

AMENDED AND RESTATED DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
FOR RIVER NORTH ASSOCIATION, INC.

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AMENDED AND RESTATED DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
FOR RIVER NORTH ASSOCIATION, INC.

THIS DECLARATION is made on the date hereinafter set forth by RIVER NORTH ASSOCIATION, INC., a Georgia, Non-Profit Corporation (hereinafter sometimes called "the Association").

WITNESSETH

WHEREAS, Real property described in Exhibit "A" hereof is subject to the following:

1. Declaration of Reservations, Conditions, and Restrictive Covenants for River North dated January 9, 1973, and recorded in Deed Book 123, Page 45, Clerk's Office, Jones Superior Court; and
2. Declaration of Reservations, Conditions, and Restrictive Covenants for River Communities Association, dated July 10, 1980, and recorded in Deed Book 168, Page 27, Clerk's Office, Jones Superior Court; and
3. All supplementary declarations of the above-described covenants filed in Jones County, GA.

The Association does hereby amend, and establish the reservations, conditions, and covenants upon which and subject to which the lots described in Exhibit "A" shall be held, sold, used, occupied, and improved, whether by the owner, or by a subsequent holder of title. These covenants, conditions, and restrictions are for the benefit of each and every owner of the premises, or any interest therein and shall inure and pass, with each and every parcel of such premises, and shall bind the respective successors in interest of the present owner, and shall be construed as covenants, running with the land as to each and every parcel of the described premises.

WHEREAS, the Association desires to subject the real property described in Exhibit "A" to the provisions of this Declaration to consolidate the existing Associations within the River North Community into one unified Association and to provide for the subjecting of other real property to the provisions of this Declaration;

WHEREAS, the Association desires to amend the previously adopted Declarations of Covenants, Conditions, Restrictions, and Easements for River North Association, dated January 9, 1973, and River Communities Association, dated July 10, 1980; including all subsequent and supplemental filings, declarations and amendments thereto;

WHEREAS, the Association desires to submit the property owner's association described herein to O.C.G.A § 44-3-220 et seq availing the Association to the benefits and provisions of said article. This Declaration shall in all ways conform to O.C.G.A § 44-3-220 et seq.

NOW, THEREFORE, the Association hereby declares that the real property described in Exhibit "A" attached hereto and by this reference incorporated herein is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied, mortgaged and otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments and liens, hereinafter set forth, which are for protecting the value and desirability thereof and which shall run with the title to, the real property hereby and hereafter made subject hereto and shall be binding on all persons having any right, title, or interest in all or any portion of the real property now and hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title and assigns and shall inure to the benefit of each owner of all or any portion thereof.

Article 1
Definitions

The following words, when used in this Declaration or in any Supplementary Declaration, shall have the following meaning:

- a. "Architectural Control Committee" shall mean, refer to, and be the same as the committee appointed pursuant to Article 6 of this Declaration.
- b. "Articles of Incorporation" means the Articles of Incorporation of River North Association, Inc. filed with the Secretary of State of Georgia and incorporated herein by this reference as may be amended from time to time.
- c. "Association" means River North Association, Inc., a Georgia non-profit corporation, its successors, and assigns.
- d. "Board of Directors" or "Board" means the appointed or elected body of the Association, pursuant to Article 8 of this Declaration and vested with the authority to manage the affairs of the Association under Georgia Nonprofit Corporation Act, O.C.G.A. § 14-3-101 et seq. and the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220 et seq.
- e. "Bylaws" means the Bylaws of River North Association, Inc. as adopted by the Board of Directors in accordance with Article 8 of this Declaration.
- f. "Common Property" means all real property as set out in Exhibit "C" including, without limitation, easements, and other interests therein, and personal property, the facilities and improvements located thereon, now, or hereafter owned by the Association for the common use and enjoyment of the Members of the Association.
- g. "Community" refers to that certain real property described in Exhibit "A" and Exhibit "C" attached hereto, and such additions thereto as may be made by Supplementary Declaration as provided herein.

- h. "Lot" means any lot of land within the Community, whether improvements are constructed thereon, which constitutes a single-family dwelling site as shown on a plat recorded in the land records of the county where the property is located. The term "Lot" shall also include condominium units or similar individually owned attached housing within the Community. The ownership of each lot shall include, and there shall automatically pass with the title to each lot as an appurtenance thereto membership in the Association and all rights and interest of an Owner in the Common Property.
- i. "Mortgage" means all instruments used for the purpose of encumbering real property in the Community as security for the payment or satisfaction of an obligation, including, without limitation, any mortgage, deed to secure debt, or deed of trust.
- j. "Mortgagee" means the holder of a Mortgage.
- k. "Neighborhood" as referenced in this Declaration represents a subset of the Community for identification purposes only and provides no additional or supplemental rights or remedies to such neighborhoods under these covenants.
- l. "Occupant" means any Person occupying all or any portion of a lot or other property located within the Community for any period, regardless of whether such Person is a tenant of the Owner of such property.
- m. "Owner" means the record owner, whether one or more Persons of the fee simple title to any lot located within the Community, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of an obligation.
- n. "Person" includes any individual, individual acting in a fiduciary capacity, corporation, limited partnership, limited liability company, general partnership, joint stock company, joint venture, association, company, or other organization, recognized as a separate legal entity under Georgia law.
- o. "Supplementary Declaration" means an amendment or supplement to this Declaration which subjects additional property to this Declaration and/or imposes additional covenants, conditions, restrictions, or easements on the land described therein.
- p. "Total Association Vote" means the votes attributable to the entire membership of the Association as of record on the date for such action, whether or not such members are present or represented at the meeting, if any, where such votes are to be cast. If, for example, and without limitation, a percentage of the Total Association Vote is required to approve a matter, such matter must receive that percentage of the votes attributable to all existing members of the Association as of the record date for such action, whether such members are present or represented at the meeting, if any, where such votes are to be cast. As a further illustration, if a majority vote is required to approve a matter (and the term Total Association Vote is not used),

such matter must receive more than half of the votes cast by the members entitled to vote on the matter present and by proxy.

Article 2
Property Subject to This Declaration

a. Property Hereby Subjected to This Declaration.

The real property which is, by the recording of this Declaration, subject to the covenants, conditions, restrictions, and easements hereinafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied, and encumbered subject to this Declaration is the real property described in Exhibit "A" attached hereto and by this reference made a part hereof.

b. Grandfather Clause.

As of the date of recording of this Declaration, any Owner that is in full compliance with any previous applicable covenants, conditions, restrictions, and easements will not be penalized for non-conformance with the new architectural standards set forth in this Declaration. Any existing leases shall be valid for not longer than 6 months from the filing of this Declaration. The continuation of any lease or the creation of any new leases must be in compliance with this Declaration.

c. Unilateral Annexation.

With the consent of the owner thereof, the Association shall have the unilateral right, privilege, and option from time to time at any time until twenty (20) years after the recording of this Declaration to subject all or any portion of the real property described in Exhibit "B" attached hereto and by this reference incorporated herein, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the county in which the property to be annexed is located a Supplementary Declaration describing the property being subjected.

d. Other Annexation.

