
After Recording Return To:
The Law Office of Margaret K. Clark, PC
1 Diamond Causeway, Suite 21 #204
Savannah, Georgia 31406
Attn: Margaret K. Clark

Cross Reference:
Deed Book 140-P, Page 683
Deed Book 169-H, Page 396

STATE OF GEORGIA

COUNTY OF CHATHAM

AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS,

CONDITIONS AND RESTRICTIONS FOR CAUSTON BLUFF

W I T N E S S E T H

WHEREAS, Causton Bluff Associates, a South Carolina general partnership, recorded that certain Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff on December 21, 1988, in Deed Book 140-P, Page 683 of the Chatham County, Georgia land records (hereafter referred to as the “Original Master Declaration”);

WHEREAS, Canal Investment Society, L.P., a South Carolina Limited Partnership, successor to Causton Bluff Associates, a South Carolina general partnership, and Bouy Brothers Builders, Inc. recorded that certain Neighborhood Declaration of Covenants, Conditions and Restrictions for The Cottages at Causton Bluff Tract C on September 22, 1994, in Deed Book 169-H, Page 396 of the Chatham County, Georgia land records (hereafter referred to as the “Original Cottages at Causton Bluff Declaration”);

WHEREAS, Causton Bluff Owners Association, Inc. (hereafter referred to as “Association”) is the homeowners association referred to and identified in the Original Master Declaration and the Original Cottages at Causton Bluff Declaration;

WHEREAS, the By-Laws of Causton Bluff Owners Association, Inc. (hereafter referred to as the “Original By-Laws”) are the bylaws of the Association;

WHEREAS, pursuant to Article XII, Section 12.3 of the Original Master Declaration, the Original Master Declaration may be amended at a meeting of the members duly called and held for

such purpose, pursuant to a resolution of the Board of Directors adopting a proposed amendment and approved by the Owners holding at least two-thirds (2/3) of the total votes in the Association;

WHEREAS, pursuant to Article VII, Section 3 of the Original Cottages at Causton Bluff Declaration, the Original Cottages at Causton Bluff Declaration may be amended as provided in the Original Master Declaration;

WHEREAS, pursuant to Article VIII, Section 8.04 of the Original By-Laws, the Original By-Laws may be amended at a regular or special meeting of the members duly called and held for such purpose, pursuant to a resolution of the Board of Directors adopting a proposed amendment and approved by the Owners to which at least two-thirds (2/3) of the votes which the Owners present at such meeting in person or by proxy are entitled to cast;

WHEREAS, this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton Bluff Owners Association, Inc. were approved by Owners holding at least two-thirds (2/3) of the total votes in the Association at a meeting of the members duly called and held for such purpose, pursuant to a resolution of the Board of Directors;

WHEREAS, this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton Bluff Owners Association, Inc. do not materially and adversely affect the security title and interest of any Mortgagee;

WHEREAS, as of the date of this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton Bluff Owners Association, Inc., Declarant no longer owns a lot or Dwelling primarily for the purpose of sale;

WHEREAS, as of the date of this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton Bluff Owners Association, Inc., Declarant no longer has an unexpired option to add Additional Property or any portion thereof to the Development;

WHEREAS, as of the date of this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton Bluff Owners Association, Inc., Declarant no longer owns any membership interest in the Yacht Club;

WHEREAS, as of the date of this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton

Bluff Owners Association, Inc., Declarant no longer has the right to appoint and remove the members of the Board of Directors of the Association; and

NOW, THEREFORE, the Original Master Declaration, the Original Cottages at Causton Bluff Declaration, and By-Laws are hereby stricken in their entirety and the following is simultaneously substituted therefor:

**AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR CAUSTON BLUFF**

The Law Office of Margaret K. Clark, PC
Margaret K. Clark, Esq.
1 Diamond Causeway, Suite 21 #204
Savannah, Georgia 31406

TABLE OF CONTENTS

ARTICLE I.	GEORGIA PROPERTY OWNERS’ ASSOCIATION ACT	10
ARTICLE II.	DEFINITIONS.....	10
2.1.	Act	10
2.2.	Association	10
2.3.	Bartow Point Dwelling	10
2.4.	Bartow Point Lot	10
2.5.	Base Assessments.....	10
2.6.	Board	10
2.7.	Bylaws	10
2.8.	Common Expenses	10
2.9.	Common Property	10
2.10.	Community or Causton Bluff	11
2.11.	Community-Wide Standard.....	11
2.12.	Cottage Dwelling.....	11
2.13.	Cottage Lot	11
2.14.	Declaration	11
2.15.	Dock	11
2.16.	Dwelling	11
2.17.	Effective Date of this Declaration	11
2.18.	Eligible Mortgage Holder.....	11
2.19.	Large Wetslips.....	11
2.20.	Lot	11
2.21.	Mortgage	12
2.22.	Mortgagee or Mortgage Holder.....	12
2.23.	Occupant.....	12
2.24.	Original Cottages Declaration	12
2.25.	Original Master Declaration	12
2.26.	Owner	12
2.27.	Party Wall.....	12
2.28.	Person	12
2.29.	Standard Wetslips.....	12
2.30.	The Cottages Neighborhood Assessments	12
2.31.	The Cottages Neighborhood Expenses.....	12
2.32.	The Cottages Neighborhood.....	13
2.33.	Wetslips	13
ARTICLE III.	PROPERTY SUBJECT TO DECLARATION	13

