

Dutch Island Development

“General Declaration of Covenants and Restrictions”

INTRODUCTION

There are a total of 27 ‘distinct’ covenants governing the properties generally known as the Dutch Island Development (“Development”). Each of the separate documents specifies the covenants and restrictions for a specific phase of the “Development”, which are recorded in the courts of Chatham County, Georgia. A copy of the specific covenant for a homeowner’s property should be provided to them at the time of their ‘closing’ by either the closing attorney or the real estate agent involved. Copies of specific covenants can be obtained through the Office of the Clerk of the Superior Court of Chatham County, Georgia.

This document represents the basic stipulations within the 27 covenants, which are, for the most part, very similar and reflect the ‘rules and guidelines’ that are enforced through the Dutch Island Homeowners Association, Inc. (originally incorporated as the Dutch Island Residents Association, Inc.) as established in the specific covenants recorded. The format that will be used is the same format as used on each specific Declaration of Covenants and Restrictions. The segments of the covenants generally follow the pattern displayed below:

- Witnesseth (Declaration by the corporations establishing the covenants.)
- General Application of Declaration (Statement as to whom covenant applies.)
- Reservations (Rights and privileges retained by the developers.)
- Easements (Basic perpetual easement restrictions against properties.)
- Use of Land (Guidelines on what can be done with an owner’s property.)
- Nuisances (Restrictions on items that can be placed on an owner’s property.)
- Dutch Island Resident’s Association, Inc. [known presently as the ‘Dutch Island Homeowners Association, Inc.’] (A detailed guideline for the establishment of the Island’s property owners association --- The association was established by the developers as their “successor” ---- includes procedures for collecting assessments for the maintenance, protection and development of the properties placed under the care of the Association)
- Water, Sewer and Garbage Collection
- General Provisions (Pertains to the covenants themselves.)
- Companies Limitations (Precludes restrictions on the property developers.)

An outline of the differences in the covenants is also provided in a file at this website entitled “Dutch Island Covenants by Phases”. Also included in the documents provided on the website are maps of the Island so that you can locate your property and establish the phase of development within which your property is established. You will need to know the property’s lot number, which can be found in the legal description of your property on your purchase documents. The maps can be found in the file entitled “Master Plan Infrastructure and Asphalt Resurfacing“.

**GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS
(GRIMBALL'S POINT / GNANN HAMMOCK / DUTCH ISLAND)**

This declaration, made this {a specific date is recorded for each of the 27 covenants}, by {specific corporations are listed on each specific covenant}, all Georgia corporations (hereinafter referred to as the COMPANIES).

WITNESSETH

The COMPANIES {each specific sub-division will also list their specific corporation names}, hereby declare that they have imposed and established the following restrictions, conditions, limitations, easements, rights, and privileges in respect thereto and to the use thereof, and have made the following reservations in the lots, areas, and streets shown on said plat of the DUTCH ISLAND DEVELOPMENT, located at {each covenant's subdivision is defined at this point in the covenant}, the plat of said subdivision being recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia, in Subdivision Plat {specific Book and Folios are specified at this point in each specific covenant}.

I – GENERAL APPLICATION OF DECLARATION:

The restrictions, conditions, limitations, easements, rights, privileges, reservations, and zoning ordinances of Chatham County, Georgia, as modified, shall apply to the various lots, areas, and streets (shown on the plat of the DUTCH ISLAND DEVELOPMENT, know as {each specific sub-division will reflect their sub-divisions identity}), as herein set out, but shall not apply to any future extensions of said DUTCH ISLAND DEVELOPMENT unless specifically imposed by one or more of the COMPANIES. Such restrictions, conditions, limitations, easements, rights, privileges, and reservations shall apply just as if they were fully set out in each conveyance from any of the COMPANIES hereinbefore named to any person, firm, or corporation conveying any of said lots, areas, or streets; and the COMPANIES agree and bind themselves to make all conveyances of land in said DUTCH ISLAND DEVELOPMENT, as shown on the aforesaid recorded plat, and all contracts of sale or contracts of conveyances of land in said DUTCH ISLAND DEVELOPMENT, as shown on that plat, subject to said restrictions, conditions, limitations, easements, rights, privileges, and reservations. It is specifically understood that these restrictions apply only to the lots, areas, and streets shown on the recorded plat of {here will be reflected the property location as a subdivision of Grimbball's Point, Gnann Hammock and/or Dutch Island}. These restrictions do not apply to the use of areas now designated or designated at some future date by the COMPANIES, whether appearing on the plat or not, for storage of maintenance equipment, quarters for watchmen, or gate houses, including gates, and recreational areas, and the COMPANIES expressly reserve unto themselves the right to designate any lot or area for the aforesaid purpose.