Upon the written consent of: (a) the owner thereof; (b) the Association; and (c) the majority of Owners who cast a ballot on the issue of an annexation, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the county in which the property to be annexed is located a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be executed on behalf of the Association by the President of the Association whose signature shall be attested by the Secretary of the Association. The annexation shall be effective only upon the filing for record of such Supplementary Declaration unless a later effective date is provided therein.

Article 3
Association Membership, Meetings, and Voting Rights

a. Membership.

Every Person who is the record owner of a fee or undivided fee interest in any lot that is subject to this Declaration shall have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a lot.

b. Meetings.

Except as may be herein otherwise provided, all matters concerning meetings of the Association, including the time within which and the manner in which notice of any meetings shall be given to said members, and the quorum required for the transaction of business at any such meetings shall be as specified in the Articles of Incorporation, this Declaration, or Bylaws of the Association, as amended from time to time, and by law.

c. Voting.

Members shall be entitled to one vote for each lot owned. If there are more than one owner of a fee or undivided fee interest in any lot, only one of the owners may cast the vote for the jointly owned lot.

d. Suspension of privileges of membership.

Notwithstanding any other provision contained herein, the Board of Directors of the Association shall have the right to suspend member benefits including voting rights, and the right to use the facilities of the Association of any member:

- (1) For any period during which any Association assessment (including fines and fees) owed by the member remains unpaid for a period of thirty (30) days from the due date; and,
- (2) During the period of any continuing violation of the restrictive covenants after the existence of the violation shall have been declared by the Board of Directors of the Association; and,
- (3) Because of any violation of the rules and regulations of the Association.

Article 4
Assessments

a. Purpose of Assessments.

Subject to the restrictions and guidelines provided in Article 8, the assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of lots in the Community, and in particular for the acquisition, improvement, maintenance, and operation of properties, services and facilities devoted to the purpose and related to the use and enjoyment of the Common Property, including but not limited to the payment of taxes and insurance thereon and repair, replacement, and additions thereto, and for the cost of labor, equipment, materials, management, and supervision thereof.

b. Creation of the Lien and Personal Obligation for Assessments.

Each Owner of a lot by acceptance of a deed therefor, whether it shall be so expressed in such deed, covenants, and agrees to pay to the Association: (a) general assessments; (b) Contribution to Reserves Fee, if applicable; (c) special assessments; and (d) specific assessments. All such assessments and fees, together with late charges as the Board may from time to time determine not to exceed the greater of \$10 or 10% of the amount of each assessment or installment not paid when due, interest (at a rate set by the Board of Directors from time to time, but not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due) and costs of collection, including, without limitation, reasonable attorney's fees actually incurred, shall, from the time the sums become due and payable, be a charge on the land and shall be a continuing lien in favor of the Association on the lot against which each assessment is made. The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien shall be required. Each such assessment, together with any such late charges, interest, and costs, shall also be the personal obligation of the Person who was the Owner of the lot at the time the assessment fell due. Each Owner shall be personally liable for the portion of each assessment coming due while the Owner of a lot and each grantee of an Owner shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of the grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings. No Owner may waive or otherwise exempt themselves from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the property. No diminution or abatement of any assessment shall be claimed or allowed by reason of any failure of the Association to take some action or perform some function required to be taken or performed by the Association, the obligation to pay assessments being a separate and independent covenant on the part of each Owner. All payments shall be applied first to costs, then to late charges, then to interest, and then to delinquent assessments.

c. General Assessments.

It shall be the duty of the Board to prepare an annual budget covering the estimated costs of operating the Association during the coming year including the General Assessment required to meet the budget costs. The General Assessment to be levied against each lot shall be an equal amount for all lots. The Board shall cause the budget and the assessments to be levied for the

year to be delivered by first class mail to each Association member at least thirty (30) days prior to a called meeting of the membership. The budget and the assessment shall become effective unless a majority of Owners' votes cast in person or by proxies at said meeting rejects the budget and assessment. In the event the membership disapproves the proposed budget, or the Board fails for any reason to determine the budget for any period, then and until such time as a budget shall have been determined, as provided herein, the budget in effect shall continue. General 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, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the assessment shall be paid in twelve monthly installments.

d. Special Assessments.

The Association may levy a special assessment if approved by a majority of the Total Association Vote. Special assessments shall be paid as determined by the Board. The Board may permit a special assessment to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

e. Specific Assessments.

The Board shall have the power to levy specific assessments as, in its discretion, it shall deem appropriate for the enforcement of this Declaration and within the limits set herein. The Board's authority to assess specific assessments includes the power to levy as a Specific Assessment: (a) an initiation fee from all new owners of a lot in the Community payable at the time of closing on the transfer of the lot and/or dwelling, (b) an impact fee from a lot owner for the construction of a new home on said owner's lot in the Community payable prior to the commencement of any construction that covers any wear and tear or damage to the Common Property, (c) fines issued for the violation of any established rules and regulations regarding the use of Common Property.

f. Contribution to Reserves Fee.

Upon each transfer (as herein defined) of any property subject both to the terms of these covenants, and the jurisdiction of the Association, the Association shall be paid a fee ("Contribution to Reserves Fee") equal to 0.50% (.0050) of the gross purchase price for such property.

i. For purposes of the covenants, the Contribution to Reserves Fee shall not be considered a General or Specific Assessment and shall be specifically excluded from all calculations related thereto.

ii. A "transfer" shall be deemed to occur upon the execution of a deed, instrument, or other similar writing, whereby any property or interest therein, is sold, granted, conveyed, or otherwise transferred.

- iii. The Contribution to Reserves Fee shall be paid to the Association at, or prior to, the time the deed, instrument or other document evidencing the transfer of the property, or an interest therein, is recorded in the Clerk's Office, Jones Superior Court, but in no event later than thirty (30) days after the date said deed, interest or other document evidencing the transfer, is recorded in the Clerk's Office, Jones Superior Court.
- iv. Payment of the Contribution to Reserves Fee shall be the liability of the purchaser or grantee of the property. In the event there is more than one grantee, all such grantees shall be jointly and severally liable for the Contribution to Reserve Fee. Any agreement between the grantee and the grantor or any other person with regard to the allocation of the responsibility of the payment of said fee shall not affect the liability of the grantee to the Association.
- v. The above-described Contribution to Reserve Fee shall not apply to the following or applicable part of:
 - (a) Lot owner of record as to a particular lot on the date this Declaration is recorded in the Clerk's Office, Jones Superior Court; or
 - (b) A transfer effected pursuant to a court order; or
 - (c) A transfer when the grantee of such property is the United States of America or the State of Georgia or any of the political subdivisions or departments and such grantee is to utilize the property for public purpose; or
 - (d) A transfer which, without additional consideration, confirms, corrects, modifies, or supplements, a transfer previously made; or
 - (e) A transfer made as a gift without consideration and as an inheritance by Will or by operation of law as an heir, if the grantee shall have been at the time of transfer the spouse, lineal descendent or heir, or other lineal ancestor or devise of the grantor, by blood or adoption; or
 - (f) A transfer to the trustee of a trust exchange for a beneficial interest received by the Grantor in such trust to the beneficiary or beneficiaries of the trust; or
 - (g) A transfer by operation without actual consideration, including, but not limited to, a transfer occurring by virtue of the death or bankruptcy of an owner of a property or an interest therein; or
 - (h) A transfer made pursuant to a judicial or a non-judicial foreclosure sale or to the mortgage in lieu of foreclosing a mortgage; or
 - (i) A transfer to an escrow agent, trustee, or qualified, intermediary, pursuant to a like kind exchange in accordance with the Internal Revenue code; or
 - (j) A transfer of property to a corporation, a partnership, or a trust in order to become or as a stockholder, partner or trust beneficiary of the entity provided no consideration is paid for the transfer other than stock in the corporation, interest in the partnership, or beneficiary interest in the trust or the increase in value such trust or interest held by the grantor; or
 - (k) A transfer of property from a corporation, partnership, or a trust to a stockholder, partner, or a trust beneficiary of the entity, provided no consideration, is paid; or

