

Stone Creek Property Owners Manual

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I.

INTRODUCTION

Let us first take this opportunity to express our gratitude that you have chosen Stone Creek as your place to live. We are pleased with the continued success that the community enjoys and realize that this comes from people like you.

The purpose of this book is to answer many of the questions that you may have as residents. Not only will you find a copy of the Stone Creek protective covenants in this book, but you will also find written policies and procedures that have been adopted by The Stone Creek Property Owners Association. Architectural review forms found within may be copied and submitted to the New Construction Review Board when seeking approval for house plans or other improvements upon your property.

As Stone Creek continues to grow, new challenges and questions will be raised and it is likely that new policies and requirements will be implemented. We ask that you carefully review the Stone Creek newsletter and other correspondence that comes to you in the future.

Again, we appreciate the investment that you have made in Stone Creek and look forward to having you as neighbors.

Stone Creek Property Owners Manual

II.

MASTER

DECLARATION OF

COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

STONE CREEK

As Recorded in Lowndes County Deed Record (Book 914, PP 230-282)

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MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

STONE CREEK

This Declaration of Covenants, Conditions and Restrictions for Stone Creek is made this 27th day of August, 1992 by Tillman Development Corporation, a Georgia corporation (hereinafter referred to together with its 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 restrictions under a general plan of improvement and development for the benefit of all owners of property within Stone Creek. Declarant desires to provide a flexible and reasonable procedure for the overall development of the property and the interrelationships of the component associations and other areas, 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.

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 Stone Creek with residential, resort and other types of accommodations of different styles, designs, and construction. These may include, by way of example and not limitation, condominium units, townhouse dwellings, villas, garden homes, individually owned single family lots upon which accommodations may be built, residential, resort and other types of 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 the By-Laws recorded herewith set out the method of administration for the Stone Creek community.

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 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 inure to the benefit of each owner thereof.

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ARTICLE I

DEFINITIONS

Section 1. “Additional Property” shall mean all that property described in Exhibit “B,” attached hereto and any property as may be adjacent to or contiguous with the Exhibit “B” Property (or property made a part of Stone Creek), which may be added to the Stone Creek community in accordance with the terms of Article VI of this Declaration. Property shall be deemed to be adjacent to or contiguous with the Exhibit “B” Property (or property made a part of Stone Creek) if it physically connects to such property, at any point, or if it is separated only by a road, public or private, or water course, including any river, creek or lake.

Section 2. “Association” shall mean and refer to the Stone Creek Property Owners Association, Inc., a Georgia Nonprofit Corporation, 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 and is designated, in writing, as a Builder/Owner by Declarant.

Section 5. “Commercial Space” shall mean any property which may be designated by the Declarant for use for commercial purposes, including, but not limited to utility service structures, administrative offices of the Declarant and the Association, and the Golf Course, Country Club which may include the Clubhouse, Health Club, Villas and maintenance facilities. In the sole discretion of Declarant, Declarant may submit Commercial Space to all or some of the provisions of this Declaration by a Supplemental Declaration or by amendment, and Declarant hereby expressly reserves the right and option, but not the obligation, to submit such Commercial Space to all, any part or a part of the provisions of this Declaration and until so submitted, the Commercial Space shall not be subject to the provisions hereof. The reservation of this right and option shall include, but not be limited to, the Declarant’s reserved right for so long as the Class “B” member shall exist to grant easements, rights of ingress and egress, use rights, and other similar rights of Owners over and to any of the Common Area or other Properties to the Owners of the Commercial Space, whether subjected to this Declaration or not, their business invitees and Declarant’s assigns. By exercise of this right and option, Declarant may give Owners of Commercial Space and their business invitees the same rights given to Owners within the Stone Creek community under this Declaration. Commercial Space made a part of Stone Creek shall be in the sole discretion of Declarant aesthetically compatible with the overall construction of the community. Notwithstanding the foregoing, those reserved easements as herein exist for the benefit of Commercial Space are hereby established as of the date of recording of this Declaration and are acknowledged as existing.

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Section 6. “Common Area” shall mean all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners or owned by Declarant and made exclusively available for use and enjoyment of the Owners. The Common Area shall not include the Golf Course, Country Club unless the Declarant expressly and in writing so designates and submits the same, in writing, to the terms hereof. The Common Area shall include, but not be limited to the lakes, roads, entranceways, drainage easements, and wetland areas under preservation covenant.

Section 7. “Common Expenses” shall mean and include the actual and estimated expenses of operating the Association and the Stone Creek community, 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 8. “Golf Course, Country Club” shall mean and refer to the property on which Declarant develops the golf course located in the vicinity of the Properties and which is known or to be known as the Stone Creek Golf and Country Club and any related facilities, including any clubhouse, golf driving range, putting green, golf cart paths, tennis courts, swimming pool, tennis and golf pro shop, locker room facility, food and beverage facilities, or related facilities. No Owner, or other person, nor the Association, shall have any rights in and to, or obligations with respect to the Golf Course, Country Club except as expressly and specifically provided herein.

Section 9. “Lot” shall mean a platted portion of the Properties, other than the Common Area, intended for independent use or ownership. Lots shall be shown on the plats of survey filed with this Declaration or amendments thereto or may be further described in any other Declaration or Supplemental 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 condominium unit, a cooperative apartment, a designated portion of the Properties on which a commercial building is developed, and a designated portion of the Properties intended for use and occupancy by a single household which is not included in a condominium regime (i.e. a villa, garden home or similar accommodation) but shall not include an individual fragmented ownership interest of any accommodation.

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 deed to secure debt, deed of trust, as well as a mortgage, and a “first mortgage” is a first priority deed to secure debt, deed of trust or mortgage.

Section 12. “Mortgagee” shall include a beneficiary or holder of a deed to secure debt, deed of trust, as well as a mortgage. A “first mortgagee” is the holder of a first priority deed to secure debt, deed of trust or mortgage on a Lot or Residential Unit.

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Section 13. “Mortgagor” shall include the grantor of a deed to secure debt, deed of trust, as well as a mortgage.

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. For the purpose of this definition, the Owner of a Lot on which Commercial Space made a part of Stone Creek exists shall be the record owner, whether one or more persons or entities, of the Commercial Space. The Owners of the Lot on which a cooperative, if any, is located shall be the cooperative shareholders whose interests shall be allocable as their leasehold interest might otherwise be allocable.