II – RESERVATIONS:

1. The COMPANIES reserve the right to extend said DUTCH ISLAND DEVELOPMENT to any and all adjacent and contiguous property owned or hereafter acquired by them, and to alter any unsold lot shown on said plat or any portion of the plat covering unsold property, including the additions or eliminations of streets, lanes, and easements.
2. All streets designated on the plat, if there be any, as “Private Ways” shall be private access roads for the exclusive use of abutting property owners, authorized government agents and agencies, and such others as may be authorized by one or more of the COMPANIES from time to time. This provision is not to be construed as an obligation on the part of the COMPANIES to designate such “Private Ways”. The owners of property abutting on such “Private Ways” shall be liable for their proportionate share of the cost of their maintenance. All such liability shall cease at such time as the COMPANIES and the Commissioners of Roads and Revenue of Chatham County, Georgia (and/or their successors), should decide that such streets should be dedicated as public streets in whole or in part. The COMPANIES agree to maintain all other streets that are for use by the residents for a period of three years after the streets are opened. Thereafter, the abutting land owners shall be responsible for repairing and maintaining the said streets.
3. The COMPANIES reserve the sole right to amend, add to, or delete these conditions, restrictions, and limitations and any others which may be later established, and which shall be incorporated by law or by reference in deeds or contracts for deeds for any and all lots in the DUTCH ISLAND DEVELOPMENT, which shall include GRIMBALL’S POINT, GNANN HAMMOCK, or DUTCH ISLAND, provided always that the amendments to such restrictions, conditions, and limitations shall be in conformity with the general purpose of the restrictions, conditions, and limitations herein contained, but shall not necessarily be consistent therewith.
4. The purpose of these restrictive covenants is to provide one of the finest residential areas on the Eastern Seaboard and to preserve and protect the investment of the property owners, while still permitting flexibility in development by the COMPANIES.
5. The rights and privileges reserved and set out herein, or as appropriately modified, shall inure to the benefit of the successors and designated assigns of the COMPANIES.

III – EASEMENTS:

1. UTILITY EASEMENTS. The COMPANIES reserve a perpetual easement in, on, over, and under all streets, lanes, and drainage and utility easements shown on said plat, and in, on, over, and under a strip of land five feet in width (unless otherwise indicated on the plat) along the side and rear property lines of each lot and area, with the full right of entry by them or their licensees for the purpose of establishing, constructing, and maintaining any utility, with the right to erect and maintain poles, conduits, and wires for telephones, electric power, and other purposes to lay, install, and maintain facilities for sewerage, water, gas, storm drainage and other utilities therein. Where these covenants do not conform to the plat recorded, the plat shall be controlling. This reservation shall not be construed as an obligation of the COMPANIES to provide and maintain any such activity or service. All utility lines must be underground. It shall be the responsibility of each property owner owning property abutting a drainage ditch to keep the same clean and free from obstruction.

IV – USE OF LAND:

1. **SINGLE FAMILY RESIDENCES AND RESERVATIONS FOR OTHER USES BY THE COMPANIES.**

All lots shown on the DUTCH ISLAND DEVELOPMENT plat shall be used solely for residential purposes, unless permission for other use is granted in writing by the COMPANIES, and only one single family building for private, residence, not to exceed two stories in height, with the attached private garage for not more than three automobiles, on any single lot, unless approved in writing by the COMPANIES. One house may be erected on more than one lot, but any variance from established interior set-back lines must be approved in writing by the COMPANIES. The said garage shall not open so that it is exposed to another residence or a main road, unless permission is granted in writing by the COMPANIES. Servant's quarters or a separate guest house shall not be erected upon any lot without written permission of one or more of the COMPANIES. Any residence erected on any building site in the attached plats shall be fully completed within twelve months of the date that ground is broken for construction. It is expressly understood that the COMPANIES may designate any areas for multi-family dwelling units, a neighborhood shopping area, clubs, golf courses, marinas, boat launchings, and other recreational areas, including a stable or riding academy; but nothing contained herein shall be construed as requiring the COMPANIES to designate such an area.