ARTICLE IV.	THE COTTAGES NEIGHBORHOOD.....	13
ARTICLE V.	ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	13
5.1.	Membership.....	13
5.2.	Voting.....	13
5.3.	Entity Members	14
ARTICLE VI.	ASSOCIATION RIGHTS AND RESTRICTIONS.....	14
6.1.	Association Rights and Restrictions.....	14
ARTICLE VII.	ASSESSMENTS.....	15
7.1.	Purpose of Assessment.....	15
7.2.	Creation of the Lien and Personal Obligation for Assessments	15
7.3.	Uniform Rate of Assessment and Specific Assessments	15
7.4.	Computation of Operating Budget and Base Assessment.....	16
7.5.	Computation of The Cottages Neighborhood Budget and The Cottages Neighborhood Assessment	17
7.6.	Fiscal Year.....	18
7.7.	Special Assessments.....	18
7.8.	Capital Contribution Assessments.....	19
7.9.	Delinquent Assessments.....	19
7.10.	Statement of Account	20
ARTICLE VIII.	ARCHITECTURAL CONTROLS	<u>2120</u>
8.1.	Architectural Standards	<u>2120</u>
8.2.	Architectural Standards Committee	21
8.3.	Appeal	<u>2221</u>
8.4.	Limitation of Liability.....	22
8.6.	No Waiver of Future Approvals.....	<u>2322</u>
8.7.	Protection of Historic Sites.....	23
8.8.	Enforcement	23
8.9.	Commencement and Completion of Construction	<u>2423</u>
ARTICLE IX.	USE RESTRICTIONS.....	24
9.1.	Residential Use.....	24
9.2.	Number of Occupants.....	25
9.3.	Vehicles and Parking.....	25
9.4.	Animals	<u>2726</u>
9.5.	Fences.....	27
9.6.	Wells and Effluent.....	<u>2827</u>
9.7.	Water Wells and Septic Tanks	<u>2827</u>
9.8.	Water Conservation.....	28
9.9.	Window Treatments	<u>2928</u>

9.10.	Antennas and Satellite Dishes	2928
9.11.	Abandoned Personal Property	29
9.12.	Use of Common Property	29
9.13.	Prohibition of Nuisance and Noise.....	3029
9.14.	Signs	31
9.15.	Rubbish, Trash, and Garbage	31
9.16.	Trash Collection Services.....	3234
9.17.	Unsightly or Unkempt Conditions	3234
9.18.	Impairment of Dwellings and Easements.....	32
9.19.	Tree Removal	32
9.20.	Historic Site Protection	3332
9.21.	Waterfront Areas	3332
9.22.	Erosion Control	33
9.23.	Window Air Conditioners	33
9.24.	Delivery Receptacles and Property Identification Markers	33
9.25.	Subdivision of Lots	33
9.26.	Garage Sale.....	33
9.27.	Easements	33
9.28.	Traffic Regulations.....	3433
ARTICLE X.	LEASING	34
10.1.	Definition.....	34
10.2.	Leasing Provisions	34
10.3.	Applicability of this Article.....	36
ARTICLE XI.	MAINTENANCE RESPONSIBILITY	36
11.1.	Association’s Responsibility of Common Property	36
11.2.	Association’s Responsibility of Cottage Dwellings.....	3736
11.3.	General	37
11.4.	Cottage Lot Owner’s Responsibility	38
11.5.	Bartow Point Lot Owner’s Responsibility	39
11.6.	River Embankment Maintenance	4039
11.7.	Failure to Maintain	40
11.8.	Maintenance Standards and Interpretation	4140
11.9.	Measures Related to Insurance Coverage	41
ARTICLE XII.	PARTY WALLS.....	4241
12.1.	General Rules of Law to Apply.....	4241
12.2.	Painting.....	4241
12.3.	Repair, Replacement and Maintenance for Party Walls.....	4241
ARTICLE XIII.	WETSLIPS	4342

13.1.	Allocation of Wetslips.....	4342
13.2.	Subsequent Conveyances	4342
13.3.	Maintenance	4342
13.4.	Rules and Regulations	43
13.5.	Sole Use and Enjoyment of Wetslips	4443
ARTICLE XIV.	EASEMENTS	4443
14.1.	Easements for Use and Enjoyment.....	4443
14.2.	Easements for Encroachment and Overhang.....	4544
14.3.	Easements for Utilities	4544
14.4.	Easement for Entry	45
14.5.	Easement for Historic Sites	4645
14.6.	Easement for Private Streets, Sidewalks, and Signs	4746
14.7.	Easement for Walks, Trails, and Signs.....	4746
14.8.	Easement for Entrance Sign and Landscaping	4746
ARTICLE XV.	SALE OF LOTS	47
15.1.	Grantor’s Obligation for Notice	47
15.2.	Grantee’s Obligation for Notice	4847
ARTICLE XVI.	INSURANCE.....	4847
16.1.	Hazard Insurance on the Common Property	4847
16.2.	Liability Insurance and Directors’ and Officers’ Liability Insurance	4847
16.3.	Premiums and Deductible on Association Policies	4847
16.4.	Policy Terms.....	4847
16.5.	Lot Owner Insurance	49
16.6.	Termite Bond.....	5049
ARTICLE XVII.	REPAIR AND RECONSTRUCTION.....	5049
17.1.	An Insured Loss.....	5049
17.2.	Cost Estimates	5150
17.3.	Source and Allocation of Proceeds	5150
17.4.	Plans and Specifications	5150
17.5.	Construction Fund	5150
ARTICLE XVIII.	MORTGAGEE’S RIGHTS	5150
18.1.	Foreclosure	5150
18.2.	Eligible Mortgage Holder.....	5150
18.3.	Financial Statement	5251
18.4.	Non-Impairment	5251
18.5.	Notice to Association	5251
ARTICLE XIX.	AMENDMENTS	5251

19.1.	General	<u>5251</u>
19.2.	Limitation Period.....	<u>5352</u>
ARTICLE XX.	GENERAL PROVISIONS	<u>5352</u>
20.1.	Enforcement	<u>5352</u>
20.2.	Duration.....	<u>5554</u>
20.3.	SECURITY	<u>5554</u>
20.4.	Dispute Resolution	<u>5554</u>
20.5.	No Discrimination	<u>5655</u>
20.6.	Indemnification	<u>5655</u>
20.7.	Eminent Domain.....	<u>5655</u>
20.8.	Implied Rights	<u>5655</u>
20.9.	Severability.....	<u>5655</u>
20.10.	Conflicts	<u>5655</u>
20.11.	Venue.....	<u>5756</u>
20.12.	Preparer	<u>5756</u>

LIST OF EXHIBITS

- EXHIBIT “A” - DESCRIPTION OF SUBMITTED PROPERTY
- EXHIBIT “B” - DESCRIPTION OF BARTOW POINT LOTS
- EXHIBIT “C” - DESCRIPTION OF THE COTTAGES AT CAUSTON ~~BLUFF~~
~~NEIGHBORHOOD~~BLUFF
- EXHIBIT “D” - BYLAWS
- EXHIBIT “E” - ALLOCATION OF WETSLIPS
- EXHIBIT “F” - WETSLIPS – RULES AND REGULATIONS

ARTICLE I. GEORGIA PROPERTY OWNERS' ASSOCIATION ACT

Causton Bluff is a residential property owners' development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq., as may be amended or supplemented.