- (l) A transfer of property to or from a family partnership or from a family trust provided no consideration, is paid for the transfer; or
 - (m) A transfer of property held in the name of a corporation, limited liability company, partnership, or any similar entity between said Owner and any related or affiliated entities.

- vi. Any party claiming to be exempt from the payment of the Contributions to Reserves Fee to the Association shall submit to the Association a copy of the deed, or other affidavit signed under oath and penalty of perjury by the grantee attesting the basis upon which the transfer is claimed to be exempt from the herein described Contribution to Reserves Fee, in whole or in part, and the name and mailing address of the grantee. The Association may require the grantor and/or grantee to the property or interest therein which is transferred to provide the Association with copies of documentation associated with the transfer such as a copy of an executed closing statement, the applicable contract of sale and/or the deed or other instrument evidencing the transfer.

- vii. In the event the Contribution to Reserves Fee is not paid to the Association when due, a delinquent payment fee not to exceed 5% of the unpaid amount per month from the due date and each month thereafter until paid shall be added to the Contribution of Reserves Fee so long as any portion thereof remains unpaid. The aforesaid delinquent payment percentage shall be adjusted from time to time, by the Association Board of Directors. Additionally, if the Contribution of Reserve Fee is not paid to the Association when due, the amount of such fee plus the above described delinquent payment fee, and all cost of collection, thereof including, but not limited to, reasonable attorneys fees, shall be a charge and continuing lien on the property transferred in the hands of the Owner, his or her heirs, devisees, personal representative, tenants, successor, and/or assigns. If the Contribution to Reserve Fee is not paid to the Association when due, the Association may bring action at law against the Owner personally obligated to pay the same for such fee, (including any delinquent payments, cost, and reasonable attorney's fees of any such action) and/or foreclosure the lien for such fee (including any delinquent payments cost, and reasonable attorneys fees of any such action).

- g. Notice and Quorum for any Action Authorized Under Sections. c & d.

Written notice of any meeting called for the purpose of taking any action authorized under Sections c & d of this Article shall be sent to all Owners not less than thirty (30) days in advance of the meeting. Such notice shall be delivered personally or sent by United States mail, postage prepaid, or issued electronically in accordance with Chapter 12 of Title 10, the "Uniform Electronic Transaction Act", to all lot owners of record at such address or addresses as designated by such lot owner, or if no other address has been designated, at the address of their respective lots. At the first such meeting called, the presence of Owners or of their proxies entitled to cast at least 10% of the Total Association Vote shall constitute a quorum.

- h. Rate of Assessment.

General and Special Assessments must be fixed at a uniform rate and may be collected on a monthly basis unless other and further assessment and fees are added to a particular lot's assessment as provided in this Declaration.

i. Remedies of the Association.

Any assessments or installments thereof which are not paid when due shall be delinquent. In addition to the lien rights, the personal obligation of the then Owner to pay such assessments shall remain such Owner's personal obligation and shall also pass to such Owner's successors-in-title. Such Owner shall nevertheless remain as fully obligated as before to pay to the Association all amounts which such Owner was obligated to pay immediately preceding the transfer; and such Owner and such successors-in-title shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such Owner and such successors-in-title creating any indemnification of the Owner or any relationship of principal and surety as between themselves. Any assessment or installment thereof delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board may from time to time determine not to exceed the greater of \$10 or 10% of the amount of each assessment or installment not paid when due. The Association may cause a notice of delinquency to be given to any Owner who has not paid within ten (10) days following the due date. Each Owner, by acceptance of a deed vests in the Association the right and power to bring all actions against such Owner personally, for the collection of such charges as a debt or to foreclose the lien. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Owners. The Association shall have the power to bid on any property within the Community at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. The Association may also suspend the membership rights of the delinquent Owner, including the right to vote. Any such suspension shall not affect such member's obligation to pay assessments coming due during the period of such suspension and shall not affect the permanent lien on such property in favor of the Association.

j. Date of Commencement of Assessments.

Assessments shall commence in general on the date set by the Board and in the case of Special Assessments, when approved by the vote of the members of the Association.

k. Failure to Assess.

The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay assessments on the same basis for the last year for which assessment was made, if any, until a new assessment is made.

l. Estoppel Letter.

The Association shall, within five (5) days after receiving a written request therefore, and for the reasonable charge, as established by the Board, certify to the amount of any unpaid assessments constituting a lien on a specified lot. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the number of assessments due with respect to a lot shall be binding upon the Association.

Article 5

Maintenance of the Common and Private Owned Property

a. Association's Responsibility.

The Association shall maintain and keep in good repair the Common Property. In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Community and to enter into easements and cost-sharing agreements regarding such property where the Board has determined that such action would benefit Owners. If the Association determines 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 the Occupants, family, guests, lessees, or invitees of an Owner, then the Association may perform such maintenance, repair or replacement and all costs thereof, not paid for by insurance, shall be assessed against the Owner as a specific assessment.

b. Owner's Responsibility.

All maintenance of the lot and Structures, landscaping, and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such lot in a manner consistent with the Community-Wide Standard and this Declaration.

If the Association determines that any Owner has failed or refused to discharge properly any of such Owner's obligations regarding the maintenance, repair, or replacement of items for which such Owner is responsible in violation of these covenants, the Association shall provide written notice to the Owner by mail setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If the Owner does not take reasonable steps toward the required remedial action within twenty (20) days after the aforesaid notice of violation is mailed, then the Association shall have the right, after providing written notice by certified mail of non-compliance to the lot owner and failure by the lot owner to respond within 10 days, to levy a monthly fee of \$10 each month that the violation continues for 3 months, as a Specific Assessment. The fee will then increase to an amount equal to ten percent (10%) of the lot owner's annual General Assessment as a continuing monthly Specific Assessment until the violation is remedied. Nothing herein shall limit the Association's right to file a legal proceeding in equity to restrain or enjoin any person or persons, violating, or attempting to violate any covenant.

Notwithstanding the provisions of this article, each Owner notified under this provision, shall be provided an opportunity to meet with the Board of Directors to discuss, and/or contest any finding of violations of these covenants by the Owner. Such meeting, if requested by the homeowner, must occur before any further actions are taken by the Association.

c. Repeat Violations.