2. **SET-BACKS OF SINGLE FAMILY RESIDENCES FROM PROPERTY LINES.**

All minimum set-backs from the front and rear property lines, and abutting streets, are as shown and delineated on said plat of the DUTCH ISLAND DEVELOPMENT.

However; in addition, minimum set-backs from inside lot division lines shall be not less than twenty (20) feet to the outermost surface of the exterior walls, columns, or stanchions, unless otherwise authorized by one or more of the COMPANIES in writing.

3. DUAL FACING OF RESIDENCE.

All residence buildings on lots or areas abutting marsh areas or waterfront shall be no designed and oriented on their sites as to present an attractive appearance from the roads, from the marsh areas, and from the rivers.

4. SUBDIVIDING OF SINGLE FAMILY RESIDENTIAL LOTS.

No lot shall be sold except as a whole, or subdivided for the purpose of erecting a complete residence on either portion without the written consent of the COMPANIES.

5. SEWERAGE DISPOSAL.

No toilets shall be maintained outside of any building erected upon any lot or area, and all sewerage shall be disposed of in accordance with the regulations of Chatham County, Georgia. This paragraph is not to be construed as an obligation on the part of the COMPANIES to install or maintain a sewerage system; however, it is contemplated that when a sufficient number of houses are constructed, such a system will be installed. What will constitute a sufficient number of houses shall be determined by the COMPANIES.

6. APPROVAL OF ARCHITECTURAL AND LANDSCAPE PLANS

No building, Summer house, cabana, fence, wall, swimming pool, screening device, or other structure shall be commenced, erected, or maintained, nor shall any addition to, or exterior change or alteration thereto be made, until the plans and specifications showing the nature, kind, shape, height, materials, floor plans, exterior color scheme, location and approximate square footage and the grading of the lot or area to be built upon shall have been submitted to, and approved by the COMPANIES, their successors and designated assigns, and a copy of the plans and building specifications thereof, as finally approved, lodged permanently with the COMPANIES. The COMPANIES shall have the right to refuse to approve any such building plans, specifications, and grading plans which are not suitable or desirable in their sole opinion, for any reason, including purely aesthetic reasons. In so passing upon such plans, specifications or grading plans, they shall have the right to take into consideration the suitability of the proposed building, and the materials of which it is to be built, to the said plat upon which it is proposed to erect the same, the harmony thereof with the surroundings, and the effect of the building as planned on the outlook from the adjacent or neighboring property. All fences, walls, barbecue pits, or other approved structures, including mail boxes, shall be constructed in general conformity with the general architecture of the residence and all materials which shall conform to the materials used in such residence.

Such building plans and specifications shall be prepared by a qualified architect or building contractor unless otherwise stipulated in writing by the COMPANIES and shall consist of not less than the following: foundations plan, section details, floor plans of all floors, elevation drawings of all exterior walls, roof plans, and plot plan showing location and orientation of building on the lot or area, with all set-backs indicated. Such plans and specifications shall show, also, the location of all trees having a diameter of twenty (20) inches or more, breast high, and shall indicate driveway, service court on lot or area, parking and all additional such facilities.

No residence, garage, or guest house may be constructed on any lot in the DUTCH ISLAND DEVELOPMENT without the full and active supervision of an architect or building contractor.

Each lot must be appropriately landscaped. A landscape development plan shall be submitted and approved by the COMPANIES in writing before any landscaping is actually executed.

[Note: (This is not a part of the covenants!)] --- The Architectural Guidelines have been published as required by the covenants and are included as two separate files at this website. The file names are: "ARC Guidelines" and ARC Application Form".]

7. SIZE OF RESIDENCE.

No residence shall be constructed on any lot with a ground floor area of less than 2,400 square feet for a one-story residence and 1,400 square feet on the ground floor for a two-story residence; said total square footage shall be exclusive of screened or unscreened porches, patios or terraces, and garages or carports. This requirement may be varied by the COMPANIES in their sole and absolute discretion; but before construction may be begun on a residence with a smaller amount of square footage, permission must be obtained in writing from the COMPANIES.