ARTICLE II. DEFINITIONS

2.1. Act means the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq., as may be amended or supplemented.

2.2. Association means Causton Bluff Owners Association, Inc., a Georgia nonprofit corporation, its successors or assigns.

2.3. Bartow Point Dwelling means the one single-family dwelling constructed or to be constructed on a Bartow Point Lot.

2.4. Bartow Point Lot means a Lot set forth in Exhibit "B" attached hereto and incorporated herein by this reference.

2.5. Base Assessments shall mean the assessments levied against all Lots in the Community as more particularly described in Article VII, Section 7.4 of this Declaration.

2.6. Board or Board of Directors means the elected body responsible for the management and operation of the Association.

2.7. Bylaws mean the Amended and Restated Bylaws of Causton Bluff Owners Association, Inc., attached to this Declaration as Exhibit "D" and incorporated herein by this reference.

2.8. Common Expenses mean and include the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of the Owners within the Community, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein.

2.9. Common Property means any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association, or land adjacent thereto which is intended for the common

use and enjoyment of the Owners, or any other land to which the Association has occupancy or use rights.

2.10. Community or Causton Bluff means all property subjected and annexed to this Declaration.

2.11. Community-Wide Standard means the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board. In addition, the Board may set a different Community-Wide Standard for The Cottages at Causton Bluff ~~Neighborhood~~.

2.12. Cottages at Causton Bluff Dwelling means the one single-family dwelling constructed or to be constructed on a ~~Cottage~~Cottages at Causton Bluff Lot.

2.13. Cottages at Causton Bluff Lot shall mean a Lot located within The Cottages at Causton Bluff ~~Neighborhood~~.

2.14. Declaration means this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff.

2.15. Dock means the dock constructed on the Common Property within the Community, known as Dock A, Phase II Dock B, and Dock C. The Dock contains Standard Wetslips and Large Wetslips.

2.16. Dwelling means the one single-family dwelling constructed or to be constructed on a Lot. The term shall include within its meaning Bartow Point Dwellings and ~~Cottage~~Cottages at Causton Bluff Dwellings.

2.17. Effective Date of this Declaration means the date that this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff is recorded in the Chatham County, Georgia land records.

2.18. Eligible Mortgage Holder means a holder of a first mortgage secured by a Lot who has requested notice of certain items under Article XVIII of this Declaration.

2.19. Large Wetslips mean the wetslips located at the Dock that measure approximately fifteen feet by forty feet.

2.20. Lot means a portion of the Community intended for ownership and use as a single-family dwelling site and as shown on the plats for the Community recorded in the Chatham County, Georgia land records. The term shall include within its meaning Bartow Point Lots and Cottages at Causton Bluff Lots.

2.21. Mortgage means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation against a Lot.

2.22. Mortgagee or Mortgage Holder means the holder of any Mortgage.

2.23. Occupant means any Person occupying a Lot for any period of time, regardless of whether such Person is a tenant or the Owner of such property.

2.24. Original Cottages at Causton Bluff Declaration means the original Neighborhood Declaration of Covenants, Conditions and Restrictions for The Cottages at Causton Bluff Tract C recorded on September 22, 1994, in Deed Book 169-H, Page 396 of the Chatham County, Georgia land records, which has been amended and restated by this Declaration.

2.25. Original Master Declaration means the original Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff recorded on December 21, 1988, in Deed Book 140-P, Page 683 of the Chatham County, Georgia land records, which has been amended and restated by this Declaration.

2.26. Owner means the record title holder of a Lot, whether one or more Persons, but shall not include a Mortgage Holder.

2.27. Party Wall means any wall built as part of the original construction of two or more Dwellings that is placed on the dividing line or platted lot line between such Lots of such Dwellings.

2.28. Person means any individual, corporation, firm, association, partnership, trust, or other legal entity.

2.29. Standard Wetslips mean the wetslips located at the Dock that measure approximately fifteen feet by thirty feet.

2.30. The Cottages at Causton Bluff ~~Neighborhood~~ Assessments mean the assessments levied against the ~~Cottage~~Cottages at Causton Bluff Lots in The Cottages at Causton Bluff ~~Neighborhood~~ as more particularly described in Article VII, Section 7.5 of this Declaration.

2.31. The Cottages at Causton Bluff ~~Neighborhood~~ Expenses mean and include the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners or Lots within The Cottages at Causton Bluff ~~Neighborhood~~, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein.

2.32. The Cottages at Causton Bluff ~~Neighborhood~~ shall mean those portions of the Community comprised of ~~Cottage~~Cottages at Causton Bluff Lots and as more fully described in Exhibit “C.”

2.33. Wetslips mean the Standard Wetslips and Large Wetslips located at the Dock.

ARTICLE III. PROPERTY SUBJECT TO DECLARATION

The property subject to this Declaration is all that property subjected to the Original Declaration, including all property subjected to such Original Declaration via a recorded amendment or supplemental declaration, the Original Cottages at Causton Bluff Declaration, including all property subjected to such Original Cottages at Causton Bluff Declaration via a recorded amendment or supplemental declaration, and as further described in Exhibit “A” attached hereto and incorporated herein by this reference.