If the Association notifies any Owner of violations under b. above three (3) times in any twelve (12) month period, for the same item for which such Owner is responsible in violation of these covenants, the Association shall provide written notice by certified mail to the Owner setting forth in reasonable detail the nature of the violation and the dates of the previous violations. The Association shall have the right, two (2) days after delivery of the certified notice, to levy a daily fee of \$10 each day that the violation continues or is repeated, as a Specific Assessment.

d. Partition.

The Common Property shall remain undivided, and no Owner shall bring any action for partition or division of the whole or any part thereof, and the Association shall not partition or divide the Common Property without the approval vote of a majority of the Total Association Vote.

e. Condemnation.

In the event of a taking by eminent domain of any portion of the Common Property in which improvements have been constructed, the Association shall restore or replace such improvements so taken on the remaining Common Property, unless within 60 days after such taking, an alternative plan is approved by a majority of the Total Association Vote. The provisions of this Declaration applicable to replacement or restoration of damaged improvements on the Common Property shall also apply to and govern the actions to be taken if the improvements are not restored or replaced after a condemnation.

f. Liability.

Owners, Occupants, and their guests shall use the Common Property at their own risk and shall assume sole responsibility for their personal belongings used or stored on the Common Property. The Association, its respective officers, directors, employees, representatives, and agents shall not be held liable for personal injury to any person, nor for loss or damage to personal belongings used or stored on the Common Property.

Article 6
Architectural Control Committee

a. Committee and Guidelines.

There is hereby established an Architectural Control Committee, which shall be responsible for the interpretation and administration of the standards and guidelines contained herein and to facilitate the purposes and intent of this Declaration.

b. Constitution of Committee.

Within thirty (30) days after the election of members of the Association Board of Directors as required by this Declaration, the Board shall appoint 5 persons to perform the functions of the Architectural Control Committee. Persons appointed to the Architectural Control Committee must be lot Owners and not serving on the Board of Directors. Committee members will serve for a term of one year and may be reappointed. Any Committee member who is not reappointed will be replaced by another person appointed by the Board of Directors.

c. Purpose, Powers, and Duties of the Architectural Control Committee.

The Purpose of the Committee is to ensure:

- i. that the installation, construction, or alteration of any Structure on any lot conforms with the existing Community-Wide Standard and the Architectural and other Restrictions of this Declaration;
- ii. that Owners of a lot properly maintain the improvements on such lot pursuant to Article 5b of this Declaration;
- iii. that all Owners and their lots conform to Use and Restrictions for the Common Property and Private Property as set out in this Declaration;
- iii. that a written record is maintained by the Architecture Control Committee recording all (a) plans submitted for review, (b) complaints received by the Committee regarding Standards, Use and Restrictions violations, (c) violations identified by the Committee, and (d) findings, approvals, variances, or disapprovals, and the resolution of such matters. All decisions of the Committee shall be by consensus of the majority of its members.

d. Mandatory Submission of Plans and Specifications.

No Structure shall be commenced, erected, placed, moved onto, or permitted to remain on any lot, nor shall any existing Structure upon any lot be altered in any way which increases or decreases the square footage of the Structure unless plans and specifications are first submitted to and approved in writing by the Committee. Such plans and specifications shall be in such form and shall contain such information as may be reasonably required by the Committee, including, without being limited to:

- i. a site plan showing the location of all proposed and existing structures on the lot, including building setbacks, open space, driveways, walkways, and parking spaces, including the number thereof;
 - ii. floor plans;
 - iii. exterior elevations of all proposed Structures and alterations to existing structures, as such structures shall appear after all back-filling and landscaping are completed;
 - iv. specifications showing the nature, kind, shape, height, materials, basic exterior finishes and colors of all proposed Structures and alterations to existing Structures, and showing front, side, and rear elevations thereof; and
 - v. plans for landscaping and grading.
- e. Optional Submission of Plans and Specifications.

The Architectural Control Committee shall be responsible for the oversight of lot maintenance required under Article 5b and any repair, improvement, alteration, or modification of developed lots within the Community to insure that such actions conform with the requirements of this Declaration. Prior to commencing such action, and unless otherwise specified in this Declaration, Owners may submit plans in advance for approval by the Committee. Improvements that are completely within a Building may be undertaken without such approval.

- f. Approval and Disapproval of Plans and Specifications.
- i. The Committee shall have the right to approve or disapprove any plans and specifications submitted to it in its sole and uncontrolled discretion, based on any grounds, including purely aesthetic considerations deemed sufficient. The Committee shall have thirty (30) days from the submission of all plans to approve such plans. If the Committee fails to act within thirty (30) days, the plans are deemed approved.
 - ii. After approving a plan or specification, the Committee shall (i) deposit a copy of the plan or specification for permanent record and (ii) return a copy bearing approval to the applicant. Approval of any plans and specifications for the use in connection with any lot or Structure does not waive the Committee's right to disapprove similar plans subsequently submitted for use in connection with any other lot or Structure. However, approval of any such plans is final regarding that lot or Structure and may not be revoked or rescinded, provided the applicant adheres and complies with the approved plans, specifications, and conditions.
 - iii. Neither the Association nor the Committee or any member thereof shall be responsible or liable in any way for defects in any plans or specifications approved by the Committee. Neither the Association nor the Committee shall be liable by reason of

mistake in judgment, negligence, misfeasance, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Further, approval of plans and specifications by the Architectural Control Committee shall not be deemed to represent or warrant to any Person the quality, function, or operation of the Structure or of any construction, workmanship, engineering, materials, or equipment. By submitting plans and specifications to the Committee, every Owner of any lot releases and agrees to indemnify, hold harmless and defend the Association and any member of the Committee from any alleged liability, claim and/or damage.

g. Violations.

If any structure or improvement shall be erected, placed, maintained, or altered upon any lot, otherwise placed, or made in violation of this Declaration shall be deemed to be nonconforming. And, if any other provision contained in the Declaration is violated, the Committee shall provide written notice to the Owner by mail setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If the Owner does not take reasonable steps toward the required remedial action within twenty (20) days after the aforesaid notice of violation is mailed, then the Association shall have the right, after providing written notice by certified mail of non-compliance to the lot owner and failure by the lot owner to respond within 10 days, to levy a monthly fee of \$10 each month that the violation continues for 3 months, as a Specific Assessment. The fee will then increase to an amount equal to ten percent (10%) of the lot owner's annual General Assessment as a Specific Assessment each month until the violation is remedied. The Association may also suspend all membership privileges for a lot owner for any violation of this Declaration.

Nothing herein shall limit the Association's right to file a legal proceeding in equity to restrain or enjoin any person or persons, violating, or attempting to violate any covenant. Notwithstanding the provisions of this article, each homeowner notified under this provision, shall be provided an opportunity to meet with the Board of Directors to discuss, and/or contest any finding of violations of these covenants by the homeowner. Such meeting, if requested by the homeowner must occur before any further actions taken by the Association.