8. CUTTING OF TREES.

No living tree having a diameter greater than twenty (20) inches, breast high, may be cut on any of the lots or areas in said DUTCH ISLAND DEVELOPMENT without the written consent of the COMPANIES.

9. ARTESIAN WELLS.

No Artesian Well may be drilled on any lot or area on said DUTCH ISLAND DEVELOPMENT without the written consent of the COMPANIES. In the event that permission is granted, all tanks and pumps must be appropriately screened from adjoining residences, streets, rivers, and marshes.

10. OFF-STREET PARKING.

The owner of each lot, or area, comprising a building site, shall provide an off-street parking area with a durable surface on his lot for his own vehicles and at least two additional vehicles.

11. LOT SURVEY MONUMENT.

If the permanent corner reference monuments have not been erected, or are not in place, the owner shall have such permanent corner reference erected by a competent registered surveyor at the owner's expense, before construction on any lot or area.

12. HIDDEN SERVICE COURT.

A service court, or drying yard area, hidden from view from the marshes, from any adjacent street, and from adjoining lot owners, must be included in the architectural or landscape plans, and constructed so as to provide space for garbage and trash cans, wood piles, clothes drying area and other similar usage. All garbage or trash cans and incinerators shall be kept in a clean and sanitary condition.

13. MARSHES, LAKES, WATERCOURSES, AND DRAINAGE.

- a) No pier, wharf, dock, or other structure of any kind shall be erected, placed, or allowed on, in, or over any portion of any lagoon, lake, canal, or river, artificial or natural, adjacent to any lot or area without the written permission of the COMPANIES; and no property owner shall have any property right or interest in any such lagoon, lake, canal, or river unless the conveyance from the COMPANIES specifically so provides.
- b) The COMPANIES will not and do not warrant title to any marsh or the use thereof by the property owners whose lots adjoin marsh areas, as against the State of Georgia or persons seeking to enforce any rights of the State of Georgia.
- c) In any event, no property owner shall effect any action to change the level of any lake or the levels or courses of any watercourse or drainage ditch without the written consent of the COMPANIES. Unless otherwise agreed with the COMPANIES in writing, the owner of each lot or area abutting on any lake or pond through which passes a stream, drainage, ditch, or swale shall keep the portion of such lake, stream, drainage ditch, or swale lying within or contiguous to his lot in clean and orderly condition and shall maintain the proper depth and grade of the ditches and swales. The COMPANIES reserve the right to enter onto such lot and perform work deemed necessary by it and charge for same in the same manner as provided in Paragraph 7, Section V, hereof.

14. SPECIFIC PERMISSION REQUIRED FOR THE FOLLOWING.

- a) The erection and occupancy of a garage, garage apartment, or guest house, on any lot or area, prior to construction of the main residence, is prohibited unless written permission is granted by the COMPANIES.
- b) No exposed foundation piers, and no three-sided or lean-to buildings or storage houses of any nature will be permitted unless written permission is granted by the COMPANIES.
- c) No metal clad siding, asphalt, asbestos, or roll siding will be permitted unless written permission is granted by the COMPANIES.
- d) No unusually steep roof or other unusual roof lines will be permitted unless written permission is granted by the COMPANIES.
- e) No roof, except porch or garage roofs, shall be constructed with a center pitch of less than three (3) feet high to twelve (12) feet horizontal unless written permission is granted by the COMPANIES.
- f) The finished floor of any living area of a dwelling within this subdivision must be at least 18 inches above the grade of the surrounding lot unless written permission is granted by the COMPANIES.

15. SPECIFIC PROHIBITION.

No garbage, refuse, trash, or debris of any kind shall be dumped or placed or allowed to remain in any marsh areas, river or estuary, nor any such material be used for fill of any kind.

16. TRAFFIC HAZARDS.

No fence, wall, hedge, shrub, bush, tree, or other thing, natural or artificial, shall be placed, maintained, or permitted to remain on any lot or area, if the location of such obstructs the vision of a motorist on any adjacent street or lane and thus creates a traffic hazard. All fences must, in the sole judgment of the COMPANIES, conform to the general architectural scheme of the house.