ARTICLE IV. THE COTTAGES AT CAUSTON BLUFF ~~NEIGHBORHOOD~~

The Cottages at Causton Bluff ~~Neighborhood~~ consist of the ~~Cottage~~Cottages at Causton Bluff Lots, which are more fully described in Exhibit “C” attached hereto and incorporated herein. The Association is authorized to provide different services to Lots within The Cottages at Causton Bluff ~~Neighborhood~~ in accordance with the terms of this Declaration. Additionally, the Association is authorized to levy The Cottages at Causton Bluff ~~Neighborhood~~ Assessments to cover The Cottages at Causton Bluff ~~Neighborhood~~ Expenses in accordance with this Declaration.

ARTICLE V. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

5.1. Membership. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be a member of the Association. This is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner’s membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

5.2. Voting. Members shall be entitled to one (1) equal vote for each Lot owned. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves. In the absence of such advice, the Lot’s vote shall be suspended if more than one (1) Person seeks to exercise it. A member’s right to vote shall automatically be suspended during any period in which a member is more than thirty (30)

days delinquent on any assessment or charge, and the member shall be ineligible to vote on any matter until the member's account balance has been paid in full and such member's vote shall not be counted for any purpose.

5.3. Entity Members. In the event an Owner is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary, or other designated agent of such trust, or manager of such other legal entity shall be eligible to represent such entity in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity which is the Owner of the Lot. The membership rights of an Owner which is a corporation, partnership, or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

ARTICLE VI. ASSOCIATION RIGHTS AND RESTRICTIONS

6.1. Association Rights and Restrictions. The Association, acting through its Board of Directors, shall have the right and authority, in addition to and not in limitation of any other right it may have, to:

(a) make and to enforce reasonable rules and regulations governing the use of the Lots, ~~Cottage~~Cottages at Causton Bluff Dwellings, Bartow Point Dwellings, and Common Property;

(b) enforce the Declaration, Bylaws, and rules and regulations of the Association by imposing reasonable monetary fines and suspending use and voting privileges. These powers, however, shall not limit any other legal means of enforcing such documents or provisions by either the Association or, in an appropriate case, by an aggrieved Owner;

(c) grant permits, licenses, utility easements, and other easements, permits or licenses under, through or over the Common Property;

(d) convey all or any portion of the Common Property to any Person upon the written approval of at least two-thirds (2/3) of the total vote of the Association membership;

(e) control, manage, operate, maintain, replace and, in the Board's discretion, alter or improve all portions of the Community for which the Association is assigned maintenance responsibility under this Declaration;

(f) deal with the Common Property in the event of damage or destruction as a result of casualty loss, condemnation, or eminent domain, in accordance with the provisions of this Declaration; and

(g) represent the Owners in dealing with governmental entities on matters related to the Common Property.

ARTICLE VII. ASSESSMENTS

7.1. Purpose of Assessment. The Association shall have the power to levy assessments as provided herein. Assessments shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Association and the membership, and for expenses of the Association as provided within the Declaration, and as otherwise authorized by the Board; provided, however, The Cottages at Causton Bluff Assessments shall only be used for The Cottages at Causton Bluff Expenses and the Base Assessment shall not be used for The Cottages at Causton Bluff Expenses.

7.2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) Base Assessments and charges to fund Common Expenses for the general benefit of all Lots; (ii) The Cottages at Causton Bluff ~~Neighborhood~~ Assessments to fund The Cottages at Causton Bluff ~~Neighborhood~~ Expenses benefiting only the ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton Bluff ~~Neighborhood~~; (iii) special assessments, such assessments to be established and collected as hereinafter provided; and (iv) specific assessments, including reasonable fines.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred (including post-judgment reasonable attorney fees actually incurred from any prior judgment, if any), shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment fell due. Each Owner and the Owner's grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board. The Board of Directors may, but is not obligated to, permit assessments to be paid in monthly, quarterly, or semi-annual installments. No Owner may be exempted from liability, or otherwise withhold payment of assessments, for any reason whatsoever.

7.3. Uniform Rate of Assessment and Specific Assessments. Base Assessments shall be fixed at a uniform rate for all Lots. The Cottages at Causton Bluff ~~Neighborhood~~ Assessments shall be fixed at a uniform rate for all ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton Bluff ~~Neighborhood~~. Notwithstanding the above, the Board of Directors shall have the power to levy specific assessments against Lots pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not

constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. The Board of Directors shall have the power to levy specific assessments as follows:

(a) Except for expenses incurred for maintenance and repair of items which are the Association's maintenance responsibility hereunder, any Common Expenses benefiting less than all of the Lots or disproportionately benefiting all Lots may be specifically assessed equitably among all of the Lots which are benefited according to the benefit received.

(b) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any Lot may be specifically assessed against such Lot, including, but not limited to, expenses and attorney's fees actually incurred by the Association in enforcing the Declaration, Bylaws or Association rules and regulations, regardless of whether or not an enforcement lawsuit has been filed.

(d) Other specific assessments, including fines, against an Owner and Owner's Lot as determined by the Board.

7.4. Computation of Operating Budget and Base Assessment. Prior to the beginning of each new fiscal year, the Board of Directors shall (1) prepare a budget covering the estimated Common Expenses of the Association for the upcoming new fiscal year and shall fix in the budget the amount of the Base Assessment for the upcoming new fiscal year, and (2) deliver a copy of the budget to each Owner at least ~~thirty-two~~ thirty-two (302) days prior to the ~~beginning of the new fiscal year~~ annual meeting of the members of the Association. The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of Common Expenses on which the Board may set the Base Assessment. The Board may, but is not obligated to, permit the Base Assessment to be paid in monthly, quarterly, or semi-annual installments.

The budget may include a capital contribution establishing a reserve fund in accordance with an annual or multi-year reserve budget which takes into account the number and nature of replaceable assets, the expected life of such assets, and the expected repair or replacement costs of the assets. The Board may establish a reserve account for such expected repair or replacement costs, and may fund the reserve account from collected Base Assessments. The reserve budget shall not operate as a limitation on the expenditures of funds in the reserve account, but, rather, the Board may spend funds in the reserve account as deemed reasonable by the Board.