Neither the Association nor the officers, directors, members, employees, and agents of any of them shall be held liable to any Person for exercising the rights granted by this Declaration. In addition to any other remedies available to the Association, in the event of noncompliance with this Declaration, the Association shall have the authority and standing to pursue all remedies available at law and equity to enforce the provisions of this Article.

h. Repeat Violations.

If the Association notifies any Owner of violations under g. above three (3) times in any twelve (12) month period, for the same item for which such Owner is responsible in violation of these covenants, the Association shall provide written notice by certified mail to the Owner setting

forth in reasonable detail the nature of the violation and the dates of the previous violations. The Association shall have the right, 2 days after delivery of the certified notice, to levy a daily fee of \$10 each day that the violation continues or is repeated, as a Specific Assessment.

i. No Waiver.

The approval of the Association of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring approval or consent of the Association, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications or drawings or matters subsequently or additionally submitted for approval or consent.

Article 7
Architectural Standards

a. Architectural Requirements.

i. Dwelling Size:

Unless otherwise specified in this Declaration, no dwelling shall be constructed on any lot with a ground floor area of less than 2,200 square feet of heated and cooled floor finished space for a one-story home, nor shall any dwelling of multiple stories or floor levels be permitted having less than 2,500 square feet of heated and cooled floor finished space. Said area shall be exclusive of screened or unscreened porches, patios, or terraces or garages.

ii. Dwelling Design:

Designs will be reviewed by the Architectural Control Committee prior to construction. To assist the applicant, it is recommended that a sketch or plan book representation of the proposed dwelling be submitted to the Committee at the earliest moment to verify basic design guideline acceptance prior to completion of plans.

iii. Exterior Colors & Materials:

All color schemes and material choices for newly constructed dwellings must be submitted to the Architectural Control Committee for approval.

iv. Fireplaces and Chimneys:

Exterior of all chimneys must be masonry, stacked stone, or other material consistent with the design of the home.

v. Roofs:

Roofing material and color for newly constructed dwellings shall be subject to Architectural Control Committee approval and all plumbing or heating vents that penetrate the roof surface shall be painted. Any repair or replacement of roofing on existing structures must consist of material and colors that do not substantially vary from the original roofing. Any substantial changes should be submitted to the Architectural Control Committee for approval.

vi. Foundations:

All exposed foundation above finished grade shall be finished in a manner approved by the Architectural Control Committee.

vii. Setback lines:

All lots shall have the following minimum building setbacks: 40 feet from the front of each lot, 10 feet from the side of each lot and 25 feet from the back of each lot.

viii. Driveways:

Driveways shall be constructed with materials as approved by the Architectural Control Committee. Specifications are to be submitted to the Architectural Control Committee for approval. Driveways are to make a smooth transition to the street with no abrupt elevation change.

ix. Garages:

All garages must be constructed with a door that can be shut.

x. Mailboxes:

All mailboxes must keep in character with the Community and be of equal or higher quality of those present in the Community. The Architectural Control Committee shall have the right to approve the location, color, size, design, lettering, and all other particulars of mailboxes, including the installation of any name signs for such boxes, as well as property identification markers.

xi. Outbuildings:

All outbuildings and structures must be approved by the Architectural Control Committee and should be compatible with the house and surrounding neighborhood regarding color and materials.

xii. Pools:

Approval must be obtained for the construction or installation of any pool from the Architectural Control Committee. All filter tanks, pool chemical feeders and any other above ground apparatus must be enclosed or hidden from view. Pools shall be placed in the rear yard.

xiii. Fences:

All fencing or fencing type barrier of any kind shall be approved by the Architectural Control Committee before placed on any lot.

b. Use Restrictions and Rules for Common Property

i. Rules and Regulations.

The Board of Directors may, from time to time, without a vote of the members, promulgate, modify, or delete rules and regulations applicable to the use of the Common Property. Such rules and regulations shall be distributed to all Owners prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled, or modified by the Board of Directors or by a majority of the Total Association Vote.

ii. Failure to Comply.

Failure to comply with the Use Restrictions and Rules promulgated by the Board as referenced above may result in action from the Board of Directors including imposing fines as provided under the rules and regulations which are immediately due and payable as a specific assessment. The Association may explore any other enforcement actions allowed under Georgia law.

iii. Speed Limits.

The Board of Directors shall set the reasonable speed limits on all roads within the Community. No motor vehicle shall be driven on any street within the Community at a speed in excess of the posted limits. Any efforts to enforce speed limits within the Community by the Board must be applied equally to residents of the Community as well as non-residents, who are allowed access to the Community.

iv. Docks, Piers, and Boating.

No dock, pier, wharf, or other structure of any kind shall be erected, placed, or allowed on, in, or over any portion of any lake, stream, canal, river, artificial or natural, adjacent to any lot or area and no Owner shall have any property right in any such lake, stream,

canal, or river. Additionally, no gas-powered motorboats are allowed on any lake, stream, or canal.

c. Use Restrictions and Rules for Private Owned Property

i. Residential Use.

Each lot shall be used exclusively for single-family residential purposes. Business activities may be conducted within the dwelling unit so long as the business activity: (a) does not otherwise violate the provisions of this Declaration or the Bylaws; (b) is not apparent, detectable by sight, sound, or smell from the exterior of the lot; (c) does not unduly increase traffic flow or parking congestion; (d) conforms to all zoning requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; and (h) does not threaten the security or safety of other residents of the Community, all as may be determined in each case in the sole discretion of the Board of Directors.

ii. Leasing.

No Owner of any lot or structure thereon shall lease, rent, or permit to be leased or rented any lot or structure of which they own unless and until the Owner has owned the lot for a minimum of two (2) years. Nor shall any Owner market, advertise, or otherwise hold out for lease or rent any lot or structure unless and until the Owner has owned the lot for a minimum of two (2) years. The Board may, in its sole discretion, grant an exception to an Owner under this section if the Owner presents to the Board, in writing, the details (including any and all rental or lease agreements) of any purported rental or lease; and the rental or lease would not otherwise violate this Declaration, the Bylaws of the Association, or other applicable law. All leases must be for a period of at least six (6) months and shall require, without limitation, that the Occupants acknowledge receipt of a copy of the Declaration, Bylaws, use restrictions, rules, and regulations of the Association and obligate the Occupants to comply with the foregoing. The Board of Directors maintains the right to charge an additional fee to Occupants or Owners on the monthly assessments for any leased lot or structure. In addition to the restrictions contained herein, at no time shall the number of rental lots in the Community exceed 5% of the total existing lots subject to this Declaration.

iii. Signs.

Signs consistent with the Community standards and any signs required by legal proceedings may be erected upon any lot. Any unusual signage to be erected should be reviewed by the Architectural Control Committee.

iv. Garage.

All homes constructed on lots shall maintain a garage for the parking of vehicles. Owners shall not convert the garage to any other use, such as finished living space, except in connection with approved construction in accordance with Article 6 hereof which includes the construction of a replacement garage.

v. Nuisance.

It shall be the responsibility of each Owner and Occupant to prevent any unclean, unhealthy, unsightly, or unkempt condition on a lot. No lot shall be used for the storage of anything that will cause such lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property within the Community. No plants, animals, device, or thing of any sort shall be maintained in the Community whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community by other Owners and Occupants.

vi. Vehicle Parking.