17. DOCKS, WHARFS AND PIERS.

Plans or a sketch of all docks, wharfs, or piers showing elevations above the marsh must be submitted to the COMPANIES and must be approved by the COMPANIES in writing before construction may be begun. A list of all materials to be used in construction must be submitted.

V – NUISANCES:

1. There shall not be erected, constructed, permitted, committed, maintained, used, operated, or permitted to remain on any of the land included in the DUTCH ISLAND DEVELOPMENT any nuisance of any kind or character. What constitutes a nuisance shall be determined by the COMPANIES in their sole discretion.

2. No trash, rubbish, garbage, debris, or material shall be deposited on any lot or area, or on the right of way of any street, except building materials during the course of construction on the site.
3. No noxious or offensive activity shall be carried on or upon any lot in said DUTCH ISLAND DEVELOPMENT, nor shall anything be done thereon which is, or may become, an annoyance or nuisance to the neighborhood. The sole judge of what is noxious or offensive shall be the COMPANIES.
4. No parking of mobile homes, trucks, or trailers shall be permitted on the streets, lots, or areas, except during construction and thereafter, except for delivery or pickup or remodeling and repairs; provided, however, that boat trailers, for small boats not exceeding twenty-five (25) feet in length, may be parked on the parking area to be maintained on each lot or area; and provided that one "panel" or one "pickup" truck may be kept on each lot or area if it is kept in a closed garage.
5. No livestock, live fowl, other animals, or reptiles, except domesticated dogs, cats, and caged birds, shall be kept upon any lot without written consent of the COMPANIES, nor shall any occupant of said DUTCH ISLAND DEVELOPMENT permit such livestock, fowl, other animals or reptiles to constitute a nuisance to other occupants, or owners of land in the said DUTCH ISLAND DEVELOPMENT. No dogs or cats may be kept on said lots or areas, and bred and maintained, for any commercial purpose, nor shall they be bred for non-commercial purposes so as to become a nuisance. The COMPANIES shall be the sole judge of whether such breeding constitutes a nuisance.
6. No advertising sign, or advertising matter of any kind, shall be erected upon or displayed, or otherwise exposed to view on any lot or area in said subdivision without the written consent of the COMPANIES; and the COMPANIES may enter upon any lot or area upon which sign or matter is erected, or displayed, and summarily remove and destroy any such unauthorized sign or matter.
7. The COMPANIES reserve the right to care for vacant and unimproved and unkempt lots or areas in said DUTCH ISLAND DEVELOPMENT, to remove and destroy tall grass, undergrowth, weeds and rubbish therefrom and any unsightly and undesirable thing therefrom, and perform any labor necessary, or desirable, in the judgment of the COMPANIES, to maintain the property neatly and in good order and the cost of such maintenance will be charged against the owner of said lot, lots, or areas. This reservation shall not constitute an obligation on the part of the COMPANIES to perform any of the acts mentioned above.
8. No airing of bedding or external drying of clothes or wash is permitted, except within the service court described in Paragraph IV, subparagraph 12 above.
9. No window-type heating and/or air-conditioning unit or window exhaust fan will be permitted to remain attached to the main residence on any lot or area in the DUTCH ISLAND DEVELOPMENT, except as approved in writing by the COMPANIES.

VI – DUTCH ISLAND RESIDENT’S ASSOCIATION, INC.:

1. PURPOSES.

The COMPANIES wish, in addition to insuring a pleasant environment for gracious living, which shall include ecological harmony and recreational opportunity for the residents, desire to provide for the preservation of the values and all of the amenities in DUTCH ISLAND DEVELOPMENT and to supplement certain restrictive covenants already in existence and incorporated herein by reference.

The COMPANIES have caused a non-profit corporation to be organized known as the Dutch Island Residents Association, Inc. Each owner of a lot or living unit, subject to the provisions of Paragraph 2 of these restrictions, will be entitled to membership. For purposes of this instrument, a living unit is defined as a portion of a condominium erected for the purposes of having their several living units.

2. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION.

2.1 Membership -- Every person or entity who is a record owner of a fee or undivided fee interest in any lot or living unit which by covenants of record is subject to assessment by the Association shall be a member of the Association, provided that any such person or entity who holds such be a member of the Association, provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall be a member.

