b) change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner;

(c) by act or omission change, waive or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Lots and of the Common Area;

(d) fail to maintain fire and extended coverage insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

Section 3. Payment of Taxes. First mortgagees may, jointly or individually, pay taxes or other charges which are in default and which may or have become a charge against any Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Area. First mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

Section 4. No Priority. No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or any other party priority over any rights of the first mortgagee in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area.

Section 5. Notice of Default. Notwithstanding anything contained herein which might otherwise be construed to the contrary, a first mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance by an Owner of a Lot in which such mortgagee has an interest of any obligation under this Declaration, the By-Laws, or the Articles of Incorporation which is not cured within sixty (60) days.

Article X
General Provisions

Section 1. Coverage and Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns. The covenants, conditions, and restrictions of this Declaration, as they may be amended from time to time, shall run with and bind the Properties for a term of twenty (20) years from the date of recordation, unless amended, as herein provided. After such initial term, such covenants, conditions, and restrictions shall be automatically extended for successive period of ten (10) years each, unless within sixty (60) days before the commencement of any such ten (10) year period, these covenants are extinguished by a written instrument executed by the members holding at least seventy-five (75%) percent of the Class "A" votes, and, if existing, the approval of the Class "B" member and such instrument is recorded.

Section 2. Amendment. This Declaration may be amended only by the affirmative vote (in person or by proxy) or written consent of members representing two-thirds (2/3) or more of the total voting power of the Class "A" membership the Association, plus the consent of the Class "B" member. Any amendment must be recorded among the Official Land Records of White County, Georgia. No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege. Despite anything otherwise contained herein, in the event it is determined that any provisions of this Declaration need to be amended to conform to guidelines established by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, Declarant, without need of a membership vote, may make and adopt such

amendments.

Section 3. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, imposed upon or reasonably incurred by any officer or director 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 or director. The officers and directors shall not be liable for any mistake of judgment, 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), and the Association shall indemnify and forever hold each such officer and director 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 officer or director, or former officer or director, 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 4. Merger and Subdivision of Lots. Upon application in writing by an owner of adjoining Lots, the Board of Directors may authorize the merger or subdivision of adjoining Lots; provided, however, such merger or subdivision shall be in conformance within the provisions of any Supplemental Declaration that may be applicable to such Lots, including provisions which may further regulate merger or subdivision. No merger or subdivision of Lots shall be allowed unless approved by the Board. Such plats and plans as may be necessary to show the merged or subdivided Lots shall be thereafter at prepared at the expense of the requesting owner, who shall additionally be responsible for all costs, including legal fees, associated with the merger or subdivision of such Lots. The Board may impose conditions for use of the merged or subdivided Lot as a condition precedent to granting approval for such a merger or subdivision. From and after the time a merger or subdivision of Lots is approved, such Lots shall, for all purposes, be considered Lots in accordance with their new boundaries.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 6. Perpetuities. If any of the covenants,

conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Ronald Reagan, President of the United States.

Section 7. Reservation From Lot Conveyance. It is expressly agreed and understood that the title conveyed by Declarant to any Lot or Parcel of land within the Properties by contract, deed, or other conveyance shall be subject to any easement affecting same for roadways or drainage, water, gas, sewer, storm sewer, electric light, electric power, telegraph, telephone, or television purposes and shall convey no interest in any pipes, lines, poles, or conduits, or in any utility facility or appurtenances thereto, constructed by or under authority of Declarant or any easement owner, or their agents through, along, or upon the premises affected thereby, or any part thereof, to serve said land or any other portion of the Properties, and where not affected, the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party, and such right is hereby expressly reserved.

Section 8. Incorporation by Reference. All dedications, limitations, restrictions, and reservations shown on any subdivision plat are incorporated herein and made a part hereof as if fully set forth herein and shall be constructed as being adopted in each and every contract, deed, or conveyance executed or to be executed by or on behalf of Declarant and, thereafter, each successive Owner, conveying any of the Properties, whether specifically referred to therein or not.