Vehicles such as an automobile, bus, van, truck, as well as campers, boats, and trailers of any kind shall not be parked on any Owner's lot within 40 feet of any road. However, standard passenger vehicles may be within the 40-foot buffer zone provided said vehicles are parked in a garage or on the established driveway or an approved parking pad. No vehicle shall be parked overnight on any street in the Community unless approved by the Board and in accordance with any conditions or duration limits as are appropriate and the Association's Rules and Regulations.

vii. Pets.

No Owner or Occupant of an Owner's lot may keep any pets other than a reasonable number of household pets on any portion of the Property, as determined in the Board's discretion. No Owner or Occupant of Owner's lot may keep, breed, or maintain any pet for any commercial purpose. Pets may not be left unattended outdoors unless kept outdoors in locked, fenced areas or within a secure invisible fence. No structure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Property without prior written approval of the Architectural Control Committee. Unless in a fenced or secured area, dogs must be kept on a leash and be always under the physical control of a responsible person while outdoors. Feces left by dogs upon any

property other than that of the dog's owner must be removed promptly by the owner of the dog or the person responsible for the dog.

No pets determined in the sole discretion of the Board to be dangerous may be brought onto or kept on the property at any time by any Owner, Occupant, of a Owner's lot or their guests. Any pet which endangers the health of any Owner or Occupant of any lot or which creates a nuisance or unreasonable disturbance, as may be determined in the Board's discretion, must be permanently removed from the Property upon seven (7) days' written notice from the Board.

viii. Antennas.

Exterior antennas or any receivers of transmissions installed on any lot or structure shall be in keeping with the Community and shall not be placed in any location that would be considered a nuisance.

ix. Tree Removal.

No tree that is more than six inches in diameter at a point 12 inches above the ground shall be removed from a lot without prior written approval of the Architectural Control Committee. This provision shall not apply to the removal of trees by the Association or by a builder in connection with construction approved under Article 6 hereof. This provision shall not apply to residents removing dead trees, or those that pose immediate danger to their lot or neighboring lots.

x. Drainage.

Catch basins, retention ponds, detention ponds, drainage swales, and drainage easement areas are for the purpose of controlling the natural flow of water only. Owners shall not obstruct or alter the drainage flow across or from their lot after location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains without approval in accordance with the provisions of Article 6 hereof.

xi. Sight Distance at Intersections.

All property located at street intersections shall be landscaped to permit safe sight across and around the street corners. No fence, wall, hedge, shrub, or other planting or thing shall be placed or permitted to remain where, in the opinion of the Board, it would create an unsafe condition.

xii. Lot Subdivision and Property Boundaries.

No lot shall be subdivided or its boundary lines changed except with the prior written approval in accordance with the provisions of Article 6 hereof. Boundary line disputes and lot combinations are exclusions to this restriction and will not require consent of the Association.

xiii. Unsightly or Unkempt Conditions.

The pursuit of activities, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Owners shall keep their lots, homes, lawns, shrubs, trees, and other landscaping in a neat and attractive condition.

xiv. Lighting.

Exterior lighting must not present a nuisance to the surrounding Community.

xv. Utility Lines.

Except as may be permitted under and pursuant to Article 6 hereof, no overhead utility lines, including lines for cable television, shall be installed within the Community.

Article 8
Board of Directors

a. Preamble

- i. This Article is intended to establish the purpose, duties and responsibilities of the River North Association's Board of Directors.
- ii. Mission Statement: The Board of Directors of the River North Association shall act within the scope of their authority as determined by Georgia law and the Association's governing documents and shall endeavor to serve the Association's best interests and the interests of property owners, putting their own personal interests aside. Members of the Board will conduct themselves with impartiality and will at all times use sound judgment and due diligence in all decisions. The Board will communicate effectively and regularly with residents in an open, honest, and transparent manner.
- iii. After being elected and before assuming office on the Board, each member shall execute the following affirmation:

"I hereby swear or affirm that as a member of the River North Association's Board of Directors, I have read the Association's Bylaws, the Code of Ethics and the Declaration of Covenants, Conditions and Restrictions; and that I will abide by all directives and

limitations contained therein and will uphold the principles of the Board's Mission Statement."

b. Board Composition

- i. The Board of Directors shall be composed of seven (7) members of the Association elected annually by a plurality of owners in person or by proxy at the annual meeting of all residents and Directors shall serve for a term of one year and until their successors are elected. There will be no cumulative voting. In the event there is a tied vote preventing the selection of just seven (7) Directors, the Directors that receive a plurality not affected by the tied vote shall meet in Executive Session and determine which candidates will fill the remaining position(s).
- ii. Within thirty (30) days of the filing of this Declaration, the Association shall begin the process of obtaining nominations of members wishing to serve on the Board of Directors and proceed to conduct an election pursuant to this Article. The Election must be completed within sixty (60) days of the filing of this Declaration. The term for the members of this initial Board of Directors shall be until the next annual meeting held by the Association for all residents.
- iii. After each annual election, the Board shall elect officers as set out herein.
- iv. Each member of the Board shall have one vote regardless of office held on the Board.
- v. The Board may establish committees as needed or as required by this Declaration.
- vi. Any vacancy that occurs between elections shall be filled by a majority vote of all remaining members and the person selected shall serve out the remaining term of the vacated position.
- vii. Upon the written request by at least fifteen percent (15%) of the members of the Association, the Association shall call a special meeting of all members for the purpose of considering the removal of a director. The meeting shall be held not less than ten (10) nor more than thirty (30) days from the date of the request. The request shall state the name(s) of the Director(s) and the cause, if any, for removal. The named Director will be removed if a majority of members entitled to vote present, in person or by proxy, vote for removal.

c. Meetings

- i. The Board of Directors shall conduct regular monthly meetings including the annual meeting of all members of the Association. Except for when meeting in Executive Session, all meetings shall be open to the members of the Association.

- ii. Special meetings of the Board of Directors may be called at any time by the President or by any two Directors, on two days' notice to each Director, which notice shall specify the time and place of the meeting.
 - iii. Directors may attend and participate in meetings either in person or by means of conference telephones or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by means of such communication equipment shall constitute presence in person at any meeting.
 - iv. Action in Lieu of Meeting. Any action to be taken at a meeting of the Directors, or any action that may be taken at a meeting of the Directors, may be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the Directors and if applicable law pertaining to such consents shall have been complied with. Such consent may be evidenced by the electronic communication of Directors such as email.
 - v. A majority of said Directors shall constitute a quorum for the transaction of business. All resolutions adopted, and all business transacted by the Board of Directors shall require the affirmative vote of a majority of the Directors present at the meeting. Any affirmative vote of less than four (4) is subject to reconsideration at the next regular meeting.
 - vi. Except for meetings pursuant to Article 4(f), notice of all meetings at which a vote of the members of the Association will be conducted shall be given by the President or Secretary, stating the time and place and the objectives for which the meeting is called. Such notice shall be in writing and delivered personally or sent by United States mail, postage prepaid, or issued electronically in accordance with Chapter 12 of Title 10, the "Uniform Electronic Transaction Act", to all lot owners of record at such address or addresses as designated by such lot owner, or if no other address has been designated, at the address of their respective lots, not less than seven (7) days, nor more than thirty (30) days prior to the date of the meeting; provided, however, that each member shall be entitled to give the Secretary a written request that such notices be given to the member at another address, in which event such notices to such members shall be mailed to such alternative address not less than seven (7) days prior to the date of such meeting.
 - vii. Proxies. At all meetings of members of the Association, each member entitled to vote may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association. The proxy shall be effective until the called meeting is formally adjourned.
- d. Officers and Duties