2.2 Voting Rights -- The Association shall have two classes of voting members:

CLASS A: Class A members shall be all those owners as defined in Paragraph 2.1, with the exception of the COMPANIES. Class A members shall be entitled to one vote for each lot or living unit in which they hold the interest required for membership. When more than one person holds such interest or interests in any lot or living unit, all such persons shall be members and the vote for such lot or living unit shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect to any such lot or living unit.

CLASS B: Class B members shall be the COMPANIES. Class B members shall be entitled to three votes for each lot or living unit in which they hold the interest required for membership by this Article. Those portions of Dutch Island which have not been subdivided shall be treated as 500 lots for purpose of membership by the COMPANIES until such time as a plan for the development is officially and finally approved and recorded in the Office of the Clerk of the Superior Court of Chatham County, Georgia. If the remainder of Dutch Island is subdivided in phases then the 500 lots will be reduced by the number of lots sold by the COMPANIES in each phase, a plat of which is placed on record; however, the COMPANIES will still reserve the right to vote based upon the number of lots remaining, reduced by the number in the phase which they no longer own.

The Class B membership shall cease and become converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

For purposes of determining the votes allowed under this Article, when living units are counted, the lot or lots upon which such living units are situated shall be counted.

[Note: This is not a part of the covenants: Presently, there are no Class B memberships.]

3. COVENANT FOR MAINTENANCE ASSESSMENTS.

3.1 Creation of the Lien and Personal Obligation of Assessments -- The COMPANIES, for each lot and living unit owned by it within the properties, hereby covenants, and each owner of any lot or living unit by acceptance of a deed thereof (whether or not it shall be so expressed in any such deed) shall be deemed to covenant for himself, his heirs, representative, successors, and assigns, to pay to the Association: (1) general purpose annual assessments or charges; and (2) special purpose annual assessments or charges. All such assessments shall be fixed, established and collected from time to time as hereinafter provided. No special purpose annual assessment or special assessment for capital improvement shall be made unless done as set forth herein. All such assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land with respect to which such assessments are made and shall be a lien against such land. Each such assessment, together with interest thereon and costs of collection thereof, also shall be the personal obligation of the person who is the owner of such assessed land at the time when the assessment fell due. Provided, however, the COMPANIES may, on a continuing basis, keep a record of all expenses incurred in developing and maintaining all properties within the DUTCH ISLAND DEVELOPMENT and set off that amount against any present, past, or future assessments, which it may become obligated to pay as a result of any of the foregoing assessments. For purposes of this setoff that valuation placed on the causeway to GNANN HAMMOCK and DUTCH ISLAND is set at 1.5 million dollars; any and all other expenditures by the COMPANIES for any purpose, whether paving, sewerage, water systems, or beautification, shall be recorded in the books of the COMPANIES and from time to time added to the valuation placed on the causeway for purposes of the setoff. The COMPANIES are not obligated to perform any of the foregoing, however. The valuation of the entrance and gates shall be set at \$750,000 for purposes of this setoff.

All assessments must be levied uniformly against members of the Association.

3.2 PURPOSE OF ASSESSMENTS.

3.2.1 Annual General Purpose Assessments --- The annual general purpose assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of DUTCH ISLAND DEVELOPMENT and, in particular, for the improvement and maintenance of the properties, services, and facilities devoted to such purpose and related to the use and enjoyment of the common properties and of the owners of the dwelling lots and living units situated upon properties, including, but not limited to, discharge of the obligations of the Association as imposed by this Declaration, payment of taxes, if any, upon the common properties, payment of insurance with respect to the common properties and repair, and drainage facilities, when such repairs and maintenance are not charged to the abutting owners in accordance with the provisions of those restrictions found in {specific Deed Books and Folios are specified at this point in each specific covenant}, in the Office of the Clerk of the Superior Court of Chatham County, Georgia, and subject to the provisions of Paragraph 3.2.2, and for the cost of labor, equipment, materials, management, and supervision thereof. This provision in no way requires the COMPANIES to establish any common properties.