Article XI Use Restrictions

Section 1. Signs and Billboards. No signs, billboards, posters, or advertising devices of any character shall be erected, permitted, or maintained on any Lot without the express prior written consent of the Board of Directors, except for Building/Owners, who may place on each Lot owned by such Builder/Owners during the construction and sales period of improvements not more than one (1) sign of not more than five (5) square feet of sign space. The right is reserved by Declarant to construct and maintain such signs, billboards, or advertising devices as is customary in connection with the general sale of Property.

Section 2. Oil and Mining Operations. No oil drilling or development operation, soil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Lot. No derrick or other

structure designed for use in boring for oil or natural gas shall be erected, maintained, or permitted upon any Lot.

Section 3. Storage and Disposal of Garbage and Refuse. Subject to Declarant's reserved rights, no Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste materials shall not be kept, except in sanitary containers constructed of metal, plastic, or masonry materials with sanitary covers or lids. Equipment for the storage or disposal of such waste materials shall be kept in clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the street, except that new building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progressed without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure on the Lot.

Section 4. Unlicensed Motor Vehicles. No unlicensed motor vehicles shall be allowed on the Properties. No motorbikes, motorcycles, motor scooters, or other vehicles of that type shall be permitted on the Properties, if they are a nuisance by reason of noise or manner of use in the sole judgment of the Board.

Section 5. Pets. No horses, cows, hogs, poultry, or livestock of any kind (other than house pets of reasonable kind and number) may be kept on any Lot. Should such pets become a nuisance in the opinion of the Declarant or Board, they must be removed from the Properties. No pets are to run at-large.

Section 6. Drainage. Natural drainage of streets, Lots, or roadway ditches will not be impaired by any person or persons. Driveway culverts will be of sufficient size to afford proper drainage of ditches without backing water up into a ditch or diverting flow. Declarant or the Board may remove any culvert that obstructs the flow of water through the street ditches. The breaking of curbs, of any, for drive installations will be accomplished in a good and workmanship-like manner, and such break will be recemented without hindrance to drainage, and such work is subject to inspection and approval, as provided in Article VIII hereof.

Section 7. Additional Restrictions.

(a) The said land shall be used exclusively for residential purposes and shall have constructed thereon residences containing a minimum of one thousand two hundred (1,200) completed square feet of living (heated) space, exclusive of carport and/or unfinished basement, and any

dwelling of more than one (1) story shall contain a minimum of eight hundred (800) square feet on the first or main floor. No building or structure may be nearer than twenty (20) feet to the side or back lot lines, nor nearer than fifty (50) feet to the line of the road right-of-way. No mobile homes, temporary houses, trailers, manufactured homes, tent or similar units or structures shall be placed on any lot except as otherwise provided in this or any supplementary Declaration. Travel trailers and motor homes may be parked on the Owner's Lot while in residence in a completed dwelling and may be used for living quarters for not more than ninety (90) days while the principal residence is under construction. Until a residence has been constructed, the Owner of a Lot may camp on it for not more than two (2) weeks in any one (1) year while cleaning or clearing up the Lot. No concrete block building or tar paper structures shall be erected on the property. All building exteriors shall be completed within four (4) months from the date construction begins.

(b) No property or tract sold hereunder shall be subdivided resulting in any subdivided lot containing less than two (2) acres.

(c) For ecology purposes, any land left freshly graded and exposed shall be planted with grass or covered with hay, straw, pine straw, or sawdust as soon as possible and in no case shall bare land be exposed for a period of more than sixty (60) days. Each purchaser shall be responsible for proper sewerage and garbage disposal.

(d) No noxious trade, offensive activity, business, manufacture, or industrial use shall be permitted on any lot or living units, nor shall anything be done thereon which shall be or become any annoyance or nuisance to the neighborhood. No activity shall be carried on upon said land which would constitute an unreasonable and substantial interference with the use and enjoyment of the land by the Lot Owners thereof. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot, except dogs, cats, or other domesticated animals may be kept, provided that they are not kept, bred, or maintained for any commercial purpose. Household pets must not run loose or be a nuisance to the neighborhood. Tanks for the storage of fuel maintained on any Lot shall be buried or enclosed. No unregistered or inoperable motor vehicle shall be moved or kept on any Lot in such manner as to be visible from any point on any adjacent lot, street, or road.