The budget and the Base Assessment shall be approved by the Board without a membership vote and shall become effective unless disapproved by the majority of the total vote of the Association membership at the annual meeting of the members of the Association ~~a meeting of the membership held prior to the beginning of the new fiscal year. Said meeting may be the annual meeting of the members if the annual meeting is held prior to the beginning of the new fiscal year or~~

~~may be at a special meeting requested in accordance with the Bylaws. The Board shall have no obligation to call a meeting or a vote to disapprove the budget and Base Assessment unless requested by the members in accordance with the terms of the Bylaws.~~

If either (1) the membership disapproves the budget ~~at the annual meeting of the members of the Association prior to the beginning of the new fiscal year~~ as provided herein, or (2) the Board fails for any reason to either (a) prepare a budget and fix the amount of the Base Assessment for the new fiscal year or (b) deliver the budget to the members, as provided herein, then the budget and Base Assessment in effect for the current fiscal year shall ~~be~~ increase by ten percent (10%) for the upcoming new fiscal year. In the event the Base Assessment is insufficient to cover the actual Common Expenses of the Association during any fiscal year, the Board of Directors, upon ten days notice to the members, may increase the Base Assessment during such fiscal year to cover the shortfall.

7.5. Computation of The Cottages at Causton Bluff ~~Neighborhood~~ Budget and The Cottages at Causton Bluff ~~Neighborhood~~ Assessment. Prior to the beginning of each new fiscal year, the Board of Directors shall (1) prepare a separate The Cottages at Causton Bluff ~~Neighborhood~~ budget covering the estimated The Cottages at Causton Bluff ~~Neighborhood~~ Expenses to be incurred by the Association for The Cottages at Causton Bluff ~~Neighborhood~~ for the upcoming new fiscal year and shall fix in The Cottages at Causton Bluff ~~Neighborhood~~ budget the amount of The Cottages at Causton Bluff ~~Neighborhood~~ Assessment for the upcoming new fiscal year, and (2) deliver a copy of The Cottages at Causton Bluff ~~Neighborhood~~ budget to each Owner within The Cottages at Causton Bluff ~~Neighborhood~~ at least ~~thirty-two~~ thirty-two (302) days prior to the ~~annual meeting of the members of the Association beginning of the new fiscal year.~~ The Board shall be entitled to set The Cottages at Causton Bluff ~~Neighborhood~~ budget to the extent that this Declaration, the Bylaws, or any amendment to the foregoing specifically authorize the Board to assess certain costs as The Cottages at Causton Bluff ~~Neighborhood~~ Assessment. The Cottages at Causton ~~Bluff Neighborhood~~ Bluff budget shall not operate as a limitation on expenditures by the Board, but, rather, The Cottages at Causton ~~Bluff Neighborhood~~ Bluff budget is merely an estimate of The Cottages at Causton ~~Bluff Neighborhood~~ Bluff Expenses on which the Board may set The Cottages at Causton ~~Bluff Neighborhood~~ Bluff Assessment. The Board may, but is not obligated to, permit The Cottages at Causton ~~Bluff Neighborhood~~ Bluff Assessment to be paid in monthly, quarterly, or semi-annual installments.

The Cottages at Causton ~~Bluff Neighborhood~~ Bluff budget may include a capital contribution establishing a reserve fund in accordance with an annual or multi-year reserve budget which takes into account the number and nature of replaceable assets, the expected life of such assets, and the expected repair or replacement costs of the assets within The Cottages at Causton ~~Bluff Neighborhood~~ Bluff. The Board may establish a reserve account for such expected repair or replacement costs, and may fund the reserve account from collected The Cottages at Causton ~~Bluff Neighborhood~~ Bluff Assessments. The reserve budget shall not operate as a limitation on the

expenditures of funds in the reserve account, but, rather, the Board may spend funds in the reserve account as deemed reasonable by the Board.

The Cottages at Causton ~~Bluff Neighborhood~~Bluff budget and The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessment shall be approved by the Board without a membership vote and shall become effective unless disapproved by the majority of the Owners of ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton ~~Bluff Neighborhood~~Bluff at the annual meeting of the members of the Association~~a meeting of the membership held prior to the beginning of the new fiscal year. Said meeting may be the annual meeting of the members if the annual meeting is held prior to the beginning of the new fiscal year or may be at a special meeting requested in accordance with the Bylaws. The Board shall have no obligation to call a meeting or a vote to disapprove The Cottages at Causton Bluff Neighborhood Budget and The Cottages at Causton Bluff Neighborhood Assessment unless requested by the members in accordance with the terms of the Bylaws.~~

If either (1) the membership disapproves The Cottages at Causton ~~Bluff Neighborhood~~Bluff budget at the annual meeting of the members of the Association~~prior to the beginning of the new fiscal year~~ as provided herein, or (2) the Board fails for any reason to either (a) prepare The Cottages at Causton Bluff Neighborhood Budget and fix the amount of The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessment for the new fiscal year or (b) deliver The Cottages at Causton ~~Bluff Neighborhood~~Bluff Budget to the Owner within The Cottages at Causton ~~Bluff Neighborhood~~Bluff, as provided herein, then The Cottages at Causton ~~Bluff Neighborhood~~Bluff Budget and The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessment in effect for the current fiscal year shall ~~be~~ increase by ten percent (10%) for the upcoming new fiscal year. In the event The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessment is insufficient to cover the actual The Cottages at Causton ~~Bluff Neighborhood~~Bluff Expenses of the Association during any fiscal year, the Board of Directors, upon ten days notice to the Owner within The Cottages at Causton ~~Bluff Neighborhood~~Bluff, may increase The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessment during such fiscal year to cover the shortfall.

7.6. Fiscal Year. The fiscal year of the Association may be set by Board resolution or, in the absence thereof, shall be the calendar year.