3.2.2 Annual Special Purpose Assessments --- No annual special purpose assessment may be levied without approval of the membership as set forth herein; however, the Association may levy annual special purpose assessments against dwelling lots which abut upon and are served by the streets, roadways, or private ways for the purpose of maintaining the same. Payment of each successive assessment relieves the abutting owner of the obligation to maintain the roadway in good repair as required by Section II, Subsection 2, of the Restrictive Covenants recorded in Deed Record {specific Deed Books and Folios are specified at this point in each specific covenant}, in the Office of the Clerk of the Superior Court of Chatham County, Georgia. The assessments will be made against each member proportionately to the number of lots abutting the street or road which is paved.

3.2.3 Annual Assessments for Capital Improvements --- In addition to the annual general purpose assessments, the Association may levy, in the assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction, or reconstruction, or repair or replacement, of a described capital improvement upon the common properties, causeway, streets, roadways, or private ways, and landscaping on property owned by the COMPANIES including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the combined vote of Class B members and Class A members who are voting in person or by proxy at a meeting duly called for such purpose, written notice of which shall be sent to all members at least thirty days in advance of the meeting setting forth the purpose of the meeting.

3.3 BASIS AND MAXIMUM OF ANNUAL GENERAL AND SPECIAL PURPOSE ASSESSMENTS.

3.3.1 Annual General Purpose Assessments --- The annual general purpose assessment shall be \$250.00 per lot or living unit. From and after January 1, 1976, the annual general purpose assessment may be increased by vote of the members, as hereinafter provided, for the next succeeding three years, and at the end of each such three-year period, for an additional succeeding period of three years.

3.3.2 Annual Special Purpose Assessments --- The annual special purpose assessment, when made, shall be based upon projected estimated cost of discharging the purpose for which such assessments are made. If the actual cost of achieving such purpose for any annual assessment period shall exceed the projected estimated cost, such excess shall be added to the annual projected estimated cost for the succeeding annual assessment period and likewise, if such actual cost shall be less than projected estimated cost for the succeeding annual assessment period, it shall be reduced accordingly.

3.3.3 The Board of Directors of the Association after consideration of current maintenance costs and after needs of the Association, may fix any actual assessment for any year at a lesser amount than provided herein, but may not do so without the approval of the Class B membership.

3.4 CHANGE IN BASIS AND MAXIMUM OF ANNUAL GENERAL PURPOSE ASSESSMENTS.

From and after January 1, 1976, the Association may change the maximum and basis of the annual general purpose assessments prospectively, provided that any such change shall have the assent of a majority of the vote of the Class B members who are voting in person or by proxy, at a meeting duly called for the purpose, written notice of which stating such purpose shall be sent to all members at least thirty (30) days in advance of such meeting, provided further that the limitations with respect to such assessments as herein set forth shall apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under its Article of Incorporation and this Declaration.

3.5 QUORUM FOR ANY ACTION.

The quorum required for any action authorized herein shall be as follows: At the first meeting called, as provided herein, the presence at the meeting of members, or of proxies, entitled to cast 20% of the votes of Class A members and 50% of Class B members shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirement set forth herein and the required quorum at any subsequent meeting shall be one-half of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty days following the preceding meeting.

3.6 DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATE.

The annual general purpose and annual purpose assessments provided for herein shall commence on the date fixed by the Board of Directors of the Association to be the date of commencement, but in any event not before January 1, 1973. The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year after the first year shall become due and payable on the first day of March of said year. The amount of the annual general purpose or annual special purpose assessment which may be levied for the balance remaining in the first year if assessment shall be an amount which bears the same relationship to such annual assessment as hereinbefore provided as the remaining number of months in that year bear to 12. The same reduction in the amount of the assessment shall apply to the first assessment levied against any property which hereafter is added to the properties now subject to assessment at a time other than the beginning of an assessment period.

3.7 DUTIES OF THE BOARD OF DIRECTORS

The Board of Directors of the Association shall fix the date of commencement and the amount of assessment against each lot or living unit for each assessment period at least thirty (30) days in advance of such date or period and at that time shall prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any owner. Written notice of the assessment thereupon shall be sent to every owner subject thereto.

The Association upon demand and payment of a service fee of not more than \$15.00 at any time shall furnish upon the request of any owner liable for any assessment a certificate in writing signed by an officer of the Association setting forth what assessments, if any, which have been made with respect to said owner's property, are unpaid. Such certificate shall be conclusive with respect to the matters certified therein.