Section 15. “Parcel” shall mean and refer to designated subdivisions of property subject to this Declaration and comprised of one or more Lots. In the absence of a specific designation of separate Parcel status, all property within a Phase shall be considered a part of the same Parcel; provided, however, the Declarant may designate so long as Declarant owns a Lot in Stone Creek by certification recorded in the land records of Lowndes County, Georgia, that such property shall constitute a separate Parcel or Parcels and, provided further, a Parcel may include more than one Phase if so designated by Declarant. A Parcel may be smaller or larger or coterminous with any and all Phases and a Parcel may be established to include only interior Lots, lakefront Lots, Golf Course, Country Club Lots, or other Lots similarly situated to each other; provided that this shall not be a limitation in the creation of a Parcel but rather an example thereof.

Section 16. “Parcel Assessments” shall mean assessments for common expenses provided for herein or by any Supplemental Declaration or amendment which are used for the purposes of promoting the recreation, healthy, safety, welfare, common benefit, and enjoyment of the Owners within a specific Parcel, including, but not limited to, the maintenance of property within a given Parcel.

Section 17. “Person” means a natural person, a corporation, a partnership, trustee, or other legal entity.

Section 18. “Phase” shall mean the increments of Property (1) described in Exhibit “A” or (2) subjected to this Declaration by any amendments or Supplemental Declarations, each such described property being a separate Phase.

Section 19. “Properties” shall mean and refer to the real property described in Exhibit “A” attached hereto and shall further refer to such Additional Property or part thereof when and if such is annexed by amendment or Supplemental Declaration to this Declaration. Properties shall also include such real property as might be owned in fee simple by the Association.

Section 20. “Residential Unit” shall mean any portion of the Properties intended for use and occupancy as a residence or accommodation by a single household and shall,

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unless otherwise specified, include within its meaning (by way of illustration, but not limitation) single family detached houses, single family attached homes, such as town-homes, villas, condominium units, garden homes, cooperative units, and patio or zero lot line homes, as may be developed or used on the Properties. The term "Residential Unit" shall not include any Commercial Space, which might be subject to all or part of this Declaration, unless otherwise designated by Declarant or for the purpose provided in Article VII, Section. 1. For the purposes of this Declaration, a newly constructed Residential Unit shall come into existence when substantially complete.

Section 21. "Modifications Committee" shall mean that certain committee of the Association as empowered in accordance with Article VIII, Section 2, hereof.

Section 22. "New Construction Review Board" shall mean that certain board as empowered in accordance with Article VIII, Section 1, hereof.

ARTICLE II

PROPERTY RIGHTS

Section 1. General. Every Owner and every Owner of Commercial Space, 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. Such right and easement may be exercised by the Owner and Owner of the Commercial Space, as the case may be, and the members of the Owner's family and his or her tenants, licensees and invitees, subject to such reasonable 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 or Commercial Space subject to the following reservations, rights and provisions:

(a) the right of the Association to suspend an Owner's or a Commercial Space Owner's voting rights, if any, and right to use the facilities as may be located on the Common Area for any period during which any assessment, if any, of the Association or such other association as may be made a part of the Properties against said Owner's or Commercial Space Owner's property 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, to dedicate, transfer, or grant permits, licenses, or 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 Stone Creek community, the Additional Property, or the Properties or any portions thereof;

(c) the perpetual, alienable and transferable easement and right reserved to the

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benefit of Declarant and its successors and assigns including Builder Owners to enter and travel upon, over, and across the Common Area for the purpose of completion and repair of improvements, including Residential Units and the Golf Course, Country Club, within the Properties or Additional Property and for all reasonable purposes to further assist and enhance the marketing of property, Lots, or Residential Units located or to be located on the Properties or Additional Property, together with the easement in and to the Common Area for the maintenance of signs, sales offices, construction offices, business offices, and model Residential Units, together with such other facilities as in the sole opinion of the Declarant may be reasonable required, convenient or incidental to the completion, improvement and/or sale of Lots, Residential Units, or the Additional Property, so long as Declarant owns any Lot or Residential Unit primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Property.

(d) the perpetual, alienable and transferable easement and right reserved to the benefit of Declarant and its successors and assigns in interest to the Golf Course, Country Club for the benefit of the Golf Course, Country Club property to enter and travel upon, over, and across the Common Area for the purpose of ingress and egress to the Golf Course, Country Club for all purposes as might accommodate use of the Golf Course, Country Club by the Declarant and its lawful successors and assigns and for the express purpose of the construction and repair of the Golf Course, Country Club, and for all reasonable purposes related thereto to further assist and enhance the development and operation of the Golf Course, Country Club;

(e) the perpetual, alienable and transferable easement and right reserved to the benefit of Declarant, invitees and guests of Declarant, the Golf Course, Country Club as formed or as may be formed by the Declarant or its lawful successors and assigns in respect thereto, such Golf Course, Country Club's invitees and guests, and any then current members of any such Golf Course, Country Club, present and future, to enter and travel upon, over, and across the Common Area for the purpose of accommodating the use and enjoyment of the Golf Course, Country Club;

(f) the perpetual, alienable and transferable easement and right reserved to the benefit of Declarant and its invitees and guests the Golf Course, Country Club, its invitees and guests, and the then current members of the Golf Course, Country Club, present and future, for the use of pedestrian travel and for the travel and access by golf carts and for the continued placement of golf cart pathways located on such portions of the Common Area as thereon located and which serve the Golf Course, Country Club in its operation as a Golf Course, Country Club, and with facilities related to the playing of golf;

(g) the perpetual, alienable and transferable right and easement reserved to the benefit of Declarant and its successors and assigns in interest to the Golf Course, Country Club, to use and enjoy any waterways, including lakes or ponds as might exist on the Common Area for the purpose of irrigation of the Golf Course, Country Club, whether such is developed fully or not;

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(h) the perpetual alienable and transferable right and easement reserved to the benefit of the Declarant in over and across the Common Area to construct thereon lakes or ponds, such easement and right to include by way of example and not limitation, dredging of areas within the Common Area for the creation of such lakes or ponds, and the drainage and discharge of surface waters onto and across the Common Area to the objective of creating such lakes or ponds. Any such lakes or ponds or water courses created by the Declarant pursuant to the terms of this easement shall be deemed a lake, pond or water course pursuant to the terms of this Declaration. The creation of any lake or pond pursuant to the terms of this easement shall not alter the boundaries as might exist between any and all Lots and the Common Area as otherwise might exist prior to the construction and improvement of the Common Area with such lakes or ponds;

(i) the perpetual, alienable and transferable right and easement reserved to the benefit of the Declarant and its successors and assigns in interest in over and across the Common Area for the purpose of drilling wells for water and for the purpose of extracting water therefrom from active water wells as might exist on the Common Area at any time, whether such wells exist prior to the date of the recordation of this Declaration or thereafter provided that such wells shall be limited to the benefit of the Stone Creek Community, the Additional Property, the Golf Course, Country Club or the Properties or any portions thereof.