7.7. Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special assessments shall be levied against all Lots within the Community, if the special assessment is for Common Expenses, or against the ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton ~~Bluff Neighborhood~~Bluff, if the special assessment is for The Cottages at Causton ~~Bluff Neighborhood~~Bluff Expenses. Special assessments shall be fixed at a uniform rate for all Lots subject to such special assessment.

Any special assessment levied against all Lots which would cause the total of special assessments levied in one fiscal year against all Lots to exceed twenty-five percent (25%) of the amount of the Base Assessment in effect in such fiscal year must be approved by the affirmative vote, written consent, or any combination of affirmative vote and written consent, of at least a majority of the total eligible votes of the Association.

Any special assessment levied against the ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton ~~Bluff Neighborhood~~Bluff which would cause the total of special assessments levied in one fiscal year against only the ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton ~~Bluff Neighborhood~~Bluff to exceed twenty-five percent (25%) of the amount of The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessment in effect in such fiscal year must be approved by the affirmative vote, written consent, or any combination of affirmative vote and written consent, of at least a majority of the votes allocated to the ~~Cottage~~Cottages at Causton Bluff Lots which will be subject to the special assessment.

An approved special assessment may be required to be paid during the fiscal year, or alternatively, upon the approval of the Board of Directors, may be paid over a set number of years.

7.8. Capital Contribution Assessments. Upon the conveyance of ownership of a Lot, including all resales, a capital contribution assessment shall become due and payable to the Association by each new Owner. The amount of the capital contribution assessment shall be set by the Board of Directors at any time during the year in which this Declaration is recorded, which shall not exceed twenty-five percent (25%) of the amount of the Base Assessment in effect in such fiscal year. Thereafter, prior to the beginning of each new fiscal year, the Board of Directors may determine the amount of the capital contribution assessment for the upcoming new fiscal year, which shall not exceed twenty-five percent (25%) of the amount of the Base Assessment in effect in such fiscal year. In the event the Board does not determine the amount of the capital contribution assessment prior to the beginning of the next fiscal year, then the capital contribution assessment amount in effect at such time shall, by default, continue for the next fiscal year.

The capital contribution assessment shall not be deemed to be an advance payment of any assessment and may not be paid in lieu of any assessment. The capital contribution assessment shall be the personal obligation of the new Owner and shall constitute a lien against the Lot. Notwithstanding anything to the contrary herein, no capital contribution assessment shall be due as a result of a conveyance of a Lot to: (a) an Owner's spouse or a person cohabitating with the Owner; (b) an Owner's heir(s) in the event of an Owner's death; or (c) a corporation, partnership, company, or legal entity in which the Owner is a principal.

7.9. Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(a) If any assessment, fine, or charge is not paid in full within ten (10) days of the due date, a late charge equal to the greater of ten dollars (\$10.00) or ten percent (10%) of the amount not paid or such higher amount as may be authorized by law, may be imposed without further notice or warning to the delinquent Owner, and interest at the rate of ten percent (10%) per annum or such higher amount as may be authorized by law, shall accrue from the due date.

(b) If partial payment of an assessment, fine, or charge is made, the amount received may be applied by the Board, in respective order, to post-judgment attorney's fee from any prior judgment, if any, then to costs and attorney's fees not reduced to a judgment, then to interest, then to late charges, then to delinquent assessments and then to current assessments.

(c) If an assessment, fine, or charge due from an Owner remains delinquent and unpaid for more than thirty (30) days from the date due, then a notice of delinquency may be given to that Owner stating that if the unpaid assessment or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board may accelerate and declare immediately due all of that owner's unpaid installments of the assessment. If the Owner fails to pay all amounts currently due within ten (10) days of the date of the notice of delinquency, the Board may then accelerate and declare immediately due all installments of the assessment without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the assessment in installments, unless reinstated in the Board's discretion. The notice of acceleration provided herein may be included in a collection litigation complaint filed against an owner for unpaid assessments and charges.

(d) If an assessment, fine, or charge remains unpaid more than sixty (60) days after the due date, the Association, acting through the Board, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, and Georgia law, including reasonable attorney's fees actually incurred (and including post-judgment reasonable attorney's fees actually incurred from any prior judgment, if any).

(e) A member's right to vote and right to use the Common Property shall automatically be suspended without notice during any period in which a member is more than thirty (30) days delinquent on any assessment or charge, and the member shall be ineligible to vote on any matter or use the Common Property until the member's account balance has been paid in full.

7.10. Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against such Lot. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein.

ARTICLE VIII. ARCHITECTURAL CONTROLS

8.1. Architectural Standards. No Owner, Occupant, or any other Person may make any exterior change, alteration, modification (including exterior painting), or construction on a Lot, the Dwelling, or the Common Property, nor erect, place or post anything or object which may affect the appearance of a Lot, the Dwelling, or the Common Property (including, but not limited to, any fence, playground equipment, light (except for reasonable seasonal decorative lights displayed on the Owner's Lot or Dwelling between Thanksgiving and January 15), basketball goal, storm door, exterior sculpture, or fountain), nor place any object in any window which is visible from the exterior of a Dwelling, without first obtaining the written approval of the Architectural Standards Committee ("ASC").

The standard for approval of all improvements hereunder shall include, but not be limited to: (1) aesthetic consideration, (2) materials to be used, (3) compliance with the Community-Wide Standard, this Declaration, or design standards which may be adopted by the ASC, (4) harmony with the external design of the existing Dwellings, Lots and structures, and the location in relation to surrounding Dwellings, structures and topography, and (5) any other matter deemed to be relevant or appropriate by the ASC.

Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ASC may reasonably require. If the ASC fails to approve, conditionally approve, or to disapprove such application within forty-five (45) days after the application and such information as the ASC may reasonably require shall have been fully submitted and any and all fees paid, its approval will not be required and this Article shall be deemed complied with.

The ASC shall be the sole arbiter of the application and may withhold approval for any reason whatsoever, including purely aesthetic considerations. The Association, acting through the Board, shall be entitled to stop any construction or modification which is not in conformance with approved plans. The ASC may publish design standards for exterior alterations or additions, and any request in compliance therewith shall be approved. The design standards may contain general provisions applicable to all of the Community, as well as specific provisions which vary from one (1) portion of the Community to another depending upon the location, unique characteristics, and intended use.