- i. The officers of the Association shall consist of a President, a Vice President, a Secretary, and a Treasurer. The officers shall be elected by the Board of Directors and shall serve for a term of one year and until their successors are elected and qualified or their earlier resignation, removal from office or death.
 - ii. The duties of each officer of the Board of Directors shall be as specified in the Bylaws of the Association.
- e. Management.
- i. Subject to the express provisions of the Articles of Incorporation and the Bylaws, the full and entire management of the affairs of the Association shall be vested in the Board of Directors, which shall have and may exercise all the powers that may be exercised or performed by the Association. Without limiting the generality of the foregoing, the Board of Directors shall have the following powers and duties:
 - (a) To adopt reasonable rules and regulations governing the Common Areas consistent with this Declaration.
 - (b) To obtain and pay for the services of any person or entity to manage the affairs of the Association, including legal and accounting services necessary or desirable in connection with the operation of the Common Areas or the enforcement of this Declaration.
 - (c) To prepare and publish an annual budget for the maintenance and operation of the Common Areas, and to fix the amount of the annual assessment against each lot in accordance with said budget.
 - (d) To take such action as may be necessary to collect the full amount of all fees, charges, assessments and other amounts due from any member.
 - (e) To obtain such insurance for all of the improvements on the Common Areas as required in Article 9 of this Declaration and as the Board of Directors shall determine to be needed to protect the assets of the Association.
 - (f) To enforce the Covenants and Restrictions contained in the Declaration and at all times, endeavor in any dispute regarding these covenants to compromise to the extent possible for the benefit of the resident and the Community as a whole. The Board of Directors shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto, if it determines in a particular case there exists unique circumstances, such as, but not limited to, topography, natural obstructions, hardship, aesthetic considerations, or environmental considerations and would not be inconsistent with the overall

scheme of the Community. No variance shall (a) be effective unless in writing, (b) be inconsistent with the overall scheme of the Community, or (c) stop the Association from denying a variance in other similar circumstances. For purposes of this provision, the inability to obtain approval of any governmental agency or the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

- (g) To borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon and, upon the affirmative vote of the Owners of at least two-thirds of the Total Association Vote, to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of any Owner or the holder of any Mortgage encumbering any lot or other property located within the Community (Regardless of any contrary provision in this Declaration or in any such Mortgage given by the Association, the exercise of any rights by the holder of such Mortgage in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of any Owner or the holder of any Mortgage encumbering any lot or other property located within the Community.);
- (h) To dedicate or grant licenses, permits, easements and right-of-way over, under and through the Common Property without a vote of the members.
- (i) To dedicate or transfer all or any portion of the Common Property upon the approval of the Owners of at least two-thirds of the Total Association Vote.

ii. Conflicts of Interest.

Members of the Board of Directors shall take all necessary steps to avoid involving themselves in any contract or other transaction authorized, approved, or ratified by the Board in which the Director has a personal interest or individual benefit to themselves or anyone he or she has a personal, economic, or other association.

f. Financial

i. Budget.

The Board of Directors shall comply with Article 4c of this Declaration by preparing an annual budget. The budget shall be balanced and show all projected income and projected anticipated expenses for the operation of the Association for the coming year including amounts to be paid into the Capital Reserve.

ii. Capital Reserve.

The Board of Directors shall maintain a Capital Reserve fund designated to be applied to capital improvement and maintenance needs of the capital infrastructure. Such expenditures include, but are not limited to:

- Replacement or repair of roofing, siding, and building exteriors.
- Repaving or repairing roads and sidewalks.
- Upgrading or replacing Community amenities such as playgrounds.
- Repairing or replacing infrastructure such as plumbing, electrical systems, and HVAC systems.
- Any other significant capital expenditure that benefits the Community.

(a) Funds held in the Capital Reserve may not be used for non-capital expenditures unless such action is approved by an affirmative vote of at least 30% of the Total Association Vote.

(b) Budget Planning. As a part of the budget process each year, the Board shall prepare a long-range plan listing the capital improvement needs for the Association. The plan shall include the following:

1. A detailed description of each project or area and scope of maintenance anticipated,
2. The amount of funds needed to complete the project or maintenance,
3. The date the project or maintenance will be needed to commence,
4. A priority rating for each item,
5. A designated amount to be set aside for the Capital Reserve fund each year to effectuate the Plan.

g. Bylaws

All Bylaws of the Association, including any additions or amendments to the Bylaws made by the Board, shall be consistent with the provisions of this Declaration. In the event of any conflict between the Bylaws and this Declaration, the Declaration shall control.

Article 9
Insurance and Casualty Losses

a. Insurance on Common Property.

The Association shall obtain the insurance coverage necessary to satisfy the requirements of all State and Federal laws, rules and regulations as may be applicable to the Community. This insurance shall provide, at a minimum, fire and extended coverage and, if reasonable, 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 of Directors shall obtain a public liability policy applicable to the Common Property covering the Association and its members of all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million (\$1,000,000.00) Dollars. Policies may contain a reasonable deductible as determined by the Board of Directors. In addition to the other insurance required by this Section, the Board of Directors shall obtain workers compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of coverage shall at least equal three months' total assessments plus reserves on hand. Coverage shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation. All such insurance coverage shall be written in the name of the Association.

b. Individual Insurance.

By virtue of taking title to a lot subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of individual lots and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry all-risk casualty insurance on all structures and a liability policy covering damage or injury occurring on the Owners property.

c. Damage and Destruction-Insured by Association.

Immediately after damage or destruction by fire or other casualty to any portion of any improvement 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. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within 60 days after the casualty, a proposal not to repair or reconstruct such property is approved by at least 50% of the Total Association Vote. If for any reason either

the amount of the insurance proceeds to be paid because 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 such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed 60 days. 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 propose a Special Assessment or a plan for modified reconstruction or repair to the Owners which must be approved by at least 50% of the Total Association Vote. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association. If it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, the property shall thereafter be maintained by the Association in a neat and attractive condition.

d. Damage and Destruction-Insured by Owners.

The damage or destruction by fire or other casualty to all or any portion of any improvement on a lot shall be repaired by the Owner thereof within 75 days after such damage or destruction or, where repairs cannot be completed within 75 days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the lot and remove all debris therefrom within 75 days after such damage or destruction.

Article 10
Easements

a. Easements for Use and Enjoyment.

Every Owner of a lot shall have a right and easement of ingress and egress, use and enjoyment by the Owner and the Occupants of the Owners lot in and to the Common Property which shall be appurtenant to and shall pass with the title to each lot.

b. Easements for Utilities.