Section 2. Owner's Right to Ingress, Egress, Use and Support. Every Owner and every Owner of Commercial Space, if any, (and their business invitees) shall have the right of ingress and egress over, upon, and across the Common Area necessary for access to his or her Lot or Residential Unit and shall furthermore have the right and easement of use and enjoyment of the Common Area and the right to lateral support. Such rights shall be appurtenant to and pass with the title to each Lot or Residential Unit and shall be subject to the terms of this Declaration.

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, reconstruction, repair, shifting, settlement, or movement of 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, to an extent greater than five (5) feet, no such easement shall exist.

Section 4. Use of Common Area. Other than for the right of ingress and egress and the normal intended use as interpreted by the Declarant, the Owners are hereby prohibited and restricted from using any of the Common Area 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 Supplemental 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 without prior approval of the Board of Directors of the

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Association, and no fences, hedges, or walls shall be erected or maintained upon the Common Area, except as are installed by Declarant or a Builder/Owner in accordance with the 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 all Owners and is necessary for the protection of said Owners.

Section 5. Acknowledgment of Rights of Use. Each Owner, each Owner of Commercial Space, if any, and each member of the Association, by acceptance of a deed or contract for deed to any Lot or Residential Unit in Stone Creek, is deemed to accept the reservations, rights of 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, privileges, or licenses existing in Declarant, its successors and assigns, the members or users of the Stone Creek Golf and Country Club, the Golf Course, Country Club property owner, or invitees or guests of Declarant or such Golf Course, Country Club. Furthermore, no rule or regulation shall affect or treat Declarant, its successors and assigns, the members or users of the Stone Creek Golf and Country Club, the Golf Course, Country Club itself, or the invitees of Declarant or such Golf Course, Country Club in a manner differently than the Association's rules may affect or treat its Class "A" members. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Owners, the Declarant, and the Stone Creek Golf and Country Club prior to the rules and regulations effective date. Such rules and regulations shall be binding upon the Owners and users, their families, tenants, guests, invitees, and agents, until and unless such rule, regulation, or requirement is specifically overruled, canceled, 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 regulations, 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 and regulations, as well as to proceed judicially to enjoin and abate violations of such rules and regulations as if such rules and regulations 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 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 upon or sale of any of the Property or Addi-

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tional Property, including, without limitation, business offices, signs, model homes, and sales offices, so long as construction on or offering for sale by Declarant or a Builder/Owner of all or any portion of the Properties or Additional Property, including Lots and Residential Units, continues. The right to maintain and carry on such facilities and activities shall include specifically the right to use Lots and Residential Units 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. Furthermore, Declarant reserves the right, during installation of streets or other facilities, as shown on any Subdivision Flat or plat of any Phase, to enter onto any Lot or Lots for the purpose of disposing of excavation, if necessary, provided that such Lot or Lots have not been conveyed to and/or contracted for or by any other Owner or Owners.

Section 9. No Partition.

(a) 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.

(b) Notwithstanding the provisions of this Section or the contents of this Declaration, otherwise, the Board of Directors of the Association is expressly permitted (but not required) to authorize the construction of recreational amenities, including but not limited to swimming pools, tennis courts, or related facilities thereto, for the benefit of some or all of the members of the Association who may request construction of such additional amenities and who, by written petition to the Board of Directors, designate what area of the Common Area is intended for such use and which members of the Association, if less than all members of the Association, shall be authorized to use such additional facility. Such petition shall include the agreement by the petitioning owners, and those who may be entitled to use such additional facilities, to be responsible for all expenses and to pay the costs thereof for all expenses associated with such additional facility to include by way of example and not limitation, all costs of construction, development, operation, upkeep, maintenance, insurance and taxes. Any such expenses and costs shall be deemed a specific assessment against the Lots and Owners thereof so petitioning and those entitled to use such additional facilities. Such specific assessment shall be chargeable and collectable as provided for in Article VII of this Declaration.

Section 10. Easements for Utilities, etc. There is hereby reserved to the Declarant for as long as Declarant's right to annex Additional Property exists and thereafter to the Association, the power to grant blanket easements, upon, across, over, and under all of the Property, including Lots, 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, tele-

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phones, gas, cable television, and electricity; provided this easement shall not authorize entry into or cause physical damage to any structure as might exist unless owned by Declarant if the Declarant is so acting or the Association if the Association is so acting. In furtherance of this easement, from and after such time as the Association is empowered as referred to herein, the Board shall, upon written request of Declarant, grant such easements as may be reasonably necessary for the development of any property described in Exhibit "A" or the Additional Property. In addition, Declarant reserves the easements and rights-of-way as shown on any Subdivision Flat or the Plat of any Phase or any of the Properties, including Lots, 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 relocate, make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements.

Section 11. Assignment of Declarant Rights. Declarant may assign its rights as Declarant to all or any portion of the Property or Additional Property to any party or parties who take title to all or any portion of the Property or Additional Property for the purpose of development and sale. Declarant, however, unless otherwise specifically assigned, shall, so long as it owns any interest in the Stone Creek community, retain all Class "B" votes despite any such transfer or assignment.

Section 12. Restrictions and Rights Relating to Golf Course, Country Club.

(a) **In General.** By execution and recordation of this Declaration, the Declarant does hereby reserve unto itself and its successors and assigns in interest to the Golf Course, Country Club the perpetual, alienable and transferable right to develop the Golf Course, Country Club, in any manner as might be determined by Declarant, including related facilities as may be designed and constructed in the discretion of the Declarant or its successors or assigns in interest to the Golf Course, Country Club. The Declarant, by execution hereof, does not commit to, promise or otherwise covenant the existence of such Golf Course, Country Club and hereby expressly, by recordation of this Declaration, declares that any such Golf Course, Country Club is solely proposed and not assured to exist.