(e) Easements for all public utilities and drainage are reserved under and over all Lots to the extent necessary for each and every purchaser to have use of same. All road and utility easements must be kept in good and passable condition. No use of the property covered hereby shall generate traffic in such quantity as to be objectionable or

unusually obstructive or resident circulation.

(f) No outside toilet shall be constructed on any Lot. All plumbing fixtures, dishwashers, toilets, or sewerage disposal systems shall be connected to a septic tank or other sewage system approved by the Declarant and the appropriate governmental authority.

(g) All primary electrical wires, telephone lines, television cables, and other utility facilities or systems serving the Subdivision will be run either above or underground and all secondary distributions of such utility serving the individual Lot or Lots shall be underground except where complications exist in the laying of said underground utility and then only with the approval of Declarant. Any expense as to the acquiring of distribution utilities from primary utilities will be borne by the purchaser of the Lot or Lots so served.

(h) Purchaser(s) are responsible for all damage done to roads or driveways by the purchaser, builders, subcontractors, and those working for purchaser while in transit or by constructing houses or dwellings on any individual Lot. Normal wear and tear of streets and roads is excepted. No use of the property covered hereby shall generate traffic in such quantity as to be objectionable or unusually obstructive to resident circulation.

(i) The Declarant or the Board, after such time as the initial construction plan is approved and construction in accordance therewith is complete, may grant reasonable variances or adjustments from the provisions in this Declaration where literal application thereof results in unnecessary hardship and if the granting thereof will not be materially detrimental or injurious to Owners of other Lots.

(j) Each Lot shall be served by a common water system or private well as determined by Declarant. Each purchaser of a Lot served by the common water system shall pay a water connection fee as specified in the Sales Contract and the Owner of the Lot and each subsequent Owner thereof shall pay a reasonable monthly charge for water service as determined by Declarant. Water provided shall be for household use only and Declarant may restrict water usage during periods of drought.

Article XI Additional Memberships

The Association is hereby authorized to extend rights of use and enjoyment over, to, and in the Common Area to persons who are not members of the Association. Each member of the Association, by acceptance of a deed to an interest in the

Subdivision qualifying such member for membership does hereby consent to the provision hereof. As a condition precedent to the extension of such rights of use and enjoyment, the Association shall establish a reasonable fee to be paid by the recipient of such right, which fee shall be equally assessed among all recipients of such rights, regardless of whether the recipient is the beneficiary of the easement rights as may exist pursuant to Article II, Section 1(e), of this Declaration. Use rights hereunder shall be extended, in return for the established fee, to all members of the recipient's household, living with such recipient on a full-time basis, including student children under the age of twenty-one (21). Despite anything herein provided, the Association shall have no right to assess the fee herein contemplated against the Declarant, any Builder/Owner, or any successor of the Declarant who comes to stand in the same relation to the Subdivision as does the Declarant. Any fee so established shall, so long as Declarant owns any interest in the Subdivision or has any right to annex the Additional Property to the Subdivision pursuant to Article VI hereof, be approved in writing by the Declarant prior to it being effective. Rights extended hereunder shall be on an annual basis subject to the possibility of removal. This provision shall in no way be construed to extinguish the easement rights as existing in accordance with Article II, Section 1(e), of this Declaration, but rather shall be and is intended hereby to be a power created in the Association to further extend rights of use in the common area as provided herein and if the beneficiary of such action is also the beneficiary of the easement as provided for in Article II, Section 1(c), to assess pursuant to the terms hereof.

Article XII
Enforcement

In addition to, and not cumulative of, all other provisions hereof, enforcement of the Covenants, Conditions and Restrictions contained herein and of any other provisions hereof may be effected by either any Lot owner, the Association, or the Declarant, at the election of the party seeking enforcement thereof, by:

- (a) Proceedings at law against any person or persons violating or attempting to violate such Covenants, Restrictions or Provisions; or
- (b) Injunction or restraining order in equity to enforce compliance herewith; or
- (c) Suit for damages; or
- (d) By an appropriate proceeding at law or in equity against the land or the owner or occupant thereof to enforce any lien, charge or obligation arising by virtue thereof.