3.8 EFFECT OF NON-PAYMENT OF ASSESSMENT; THE PERSONAL OBLIGATION OF THE OWNER; THE LIEN; REMEDIES OF THE ASSOCIATION.

If the assessments are not paid on the date when due as provided herein, then such assessment shall become delinquent and shall, together with interest thereon and cost of collection thereof as provided hereinafter, thereupon become a continuing lien upon the property against which such assessments are made and shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives, and assigns. The personal obligation of the then owner to pay such assessment shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquent date, the assessment shall bear interest from the date of delinquency at the rate of 8% per annum and the Association may bring any action at law against the person personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed, together with the cost of the action.

3.9 SUBORDINATION OF THE LIEN TO MORTGAGES.

The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or deed to secure debt now or hereinafter placed upon the properties subject to assessment, provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessment thereafter becoming due or from the lien of any such subsequent assessment.

3.10 EXEMPT PROPERTY.

The following property subject to this Declaration shall be exempt from the assessments, charges, and liens created herein:

- a) All properties to the extent of any easement or other interest therein dedicated and accepted by local public authorities and devoted to public use; and
- b) All properties which are or which become common properties.

Notwithstanding any provision herein to the contrary, no land or improvements devoted to dwelling use shall be exempt from said assessments, charges, or liens.

VII – WATER, SEWER and GARBAGE COLLECTION:

1. WATER SERVICE -- Every owner of a lot in the properties shall be presumed conclusively by acceptance of a deed of conveyance to such lot to have covenanted, for himself, his heirs, representatives, successors, and assigns, to pay charges for water service, when provided, and prior to actual use when made available, to the operator of the utility system organized to serve the area. At such time as the owner shall elect to have service, of provided, connected, he shall pay a separate connection or tap-in charge of One Hundred Dollars (\$100.00) for each such service as established by the serving utility. Thereafter he shall pay for consumption of water at reasonable rates subject to a minimum monthly charge established by the serving utility which consumption, usage, and availability charges may be billed monthly, bi-monthly or quarterly at the option of the utility.

There shall be no discharge of water into the sanitary sewer, when and if provided, from any roof, footing or yard drains or any other source of water other than from household waste.

2. SEWER SERVICE AND GARBAGE COLLECTION -- When and if a sewage system is installed by the COMPANIES, all persons who shall subsequently become owners of a lot or living unit shall be required to utilize such system. Garbage disposal and garbage collection service shall be in accordance with the provisions made therefore by the COMPANIES, when and if such provision is made.

VIII – GENERAL PROVISIONS:

1. DURATION -- The covenants and restrictions set forth in this Declaration shall run and bind the land and shall inure to the benefit of and be enforceable only by the Association or the COMPANIES, their respective legal representatives, heirs, successors, and assigns, for a term of 20 years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of two-thirds of the lots and living units has been recorded agreeing to change said covenants and restrictions in whole or in part; provided, however, that no such agreement of change shall be effective unless made and recorded three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement is sent to every owner at least ninety (90) days in advance of any such action.

2. NOTICES -- Any notice sent or required to be sent to any member or owner under the provisions of this Declaration shall be deemed to have been properly given when mailed, postage prepaid, to the last known address of the person who appears as a member or owner on the records of the Association at the time of mailing.

3. ENFORCEMENT -- Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction. Such action may be either to restrain violation or to recover damages, or against the land, to enforce any lien created by these covenants. Failure by the Association or the COMPANIES to enforce any covenant or restriction herein contained in no event shall be deemed a waiver of the right to do so hereafter.

4. MODIFICATION -- By recorded supplemental declaration, the COMPANIES may modify any of the provisions of this Declaration or any Supplemental Declaration for the purpose of clarifying, changing, amending, or deleting any such provision, provided that the change, amendment, or modification shall not change the general purpose of this document or materially alter the rights of any owner established by any such instrument. The COMPANIES shall make the sole determination of what constitutes a change in the general purposes of these instruments

5. SEVERABILITY -- Invalidation of any one of these covenants or restrictions by judgment or Court order in no way shall affect any other provisions, which shall remain in full force and effect.

IX – COMPANIES LIMITATIONS

Nothing contained herein shall be construed as limiting the flexibility of the COMPANIES in developing or selling any of their properties upon such terms and conditions and in such a way as they, in their sole discretion, deem desirable.