(b) **Golf Play Easement.** Each Lot which abuts or otherwise is contiguous to the Golf Course, Country Club shall have reserved from the title thereof, by recordation of this Declaration, perpetual, alienable and transferable easements over, across and upon each such Lot to permit the doing of every act necessary and proper to the playing of golf on the Golf Course, Country Club, which easements are expressly hereby reserved and established. The acts regarding the playing of golf on the Golf Course, Country Club shall include, but not be limited to, the recovery of golf balls from any area on such Lots, the flight of golf balls over and upon such Lots, the use of necessary and usual equipment upon the Golf Course, Country Club, the usual and common noise level created by the playing of the game of golf, and the maintenance of any Golf Course, Country Club, together with all other common and usual activities associated

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therewith, and with all the normal and usual activities associated with the operation of a private Golf Course, Country Club. Nothing herein shall, however, relieve either the Owner or operator of any Golf Course, Country Club or any participant in the game of golf from liability, if any, for physical damage as might result to any improvements as might exist on such Lots as might abut or otherwise be contiguous or adjacent to the Golf Course, Country Club. Notwithstanding anything herein to the contrary, no fence or other object shall be constructed on any Lot which interferes with the easement rights herein contained.

(c) Landscape, etc. Easement. By recordation of this Declaration, Declarant does hereby reserve over, across and upon each and every Lot which abuts or is contiguous to or otherwise lies adjacent to the Golf Course, Country Club for the benefit of the Declarant and any Golf Course, Country Club as might be organized by the Declarant in respect to the operation of a Golf Course, Country Club, a thirty (30) foot perpetual, alienable and transferable easement as measured from the boundary line of each such Lot as separates such Lot from the Golf Course, Country Club to a line running parallel thereto and being located thirty (30) feet into the interior of each such Lot. Such easement shall be useable and enjoyable by the Declarant and the Golf Course, Country Club, together with their lawful successors and assigns in ownership or interest to the Golf Course, Country Club, for the purpose of operation and maintenance of the Golf Course, Country Club including, but not limited to, irrigation thereof, which easement specifically shall constitute a part of any Golf Course, Country Club. By way of example and not limitation, such easement shall be for the purpose of authorizing entry into any such portions of such Lots to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping shall include planting of grass, irrigation, fertilizer application, mowing and edging, and removal of any underbrush, trash, debris and trees. No planting or other use of this area, nor any improvement thereof, shall be permitted by the Owner of any such Lot as hereinabove referenced without the prior written consent of the Declarant and the Golf Course, Country Club as might be developed; provided, with the consent of the Declarant and the Golf Course, Country Club owner, an Owner of a Lot shall be permitted to install a septic tank and the apparatus necessary therefore beneath the surface of the ground within such aforementioned thirty (30) foot easement provided that such does not damage landscaping, grass or vegetation within such easement area or otherwise adversely affect the Golf Course, Country Club property. No trees, landscaping, or other plantings thereof may be removed from such easement area by the Owner of the Lots encumbered hereby. Owners of such Lots as might be encumbered by the easement referred to in this subparagraph may not grow nor permit to grow in the area of such Lots adjacent to the Golf Course, Country Club varieties of grass or other vegetation which, in the opinion of the Declarant or the Golf Course, Country Club may be inimical to golf course grasses or vegetation. Such restriction on the growing of grasses or other vegetation shall expressly apply to the thirty (30) foot easement area hereinabove referred to. In no event shall any Owner of a Lot encumbered hereby use the aforementioned easement area for storage of materials or equipment nor shall such Lot Owner or any occupant thereof commit the accumulation of garbage, trash or rubbish of any kind nor shall there be any burning of anything within such easement area unless permitted by the

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Declarant or by the Golf Course, Country Club and each such permission as might be granted shall expressly be deemed revocable at the option of Declarant or the aforementioned Golf Course, Country Club.

(d) Irrigation, etc. Easement. By recordation of this Declaration, Declarant does hereby reserve over, across and upon each and every Lot which abuts or is contiguous to or otherwise lies adjacent to the Golf Course, Country Club for the benefit of the Declarant and the owner, operator and users of the Stone Creek central sewer system (a central sewer system contemplated for use in the Stone Creek subdivision), a thirty (30) foot perpetual, alienable and transferable easement as measured from the boundary line of each such Lot as separates such Lot from the Golf Course, Country Club to a line running parallel thereto and being located thirty (30) feet into the interior of each such Lot. Such easement shall be usable and enjoyable by the Declarant and the owner or operator of the central sewer system and irrigation system, together with their lawful successors and assigns in ownership or interest thereto, for the purpose of installation, operation and maintenance of the sewer system and irrigation system. By way of example and not limitation, such easement shall be for the purpose of authorizing entry into any such portions of such Lots to install, operate and maintain the central sewer system and the irrigation system.

Section 13. No Vested Rights in Golf Course, Country Club. Notwithstanding anything to the contrary, neither ownership of a Lot nor the contract to acquire a Lot shall be deemed to include any rights or claims against the real property improvements now or hereafter might exist as the Golf Course, Country Club, and related golf facilities and amenities as might exist within the Golf Course, Country Club. Each Owner expressly acknowledges that the Golf Course, Country Club, as hereinabove referred to, may be developed and operated as a proprietary, privately owned facility owned or to be owned exclusively by the Declarant, or its successors and assigns in interest thereto, with no obligation to dispose, sell or refrain from the disposition or sale of such Golf Course, Country Club to anyone, including but not limited to any Lot Owner or to the Association or other organization or entity of which any Owner may now or hereafter be a member. Each Owner acknowledges that by acquiring title to any Lot, or by acquiring a membership in the Association, that such Owner does not acquire any vested right or easement, prescriptive or otherwise, to use the Golf Course, Country Club, or otherwise use the Golf Course, Country Club, in any manner nor does any Owner acquire any ownership or membership interest in any Golf Course, Country Club. Declarant's present intention, stated herein for information purposes only, and not as a warranty or representation of a future fact, is potentially to develop, own and operate either itself or through its chosen successors and assigns in interest, a Golf Course, Country Club. The Owners of Lots, by acceptance of a deed or interest therein, acknowledge that ownership of a Lot or interest in the Stone Creek Community contemplated under this Declaration does not entitle such Owner or the Association to any proprietary common membership or equitable interest in any Golf Course, Country Club, or facilities related to the playing of golf, within or related to the Golf Course, Country Club.