8.2. Architectural Standards Committee.

(1) The ASC shall constitute a standing committee of the Association. The Board of Directors shall appoint the members of the ASC, , and the ASC shall consist of the Board unless the Board delegates to other Persons the authority to serve on the ASC. ~~The chairperson of the ASC shall be a Board member.~~

(2) The ASC shall have the authority to select and employ professional consultants to assist it in discharging its duties, the cost of such consultants to be paid by the Owner of any Lot for which an application has been submitted for approval. The Owner of any such Lot shall be responsible for paying the full costs of each review, whether or not the submitted application is approved by the ASC, and the ASC may require payment of all such costs prior to approval of the application. The ASC also may charge reasonable fees to cover the cost of review or inspections performed hereunder.

(3) The ASC may allow encroachments onto the Common Property as it deems acceptable.

8.3. Appeal. In the event the ASC disapproves any application or part thereof, an Owner shall have the right to appeal the ASC's decision to the Board of Directors. Such appeal must be in writing, contain all information the Owner would like the Board to consider, and be mailed to the Association by certified mail, return receipt requested. The Board shall rule on the appeal within thirty (30) days of receiving written notice requesting an appeal from the Owner. If the Board fails to render a decision on such appeal within thirty (30) days after the appeal and such information as the Board may reasonably require shall have been received, the ASC's decision shall be deemed overturned and this Article shall be deemed complied with, unless such construction, modification or improvement otherwise is in violation of the Declaration, the Bylaws, the design standards, the Association's rules and regulations, or applicable zoning ordinances.

In ruling on the appeal, the Board shall consider all relevant materials presented to it by either the Owner or the ASC, the decision of the ASC, and the application of the Owner to the ASC. The Board of Directors shall have the final authority to approve, disapprove, or conditionally approve or disapprove the appeal of the Owner. If the Board does not receive written notice from the Owner by certified mail requesting an appeal within fourteen (14) days from the date of the ASC's notice to the Owner of its decision, the decision of the ASC shall become final and all rights of appeal shall terminate.

8.4. Limitation of Liability. Review and approval of any application pursuant to this Article may be made on any basis, including solely the basis of aesthetic considerations, and neither the Association, the Board, the ASC, or any member of the foregoing shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations and other governmental requirements. Neither the Association, the Board, the ASC, or any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner, design, or quality of approved construction on or modifications to any Lot, nor may any action be brought against the Association, the Board, the ASC, or any member thereof, for any such injury, damage, or loss. Neither the Association, the Board, the ASC, or any member thereof, shall be liable to any Person for any reason whatsoever for any injuries or damages whatsoever relating in

any way to the approval, disapproval, conditional approval, or the failure to approve or deny any application submitted to it pursuant to the terms of this Article.

8.5. Condition of Approval. As a condition of approval of a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration, unless otherwise agreed to in writing by the ASC. It is the responsibility of every Owner of a Lot to determine for himself or herself what architectural modifications have been made to his or her Lot by any predecessor-in-interest. In the discretion of the ASC or Board, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

8.6. No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board and the ASC will change from time to time and that interpretation, application, and enforcement of the architectural standards may vary accordingly. The approval of the Board or the ASC of any proposals, plans, and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval of the Board or the ASC, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

8.7. Protection of Historic Sites. Where any Lot, Dwelling, Common Property, or other portion of the Community is located adjacent to any of the historic sites contained within the Community as more particularly shown on the plats for the Community, the Owner shall submit plans, schedules, construction restrictions and other procedures whereby the above-referenced historic sites will be protected from all construction and development activities undertaken within such portions of the Community adjoining such historic sites. No development or construction of any type shall be undertaken within any portion of the Community adjoining the above-referenced historic sites until such plans, procedures and proposals for the protection of such historic sites have been approved in writing by the ASC. In undertaking any and all construction within any portion of the Community located adjacent to the historic sites, the Owner shall undertake all construction activities in accordance with such plans, procedures and specifications approved by the ASC to protect the adjoining historic sites.

8.8. Enforcement. Any construction, alteration, or other work done in violation of this Article, the Declaration, the Bylaws, the Design Standards or any applicable zoning regulations shall be deemed to be nonconforming. Upon written request from the Board, a violating Owner shall, at the Owner's sole cost and expense, remove such nonconforming construction, alteration, or other work and restore the property to substantially the same condition as existed prior to such construction, alteration or work. Should the Owner fail to do so, the Board, or its designees, shall have the right, in addition to all other available remedies, to enter the property, remove the

violation and restore the property, or obtain a court order compelling the violating Owner to do so. All costs thereof, including reasonable attorney's fees actually incurred, may be assessed against such Lot, regardless of whether or not litigation is filed.

In addition to the above, the Board shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Article and its decisions or those of the ASC. All costs of any such action, including reasonable attorney's fees actually incurred, may be assessed against such Lot. Furthermore, the Board shall have the authority to record in the Chatham County, Georgia land records notices of violation of the provisions of this Article. The Board may also pursue any other enforcement option set forth in this Declaration.

8.9. Commencement and Completion of Construction. All improvements approved by the Board or the ASC hereunder must be commenced within ninety (90) days from the date of approval. If not commenced within such time, then such approval shall be deemed revoked by the Board or the ASC, unless the Board or the ASC gives a written extension for commencing the work. Additionally, except with written Board or ASC approval otherwise, and except for delays caused by strikes, fires, national emergencies, critical materials shortages or other intervening forces beyond the control of the Owner, all work approved by the Board or the ASC hereunder shall be completed within ninety (90) days of commencement of modifications, alternation, or additions or within fifteen (15) months of commencement of construction of a new dwelling.

ARTICLE IX. USE RESTRICTIONS

Each Owner of a Lot shall be responsible for ensuring that the Owner's family, guests, tenants, and Occupants comply with all provisions of this Declaration, the Bylaws, and the rules and regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants, or Occupants, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants, or Occupants.