There is hereby reserved to the Association a blanket easement upon, across, above and under all property within the Community for access, ingress, egress, installation, alteration, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system cable television, or security system which the Association might decide to have installed to serve the Community. The Association may alter drainage and water flow, install, repair, replace and maintain or authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables, and other equipment related to the providing of any utility or service. Should

any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board shall have the right to grant such easement.

c. Easement for Emergency Entry.

The Association shall have the right, but not the obligation, to enter upon any lot for emergency, security, and safety reasons.

d. Easement for Maintenance.

The Association shall have a perpetual easement across the exterior portions of all lots as may be reasonably necessary for the maintenance required hereunder. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to lots, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Association or its contractors at their sole expense.

e. Easement for Entity Features and Streetscapes.

There is hereby reserved to the Association an easement for ingress, egress, installation, construction landscaping and maintenance of entry features and similar streetscapes for the Community, over and upon any portion of a lot containing such entry features or streetscapes for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around entry features and streetscapes and the right to grade the land under and around the same.

f. Easement for Drainage.

There is hereby reserved to the Association a blanket easement across all lots for creating and maintaining satisfactory storm water drainage in the Community; provided, however, such easement area shall not include any portion of a lot within the outer perimeter of the dwelling structure. This easement shall include the right to construct and maintain catch basins; retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill.

Article 11
Golf Course and Country Club

a. General.

A private golf course and Country Club exist within the Community. Members of the Association have no ownership interest, proprietary interest, beneficial interest, or other vested interest in the golf course and Country Club (club) and have no rights to enter or use the club by virtue of being a member of the Association or Owner of any property in the Community.

b. Entry by Golfers.

Each lot which is adjacent to the golf course and Country Club shall be subject to the right and easement on the part of authorized golf course players and their caddies playing golf on any such golf course to enter upon the unimproved portion of any such lot to remove a golf ball, subject to the official rules of such golf course, with such entering not to be deemed a trespass. Golf course players or their caddies shall not be entitled to enter upon any such lot with a golf cart or other vehicle. There shall also exist for the benefit of the owner of the Country Club and persons using any such golf course a general easement over each lot to permit the doing of every act necessary, proper and convenient to the playing of golf on the portion of such golf course adjacent to such lot, including the flight of golf balls over and upon such lot, the use of necessary and usual equipment upon such golf course, usual and common noise level created by the playing of golf, and all normal and usual activities associated with the operation and enjoyment of a golf course.

c. Change in Status.

If at any time the club ceases to operate as a private golf course and Country Club, the Association may terminate any rights or privileges, previously granted to the club, or its invitees, as appropriate.

Article 12

Use of Common Property by Nonmembers

a. Right of Association to Grant Nonmember Use Rights.

The Association shall be entitled to grant nonmember use for access, ingress, use and egress for vehicular and pedestrian, traffic over, under and across the Community roads, parking areas, and walkways to nonresidents.

Article 13

General Provisions

a. Cameras.

The Board of Directors shall have the authority to place cameras within the Community to ensure the safety and security of all residents. These cameras must be directed in common areas, including, but not limited to gates, roads, clubhouses, and water features within the Association. The access to the videos by the cameras will be for the Board of Directors and the Association staff only unless it becomes necessary to involve law enforcement officials to review the footage.

b. Occupants Bound.

All provisions of the Declaration, Bylaws, rules, and regulations use restrictions and design guidelines which govern the conduct of Owners, and which provide for sanctions against Owners shall also apply to all Occupants and the guests and invitees of Owners and Occupants. The Owner shall be responsible for ensuring that the Occupants, the guests, invitees and licensees of the Owner and Occupant strictly comply with all provisions of the Declaration, Bylaws, rules, and regulations, use restrictions and design guidelines. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not timely paid, the fine may then be levied against the Owner.

c. Duration.

The covenants, conditions, restrictions and easements contained in this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association, and any Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent provided by law; provided, however, if and to the extent that, Georgia law limits the period during which covenants restricting land to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time, any such provision shall be automatically extended for successive periods of twenty (20) years (or the maximum period allowed by applicable law, files), unless a written instrument signed by the then Owners of at least two-thirds (2/3) of the lots has been recorded within the year immediately preceding the beginning of a twenty (20) year renewal period agreeing to terminate the same; or (b) extended, renewed, modified, or terminated as otherwise provided herein or by applicable laws.

d. Amendment.

This Declaration may be amended upon the affirmative vote or written consent of 2/3 of the Owners of the Total Association Vote. The Board of Directors may amend this Declaration unilaterally at any time only if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict there with.

e. Severability.

Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and, to this end, the provisions of this Declaration are declared to be severable.

f. Captions.

The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

g. Interpretation.

In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation of construction which, in the opinion of the Directors of the Association, will be to the benefit of the residents and for the Community. The provisions hereof shall be liberally interpreted and, if necessary, they shall be extended or enlarged by implication as to make them effective.

h. No Right of First Refusal.

The right of a lot Owner to sell, transfer, or otherwise convey his lot shall not be subject to a right of first refusal or any similar restriction in favor of the Association.

i. Indemnification.

To the fullest extent allowed by the Georgia Nonprofit Corporation Code, and in accordance therewith, the Association shall indemnify every current and former officer, director and committee member against any and all expenses, including, but not limited to, attorney's fees, imposed upon or reasonably incurred by an officer, director or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director, or committee member, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation if such coverage is reasonably available.

j. Agreements.

All agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board of Directors, shall be binding upon all

Owners, their heirs; legal representatives, successors, assigns, and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

k. Litigation.

No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a majority of the Total Association Vote. This Section shall not apply to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation the foreclosure of liens) (b) the imposition and collection of assessments provided herein, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made unilaterally by the Association as provided herein or is approved by the percentage votes necessary to institute proceedings as provided above.

Article 14
Neighborhood Specific Covenants

a. Multi-residential Attached Housing.

A complex of condominiums exists in the Community located on River Pointe Drive. The nature of this multi-resident complex is unique to the remaining Community of single-family homes on individual lots. Despite these differences, condominium owners possess the same rights and privileges of any other resident of this Community and are bound by the same use restrictions and covenants including assessments as contained herein. The differences also necessitate that exceptions to certain requirements may be necessary for residents of those units. Exceptions include but are not limited to square footage requirement of dwellings. Decisions regarding the application of these covenants towards the condominiums shall consider these inherent differences and variances will be granted as needed.

b. Maintenance.

The property or lot containing attached housing, and all exterior improvements are owned by the collective owners of each individual housing unit. Unless conveyed to the River North Association as Common property, the owners are responsible for maintenance, landscaping, and other improvements thereon individually and as a collective association of owners. If the Condominium or other such owners' association fails to discharge properly any obligations regarding the maintenance, repair, or replacement of for which the owners are responsible in violation of this Declaration, enforcement action will be taken as needed to seek compliance with this Declaration.

c. Future Expansion or Development.

Any expansion of the condominium complex as it exists or any creation of new multi-residential complexes in the future are subject to prior approval from the Architectural Control Committee.