Section 14. Easements for Utilities, etc. Connection. It is hereby reserved to the

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Declarant and its successors and assigns in interest to the Golf Course, Country Club, the perpetual, alienable and transferable right and easement to connect to and otherwise enjoy any and all utility services as might exist within the Common Area for the benefit of the future development of the Golf Course, Country Club pursuant to the terms of this Declaration. There is hereby further reserved to the Declarant and its successors and assigns in interest to the Golf Course, Country Club, for the benefit of the Golf Course, Country Club, the right and easement across, over, under and upon the Common Area and those portions of Lots (excepting Residential Units) as might be reasonably necessary, for the installation, maintenance, repair, replacement and use of utility facilities and distribution lines, including without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines, and for the drainage and discharge of surface water onto and across the Properties, provided that such drainage and discharge shall not materially damage or affect any Lot or any Residential Units or improvements as might be located on any Lot from time to time and provided further that such easement shall expressly include the right of Declarant to attach to and otherwise enjoy such utility facilities and distribution lines including but not limited to drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and other utility systems as might exist in the Common Area and Lots (excluding within Residential Units), all for the benefit of the Golf Course, Country Club.

Section 15. Easement Encroachment Respecting Golf Course, Country Club. If any portion of improvements relating to a Golf Course, Country Club encroaches upon a Lot or on the Common Area as a result of construction, re-construction, repair, shifting, settlement or movement of any portion of such improvements, a valid perpetual easement for encroachment and for the maintenance of the same shall exist so long as the encroachment exists.

Section 16. Easement for Walks, Trails, Signs and Perimeter Walls. It is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over, and across (i) those strips of land ten (10) feet in width located along and adjacent to the exterior boundaries located adjacent to street and roads for all Lots, such strips to be bounded by such exterior boundaries adjacent to streets and roads and by lines in the interior of such Lots which are ten (10) feet from and parallel to such exterior boundaries, for the installation, maintenance, and use of sidewalks, traffic directional signs, and related improvements, provided that Declarant shall have no obligation to construct any such improvements. There is further reserved for the benefit of the Declarant, the Association, and their respective successor and assigns, the alienable, transferable and perpetual right and easement upon, over, and across those strips of land fifteen (15) feet in width located along those boundaries of all Lots that constitute part of the perimeter boundary of the Property, such easement to be for the purpose of constructing, installing, replacing, repairing and maintaining a perimeter wall or fence around the perimeter boundary of the Property, provided that Declarant nor the Association shall have any obligation to construct any such perimeter wall or fence.

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Section 17. Extension of Lot Facilities into Golf Course, Country Club. Subject to the express prior written approval of the Owner of the Golf Course, an Owner of a Golf Course Lot (as defined in any Supplemental Declaration) may extend sanitary sewer drainage fields and septic tank facilities related to such Lot to be extended under the surface of the Golf Course, Country Club property. No such extension shall be permitted unless by the owner of the Golf Course, Country Club property.

ARTICLE III

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Subject to Section 2 of this Article, every person who is the record Owner of a fee or undivided fee interest in any Lot or Commercial Space that is subject to this Declaration shall have a membership in the Association. The foregoing is not intended to include persons who had 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; provided, however, multiple use rights for multiple Owners shall exist subject, however, to the right of the Board of Directors to regulate and limit use by multiple Owners. In the case of any Commercial Space, including a rental or leasehold motel facility, all occupants shall have use and easement rights, while in occupancy, coextensive with Class "A" members. 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 three (3) classes of membership, Class "A", Class "B" and Class "C."

(a) **Class "A".** Class "A" members shall be all Owners, including Builder/Owners, with the exception of the Class "B" and "C" 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 advice, 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" and Class "C" votes. The Class "B" membership shall terminate upon the happening of the earlier of the following:

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

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

(iii) twenty (20) years following conveyance of the first Lot in Stone Creek 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.

(c) **Class "C"**. Class "C" members shall be the Owners of any Commercial Space (other than the Association) which may be subject to the terms of this Declaration. Class "C" members shall have such memberships, voting rights and additional rights as may be delineated in any Supplemental Declaration subjecting such space to this Declaration.

ARTICLE IV

ASSOCIATION POWERS AND RESPONSIBILITIES

A. In General.

Section 1. Common Area. The Association, subject to the rights of the Owners including Owners of Commercial Space, 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 and holders of easements herein provided for or contemplated.

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 Declarant and Association may, but shall not be required to, arrange as an Association expense with others to furnish trash collection, security, cable television, and other common services to each Lot, Residential Unit, or Commercial Space within Stone Creek.

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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 residential or commercial association, Parcel, or neighborhood within or adjacent to Stone Creek to provide services and/or perform services on behalf of such other association, Parcel, or neighborhood.

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 office and 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 streets, curbs, drainage, water or sewer systems, tennis courts, swimming pools, landscaping and other floral structures, and any other improvements situated upon the Common Area which are owned by the Association.

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

(a) All maintenance of Lots or Residential Units, unless specifically identified hereunder or in a Supplemental Declaration or other applicable Declaration of Covenants as being the responsibility of the Association or another party or entity, shall be the responsibility of the Owner of such Lot or Residential Unit.

(b) All maintenance of Commercial Space, if any, shall be the responsibility of the Owner of such Commercial Space unless identified in a Supplemental Declaration or

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other applicable Declaration of Covenants as being the responsibility of another party or entity.

(c) In the event the Board of Directors of the Association determines that (i) any Owner or Owner of Commercial Space 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, or an Owner of Commercial Space, subjected to this Declaration or his or her family, guests, lessees, or invitees, the Association, except in the event of an emergency situation, shall give the Owner or Owner of Commercial Space 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 Residential Unit, Lot, or Commercial Space, 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 or Owner of Commercial Space, subjected to this Declaration 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 or Commercial Space of such party.

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 One Million (\$1,000,000.00) Dollar each occurrence limit (combined single limit (C.S.L.) for bodily injury and property damage), Two Million (\$2,000,000.00) Dollar general aggregate, C.S.L., and Two Million (\$2,000,000.00) Dollar products/completed operations aggregate, C.S.L. 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. The Association may allocate equitably the payment of a reasonable insurance deductible between the Association and the Owners or Owners of Commercial Space, if any, affected by a casualty against which the Association is required to

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insure, provided, however, that the amount of deductible which can be allocated to any one Owner shall not exceed \$1,000.00 per casualty loss.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as Trustee, for the respective benefited 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 B + 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, that 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, Owners of Commercial Space, if any, 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 Lowndes 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) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

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

(iv) that no policy may be canceled, invalidated or suspended on account of any defect or of the conduct of any director, officer, or employee of the Association or its

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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, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds (provided that the Stone Creek community includes Lots upon which financing exists that is held or serviced by any financial agency, corporation, or secondary mortgage market enterprise which requires the maintenance of such fidelity bond) 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 if such bond is obtained. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled 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 reconstruction, or in the event no repair or reconstruction is made after making such settlement as is necessary and appropriate with the affected Owners or Owners and their mortgagee(s), as their interests may appear, shall be retained by and for the benefit of the Association. This is a covenant for the benefit of any mortgagee of any part of the Properties and may be enforced by such mortgagee.