The failure of Declarant, the Association, or any Owner to enforce any of said Covenants, Conditions and Restrictions when, in its reasonable opinion, such waiver or variance will not be detrimental to the development of the Property as a high quality residential development, shall in no event be deemed a waiver of its rights to enforce said Covenants, Conditions and Restrictions thereafter. All remedies provided in this instrument, or at law or in equity, shall be cumulative and not exclusive.

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 25th day of August, 1988.

VISTA VIEW DEVELOPMENT CORP.
a New York corporation (SEAL)

BY: Walter A. Beute
WALTER A. BEUTE, pursuant to Power of Attorney dated July 23, 1988, recorded in Deed Book 151, Page 232, Office of Clerk, Superior Court, White County, Georgia.

Signed, sealed, and delivered this 25 day of August, 1988, in the presence of:

Robert A. Samuel
WITNESS

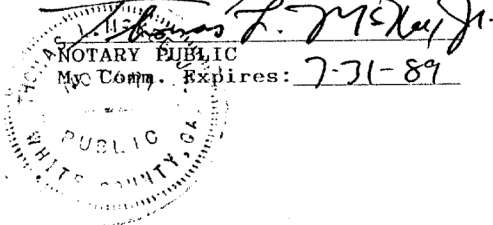


EXHIBIT "A"

All that tract or parcel of land lying and being in Land Lots 139 and 150 of the 3rd Land District of White County, Georgia, containing 77.60 acres, more or less, and being all the property within the bounds of a plat of survey for Vista View, prepared by Albert M. Wynn, Jr., Georgia Registered Land Surveyor #2178, recorded in Plat Book 19, Page 146, Office of Clerk, Superior Court, White County, Georgia.

ALSO CONVEYED is a 60 foot wide easement for ingress and egress from Duncan Bridge Road to said tract, said easement being over and across the following two Tracts:

TRACT I: All that tract or parcel of land lying and being in Land Lot 151 of the 3rd Land District of White County, Georgia, containing 0.89 acres, more or less, designated as Tract II on a map prepared for Jerrell Crocker, by Hubert Lovell, Georgia Registered Surveyor #1553, dated December 29, 1987, recorded in Plat Book 23, Page 143, Office of Clerk, Superior Court, White County, Georgia.

TRACT II: All that tract or parcel of land lying and being in Land Lot 150 of the 3rd Land District of White County, Georgia, containing 2.63 acres, more or less, and shown on a map prepared for Jack Abernathy by Hubert Lovell, Georgia Registered Surveyor #1553, dated November 12, 1989, recorded in Plat Book 23, Page 145, Office of Clerk, Superior Court, White County, Georgia.

Said easement shall be a covenant running with the land and shall not be defeated for lack of use or maintenance.

EXHIBIT "B"

All that tract or parcel of land lying and being in Land Lots 139, 149 and 150, of the 3rd Land District of White County, Georgia, and being more particularly described as follows:

BEGIN at a planted stone at the corner common to Land Lots 150, 149, 172 and 171, said District and County; thence along the land lot line common to Land Lots 150 and 171, said District and County, N 89 degrees 01' W 1660.2 feet to an iron pin; thence N 89 degrees 00' W 114.6 feet to an iron pin; thence N 01 degrees 58' E 351.5 feet to an iron pin; thence N 01 degrees 58' E 246.1 feet to an iron pin; thence N 01 degrees 58' E 234.4 feet to an iron pin; thence N 89 degrees 00' W 185.9 feet to an iron pin; thence N 01 degrees 58' E 1125.4 feet to a marked oak; thence N 01 degrees 58' E 341.0 feet to an iron pin in the center of an old road; thence along the center of said old road the following courses and distances: N 78 degrees 30' E 131.1 feet to an iron pin; N 58 degrees 48' E 98.5 feet to an iron pin; N 17 degrees 41' W 128.8 feet to an iron pin; N 23 degrees 47' W 162.9 feet to an iron pin; N 32 degrees 01' W 223.9 feet to an iron pin; N 39 degrees 01' W 131.2 feet to an iron pin; thence N 31 degrees 27' W 115.5 feet to an iron pin; thence N 45 degrees 52' W 162.1 feet to an iron pin; thence N 45 degrees 52' W 15.0 feet to a point in the center of a creek; thence along the centerline of said creek the following courses and distances: N 28 degrees 50' E 37.7 feet; N 70 degrees 38' E 28.9 feet; N 06 degrees 50' E 67.4 feet; N 39 degrees 39' E 13.9 feet; N 77 degrees 28' E 18.6 feet; N 61 degrees 37' E 89.0 feet; N 63 degrees 57' E 94.1 feet; N 79 degrees 26' E 50.0 feet; S 58 degrees 57' E 50.4 feet; N 88 degrees 07' E 212.4 feet; S 75 degrees 30' E 23.9 feet; S 08 degrees 35' E 27.9 feet; S 67 degrees 42' E 76.7 feet; N 74 degrees 01' E 14.5 feet; S 73 degrees 57' E 83.5 feet; N 76 degrees 00' E 60.6 feet; N 37 degrees 30' E 28.3 feet; N 86 degrees 24' E 26.5 feet; thence N 19 degrees 25' E 11.7 feet to an iron pin and stone; thence N 19 degrees 25' E 602.2 feet to an iron pin and stone; thence S 84 degrees 22' E 535.6 feet to an iron pin; S 00 degrees 12' E 219.0 feet to an iron pin; thence N 89 degrees 45' E 592.1 feet to an iron pin and stone; thence S 00 degrees 21' W 986.2 feet to an iron pin; thence S 01 degrees 33' E 727.6 feet to an iron pin; thence S 01 degrees 35' E 619.5 feet to a planted stone; thence S 87 degrees 29' E 193.7 feet to a 30 inch oak (X); thence S 00 degrees 59' W 609.7 feet to an iron pin; thence N 89 degrees 48' W 187.7 feet to an iron pin; thence S 00 degrees 17' W 753.8 feet to a planted stone at a corner common to Land Lots 150, 149, 172 and 171, said District and County and the POINT OF BEGINNING. Said tract contains 159.92 acres, more or less, all in accordance with a Map prepared for Jack Abernathy, by Hubert Lovell, Georgia Registered Surveyor #1553, dated May 29, 1987, recorded in Plat Book 19, Page 112, Office of Clerk, Superior Court, White County, Georgia.

This conveyance carries with it an easement of ingress

and egress to subject property along and through a gravel road passing through the property, now or formerly, of Mr. and Mrs. C. H. Stinson and approaching subject property at its southeastern corner, and is generally shown on the above referenced map.

LESS AND EXCEPT all that tract or parcel of land lying and being in Land Lots 139 and 150 of the 3rd Land District of White County, Georgia, containing 77.60 acres, more or less, and being all the property within the bounds of a plat of survey for Vista View, prepared by Albert M. Wynn, Jr., Georgia Registered Land Surveyor #2178, recorded in Plat Book 19, Page 146, Office of Clerk, Superior Court, White County, Georgia.

ALSO CONVEYED is a 60 foot wide easement for ingress and egress from Duncan Bridge Road to said tract, said easement being over and across the following two Tracts:

TRACT I: All that tract or parcel of land lying and being in Land Lot 151 of the 3rd Land District of White County, Georgia, containing 0.89 acres, more or less, designated as Tract II on a map prepared for Jerrell Crocker, by Hubert Lovell, Georgia Registered Surveyor #1553, dated December 29, 1987, recorded in Plat Book 23, Page 143, Office of Clerk, Superior Court, White County, Georgia.

TRACT II: All that tract or parcel of land lying and being in Land Lot 150 of the 3rd Land District of White County, Georgia, containing 2.63 acres, more or less, and shown on a map prepared for Jack Abernathy by Hubert Lovell, Georgia Registered Surveyor #1553, dated November 12, 1989, recorded in Plat Book 23, Page 145, Office of Clerk, Superior Court, White County, Georgia.

Said easement shall be a covenant running with the land and shall not be defeated for lack of use or maintenance.

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Georgia, White County
 Filed 13 day of Sept 1988 JP
11:30 o'clock AM
 Recorded in book 159
 Page 20-50 date 9-12-88
Carol Jackson
 Clerk