(b) If it is determined, as provided for in Section 3 of this Article, that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, available 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 damaged or destroyed property.

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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 or to Commercial Space, each Owner of a Lot or Owner of Commercial Space covenants and agrees with all other Owners and Owners of Commercial Space and with the Association to carry all-risk casualty insurance in the event the Association does not carry blanket all-risk casualty insurance on improvements on Lots or the Commercial Space. Each Owner or Owner of Commercial Space, if any, further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of any structure located on a Lot or any Commercial Space, 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 any Residential Unit or Commercial Space structure 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

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obtained by an association of owners on his behalf.

D. Lake, Pond and Water Course Obligations and Easements.

Section 1. By the Association. Each lake, pond, or water course which is a part of the Common Area shall be maintained by the Association except as otherwise set forth herein. Such maintenance shall include, but not be limited to, the obligation of the Association to minimize weed or other aquatic growth within any lake, pond or water course located within the Common Area, prevent such lake, pond or water course from becoming polluted, and taking any and all actions necessary to effect compliance with environmental rules, regulations and procedures as from time to time promulgated or instituted by any governmental authority as well as implement any and all erosion control procedures and practices.

Section 2. Lot Easement in Relation to Lakes, Ponds and Water Courses. There is hereby reserved for the benefit of the Declarant, the Association, and the Owner of the Golf Course, Country Club together with their lawful agents, employees, successors and assigns, the perpetual, alienable and transferable right and easement to enter upon any unimproved portion of Lots which are located within thirty (30) feet from the water's edge of any lake, pond or other water course located on the Common Area for the purpose of mowing such area and keeping the same free and clear from unsightly growth and trash, as well as for the purpose of maintaining such lakes, ponds and water courses, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards including but not limited to the application of fertilizer, to the lake, pond, or water course and the removal of underbrush, stumps, trash or debris and trees as might otherwise be deemed by the Declarant, Association or Owner of the Golf Course, Country Club inimicable to the aesthetics or water quality of the lake, pond or other water course; provided, however, that no trees, underbrush, stumps, or other vegetation or natural portions of such area may be removed or otherwise altered if such are regulated by any state or federal agency or department including, but not limited, to the Georgia Department of Natural Resources, Environmental Protection Division and the United States Environmental Protection Agency, and United States Army Corp of Engineers.

Section 3. Reserved Easement in Declarant, Association and Owner of Golf Course, Country Club. Each lake, pond, or water course which is a part of the Common Area shall be subject to the reserved perpetual, alienable and transferable right and easement to the benefit of the Declarant, the Association, and the Owner of the Golf Course, Country Club for the use of the water as may exist within such lake, pond or water course for the purpose of irrigation of Properties as might be owned by Declarant, the Additional Property, the Common Area, and the Golf Course, Country Club. Each Owner of a Lot, other than a Declarant and the Association, shall be expressly prohibited from using the water as might exist within any lake, pond or water course located on the Common Area for any purpose, including irrigation, other than as might be expressly provided for within this Declaration.

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Section 4. Easement for Docking Privileges. There is hereby reserved, for the benefit of each Lot having one hundred (100) feet or more of contiguous lake frontage, the right to construct, keep and maintain a floating dock, pursuant to the terms of this Section, in, over, and across such lake upon which the lot abuts. Such dock shall, however, only be authorized pursuant to the limitations provided for in this Section. Each Owner of such a Lot which abuts a lake shall have the right to install one (1) dock in respect to the Lot which abuts such lake. Such dock shall be constructed by a contractor chosen and selected by the Owner constructing such dock, provided, however, that each dock shall be constructed in accordance with such specifications, architectural and community standards, guidelines, conditions and regulations as imposed thereon by the Board of Directors or New Construction Review Board respecting materials, height, dimensions, erosion control, and upkeep. The construction of such dock shall require the approval of the New Construction Review Board. No alterations, changes or modification to the dock as constructed shall be permitted unless agreed to by the Modifications Committee, pursuant to the terms of this Declaration and, so long as the Declarant has a right to annex Additional Property pursuant to the terms of this Declaration, by the Declarant. Each such consent, as required herein, to any modification alteration or change shall be in writing and requested pursuant to the terms of Article VIII, Section 2 hereof. Notwithstanding any other provision contained herein to the contrary each dock shall be subject to the following limitations:

1. Each such dock shall contain a walkway that rises and falls with the water level changes of the lake.

2. Each such dock shall only be constructed in accordance with any architectural and community standards established, adopted and amended, from time to time, by the New Construction Review Board and the design of each such dock shall be approved by the New Construction Review Board. Upon completion of construction, such dock shall comply with such architectural and community standards as adopted and approved by the New Construction Review Board and shall, also, comply with the approved plans therefore. If such does not comply with such New Construction Review Board architectural and community standards or approved plans, such dock shall be removed by the Owner or otherwise brought into compliance within the times required by the New Construction Review Board.

3. No modifications or variations to the approved plan or to the guidelines, conditions and regulations applicable to such dock shall be made by the Owner without the prior written consent of the Board of Directors of the Association. Plans and specifications for all docks must be approved in writing.

4. Each such dock shall not be larger than six (6) foot by twelve (12) foot and shall not extend into any lake more than nine (9) feet from the high water mark of the lake as such affects the respective Lot.

5. Each such dock shall be maintained by the Owner of the Lot for whose benefit the dock was constructed. Maintenance by such Owner shall be to the standards as

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might be required by the Board of Directors of the Association and, for so long as Declarant has a right to annex Additional Property, as might be required by the Declarant. In the event that an Owner fails to perform maintenance as might be satisfactory, in the reasonable discretion of the Board of Directors or the Declarant, for so long as Declarant has a right to annex Additional Property, then the Association shall perform such maintenance as might be required in respect to such dock. The Association shall be authorized to establish a specific assessment against each particular Lot to whose benefit the dock exists which specific assessment shall be treated as an assessment against a Lot pursuant to Article VII, Section 3(c) of this Declaration. The Association and Declarant are hereby granted and reserved a perpetual, alienable and transferable easement of access and ingress in and across each and every Lot for the purpose of performance of its maintenance rights in respect to any and all docks as set forth hereinabove and, further, is hereby granted and reserved an easement for the purpose of entry onto the dock as might exist to perform the maintenance responsibilities as set forth hereinabove.

6. No dock, at the surface floor level thereof, shall exceed two (2) feet above the high water level of any such pond, lake, or other water course.

7. Each such dock shall be wooden and may incorporate benches and structures thereon as may be approved by the New Construction Review Board.

8. Prior to construction of any dock, the respective Owner of the Lot to which such dock shall lie adjacent shall secure a revocable permit from the Association for the privilege of erecting and maintaining a dock, which permit shall be subject to the payment of an annual "dock permit fee" and which permit shall be renewable, on an annual basis, subject to the payment of such annual dock permit fee and the continued adherence by the Owner of the Lot to which such dock abuts to the standards set forth herein regarding the construction, upkeep and maintenance of such dock. In the event of failure to pay the annual dock permit fee or otherwise adhere to the provisions hereof concerning such dock, such permit may be terminated and the Association may remove such dock. Such dock shall, at all times, be in compliance with the rules and regulations that from time to time may be placed into effect by the Association or the Declarant, for so long as Declarant maintains any right to annex Additional Property. Upon securing a permit for the privilege of erecting a dock, the permittee agrees to obey any and all rules and regulations as may be adopted respecting use of the lake as then exist or as may be adopted thereafter.

9. Use of the lake and dock by any owner shall be at the owner's risk.

Section 5. Restriction on Use of Ponds, Lakes and Water Courses.

(a) There shall be no gas motored water craft or boats or any other gas or petroleum product powered water craft or boat permitted on any lake, pond or water course within the Common Area. Motorized water craft shall be limited to electric trolling motors only.

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(b) Notwithstanding any other provision contained herein to the contrary, any Owner who uses any lake, pond or water course whether such Owner maintains a dock or not, shall be limited in use to any such lake, pond, or water course for recreational purposes and such recreational purposes may be regulated by the rules and regulations as promulgated by the Association and the Declarant, for so long as the Declarant maintains a right to annex Additional Property.

(c) Any Lot or parcel of land which borders on any lake, pond or water course when transferred by deed of conveyance, of any nature whatsoever, shall only include such land as is within the description by metes and bounds of such Lot or other parcel of land and as shown on a recorded plat or described in the deed of conveyance into such Owner (which boundary is anticipated to be the high water mark of such lake, pond or water course) and the same shall not include the land and bed of water or any part thereof or the water above such land and bed.

(d) Nothing herein contained shall require the Association, the Declarant, or the Owner of the Golf Course, Country Club, or their lawful successors and assigns to maintain the water level of any lake, pond or water course at any certain level, nor are any of the foregoing parties bound to maintain any lake, pond or water course free from diminution or pollution except as to the extent that the Association is required to maintain the lake as aforesaid.

(e) There is hereby reserved for the benefit of the Declarant and the Owner of the Golf Course, Country Club, over, in and through any lake, pond, or water course the perpetual, transferable and alienable right and easement to construct boat houses, docks, marinas, boat slips and any other type of improvement or amenity, whether functional or aesthetic, into, on and across any lake, pond, or water course for the benefit of Declarant, the Association, its members and the Properties as might be owned by Declarant, including any and all of the Additional Property, and the Golf Course, Country Club.

(f) There is hereby reserved for the benefit of Declarant and the Owner of the Golf Course, Country Club, and their lawful successors in interest and assigns, the perpetual, exclusive, alienable and transferable right and easement to enter upon any lake, pond or water course for the retrieval of golf balls.

(g) In no event shall any Lot benefited from the right to construct a dock as aforesaid have more than one (1) dock in respect to such Lot. All docks as might be approved for the use of a Lot Owner shall be contiguous with the Lot benefited.

(h) Each Lot Owner, whether their Lot fronts or abuts on a lake, pond or water course within the Common Area or not, is expressly granted the privilege to fish in each lake, pond or water course which is a part of the Common Area under the following conditions:

(i) No fishing shall be permitted except by rod and reel, or pole, hook and line;

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(ii) Fishing shall not be permitted near spawning beds unless permitted by the Association; and

(iii) Fishing limits shall be those established by the laws of the State of Georgia.

(i) Access to any lake, pond or water course for purposes of recreational privileges and fishing rights as herein provided to each Owner shall not interfere with or otherwise trespass upon private property rights of Lot Owners, the Declarant or the Owner of the Golf Course, Country Club and access rights across any Lot or property owned by the Declarant, or the Golf Course, Country Club, for purposes of entry onto any lake, pond, or water course, are not to be implied under the terms hereof nor on any such rights expressly granted. Access to lakes for interior Lots shall only be across Common Area accessways as may be provided.

(j) The Association reserves the right to lower the water level of any lake, pond or water course, at any time, for any action deemed by the Association necessary including restocking of any such lake, pond, or water course or permitted irrigation.

(k) Any boats as used on any lake, pond or water course within the Property shall be occupied only by a Lot Owner or a member of his or her family together with one (1) guest and no other occupants of a boat, at the same time, shall be permitted. Each Lot Owner shall be permitted only one (1) boat in any lake, pond or watercourse at one time and any other boats as might be owned or under the control of such Lot Owner shall be stored out of sight from the lake, pond or water course or from any street within the Properties.

(l) No fishing shall be permitted on any portions of the lakes, ponds or water courses which abut any greens on the Golf Course, Country Club from and after the time that the first players of the day reach such green. All persons fishing in any lake, pond or water course shall yield at that time to the playing of golf and, at all times, any and all boats and persons fishing on the lake shall thereafter remain removed from in any way interfering with the playing of golf on the Golf Course, Country Club.

(m) No boat shall be permitted on the lake having a greater length than sixteen (16) feet or a greater width than four (4) feet.

(n) Any boats, boat covers, or any other items used in conjunction with the use of such boats, as are permitted herein, must be maintained in a neat and attractive condition and in accordance with rules and regulations as promulgated by the Association.

(o) Boat fishing in Hidden Lake, Hickory Head Lake, Lake Jeanette and Fawn Creek Lake shall be limited to Owners of Lots as abut such lakes. Members of the Association shall, however, be permitted to fish from any dams located on the Common Areas respecting these lakes and from any docks that may be constructed on the Common Area adjacent to these lakes; provided, that such activity, does not in any way, encroach onto any of the Lots within the Stone Creek Community or the property

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of the Golf Course, Country Club and, provided further, that such activity does not disturb the peace, quiet, safety, comfort or use and enjoyment of the occupants of the surrounding property, and the Golf Course, Country Club.

(p) All Lot Owners shall have boat access to Lake Neva and Lake Sara by way of their personal Lots or over the Common Area that might be reserved therefore.

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 of funds or remaining 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 twenty (20) years from the date this Declaration is recorded in the Lowndes County, Georgia, Official Records, to subject to the provisions of this Declaration and the jurisdiction of the Association, all or any portion of the Additional Property, whether in fee simple or leasehold, by filing in the Lowndes County, Georgia, Real Property Records, an amendment or Supplemental Declaration annexing such property. Such amendment to this Declaration or Supplemental Declaration shall not re-

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quire the vote of members. Any such annexation shall be effective upon the filing for record of such amendment or Supplemental Declaration, unless otherwise provided therein. Such amendment or Supplemental Declaration 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 one or more other persons the right, privilege, and option to annex the 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 Additional Property to which such right, privilege, and option is assigned; and provided, further, such assignment shall not remove Declarant's right, option and privilege to annex.

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 other than the Additional Property, and following the expiration of the right in this Article, Section 1, the Additional Property, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Lowndes County, Georgia, Official Records, a supplemental amendment in respect to the property being annexed. Any such supplemental 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" members of the Association, called for the purpose of determining whether additional property pursuant to this section 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.

Section 3. No Restrictions. The Additional Property, by initial recordation of this Declaration, is not restricted by the terms of such Declaration, in any manner other than for the express benefits as might be granted to the Additional Property under the terms of this Declaration. Following the date of initial recordation of this Declaration, the Declarant may, but shall not be required to, annex any portions of such Additional Property. This Declaration shall only be applicable, except for the benefits as might be expressly bestowed upon the Additional Property under the terms of this Declaration as initially recorded, to those portions of the Additional Property as expressly made subject hereto by the Declarant or its successor and assigns in interest to the Additional Property. Until such time as a portion of the Additional Property is made subject by express amendment to the terms of this Declaration, no other portion of the Additional Property shall be, by implication, innuendo, or otherwise, subject to the terms of this Declaration other than for the benefits as expressly might be bestowed upon the Additional Property under the terms of this Declaration. By way of example and not limitation, Declarant shall expressly reserve, until such time as the additional property has annexed to the terms of this Declaration, the rights to hunt and otherwise discharge firearms in any

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portion of such Additional Property which is not subject to the terms of this Declaration.

Section 4. No Antennas or Similar Equipment. No exterior television or radio receiver equipment or any antennas or satellite dishes shall be permitted on the exterior of any Residential Unit or on the Lot unless the same is not visible from the Street, any lake, the Golf Course, Country Club, the Additional Property, or by any adjoining property owner.

Section 5. Wetlands Preservation. Any area of the Properties which is designated as a wetlands by any state or governmental authority or pursuant to any federal or state statute, or any other area of the Properties which is designated as an area to be undisturbed or preserved in any particular, by any state or federal authority or pursuant to any state federal statute, rule or regulation, shall be left and continued in such condition as complies with the pre-existing condition and neither the Association or any Owner shall take any action contrary to such preserved status.

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, from and after the respective Commencement Date relating to a respective Lot, be levied against such Lots 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. The General Assessment levied against and payable by a Lot shall be determined by multiplying the established General Assessment rate times the number of Residential Units located on the Lot; provided, however, every Lot which is subject to assessment on which no Residential Unit exists (other than as otherwise herein provided), shall pay a General Assessment equal to an amount determined as if one (1) Residential Unit were located thereon. The Owner of Commercial Space subject to this Declaration, if any, shall pay a General Assessment equal to the General Assessment as might be applicable to a Lot containing one (1) Residential Unit for each two thousand (2000) square feet of Commercial Space. Despite anything contained herein to the contrary, the assessments against a respective Lot shall not commence until the Commencement Date as respects such Lot as set forth in Section 7 of this Article.

Section 2. Creation of Parcel Assessment. There are hereby created Parcel Assessments for Common Expenses as may from time to time be authorized by the Board of Directors. Parcel Assessments shall, from and after the respective Commencement Date relating to a respective Lot, be levied against such Lots within particular Parcels of the Properties for whose benefit expenses are incurred, such as maintaining and op-

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erating facilities and amenities within a Parcel reserved for use of the residents within that Parcel, expenses of enforcing all assessments, covenants, and conditions relating to a respective Parcel, and expenses determined by the Board to be for the benefit of a respective Parcel. Each Lot within a Parcel shall pay a Parcel Assessment computed in the same manner as such Lot pays a General Assessment. Parcel Assessments established in one Parcel do not need to be equal to Parcel Assessments established in another Parcel. Despite anything contained herein to the contrary, the assessments against a respective Lot shall not commence until the Commencement Date as respects such Lot as set forth in Section 7 of this Article.

Section 3. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Lot and each Owner of Commercial Space, if any, by acceptance of a deed or contract for 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, from and after the Commencement Date respecting such Lots:

- (a) annual assessments or charges, including General and Parcel Assessments;
- (b) special assessments, such assessments to be established and collected as hereinafter provided; and
- (c) specific assessments against any particular Lot or Residential Unit (or, if applicable, any Commercial Space) 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 and the costs and expenses as set forth in Article II, paragraph 9(b) hereof.

All such assessments, together with simple interest at the rate of eighteen percent (18%) per annum, costs 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 regardless of conveyance thereof. Each such assessment, together with interest, costs, late fees and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such Lot or Commercial Space at the time the assessment came due, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, any first mortgagee who obtains title to a Lot or Commercial Space pursuant to the remedies provided in the mortgage or foreclosure of the mortgage or deed in lieu of foreclosure will not be liable for such Lot's (or Commercial Space's) unpaid assessments which accrued prior to the acquisition of title to such Lot or Commercial Space by the mortgagee. 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 4. Computation of General and Parcel Assessments.

- (a) It shall be the duty of the Board at least forty-five (45) days prior to the com-