9.1. Residential Use. Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Community, including business uses ancillary to a primary residential use, except that the Owner or Occupant residing in a dwelling on a Lot may conduct such ancillary business activities within that dwelling so long as (1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the dwelling; (2) the business activity does not involve visitation of the Lot by employees, clients, customers, suppliers, or other business invitees; provided, however, this provision shall not preclude delivery of materials or items by United States Postal delivery or by

other customary parcel delivery services (U.P.S., Federal Express, etc.); (3) the business activity conforms to all zoning requirements for the Community; (4) the business activity does not increase traffic in the Community; (5) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (6) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Community, as may be determined in the Board's sole discretion.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. Short-term rentals, transient tenants, and any other service utilized to temporarily rent Lots as accommodations to guests or tenants (for example, Airbnb, HomeAway, VRBO, or other similar services) are expressly prohibited. Such rental arrangements shall be considered a prohibited business activity regardless if the Owner resides at the Lot.

Notwithstanding the above, the use of a Lot by an on-site management company operating on behalf of the Association shall not be considered a trade or business within the meaning of this Article.

9.2. Number of Occupants.

(a) The maximum number of occupants in a dwelling on a Lot shall be limited to two (2) people per bedroom in the dwelling as originally constructed. "Occupancy," for purposes hereof, shall be defined as staying overnight in a dwelling for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

(b) If an Owner of a Lot is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the natural person(s) who will occupy the Dwelling on the Lot. The designated person(s) to occupy the dwelling may not be changed, added to, or modified more frequently than once every one (1) year.

9.3. Vehicles and Parking. No Owner or Occupant may keep more than a reasonable number of vehicles per Lot at any time. The Board may adopt reasonable rules limiting the number of vehicles which may be parked on a Lot and such other reasonable rules governing the parking of vehicles within the Community. Vehicles may only be parked in garages, driveways or other

areas authorized in writing by the Board. Vehicles shall not be parked on any lawn, yard, or street; provided, however, the Board shall be authorized, but not required, to adopt rules and regulations permitting temporary parking of vehicles on the street.

Disabled and stored vehicles are prohibited from being parked in the Community except in garages. For purposes of this Section, a vehicle shall be considered “disabled” if it does not have a current license tag or is inoperable. A vehicle shall be considered “stored” if it remains in a location, other than in a garage, without prior written Board permission, for fourteen (14) consecutive days or longer or if it is covered for more than two (2) consecutive days with a car cover or tarp.

Boats, trailers, trucks with a load capacity of one (1) ton or more, full-size vans (excluding minivans or utility vehicles used as passenger vehicles), recreational vehicles (RV’s and motor homes), vehicles used primarily for commercial purposes and containing visible evidence of commercial use, and vehicles with commercial writings on their exteriors are prohibited from being parked in the Community, except in garages or other areas designated by the Board as parking areas for particular types of vehicles or as otherwise approved in writing by the Board. Notwithstanding the above, trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on a Lot or the Common Property during normal business hours for the purpose of serving the Lot or the Common Property; provided, that, without the written consent of the Board, no such vehicle shall be authorized to remain on a Lot or the Common Property overnight or for any purpose except serving a Lot or the Common Property.

If any vehicle is parked on any portion of the Community in violation of this Section or in violation of the Association’s rules and regulations, the Board may send a notice to the vehicle owner or user, or place a notice on the vehicle, specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of a person to contact regarding the alleged violation and shall include the name and telephone number of the person or entity which will do the towing or booting. If twenty-four (24) hours after such notice is placed on the vehicle, or three (3) days after the notice has been sent to the owner, the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed or booted in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner’s or Occupant’s Lot or dwelling, is obstructing the flow of traffic, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed or booted in accordance with this Section, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of damage as a result of the

towing or booting activity. The Association's right to tow or boot is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines.

9.4. Animals. No Owner or Occupant may keep any animals other than a reasonable number of generally recognized household pets on any portion of the Community as determined in the sole discretion of the Board. No Owner or Occupant may keep, breed or maintain any animal for any commercial purpose. Dogs must be kept on a leash and be under the physical control of a responsible person at all times while outdoors in unfenced areas. Dogs may not be left unattended while leashed or tethered to any post, tree, or object. No structure for the care, housing, or confinement of any animal shall be constructed or maintained on a Lot without prior written ASC approval.

Feces left by any animal on the Common Property, on any Lot, or in any Dwelling, including the animal owner's Lot or Dwelling, or anywhere in the Community must be removed promptly by the owner of the animal or the person responsible for the animal. Fines may be imposed to enforce this provision.

No potbellied pigs, chickens, or livestock may be brought into or kept in the Community at any time. No dog determined in the sole discretion of the Board to be a dangerous dog may be brought into or kept in the Community at any time by any Lot Owner, Occupant, or guest of an Owner or Occupant. Any animal which endangers the health or safety of any Owner or Occupant of any Lot or which creates a nuisance or unreasonable disturbance, as may be determined in the Board's sole discretion, must be permanently removed from the Community upon seven (7) days written notice by the Board. If the Owner or Occupant fails to comply with such notice, the Board may remove the animal and/or obtain a court order requiring the Owner or Occupant to do so. Any animal which, in the Board's sole discretion, presents an immediate danger to the health, safety or property of any member of the community may be removed by the Board without prior notice to the animal's owner. The Association shall have no obligation to remove or cause to be removed any animal from the Community.

Any Owner or Occupant who keeps or maintains any animal on any portion of the Community shall be deemed to have indemnified and agreed to hold the Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such animal within the Community and agrees to comply with all laws, statutes, ordinances, and regulations of any governmental entity or agency pertaining to such animal.

9.5. Fences. No chain link fence or cyclone fence may be placed in the Community. All fences, except those installed by or on behalf of the Association, must first be approved by the ASC before the commencement of any installation of the fence. The ASC shall have the authority, with the consent of the Board, to permit Owners of Cottage Cottages at Causton Bluff Lots to install fences on the Common Property behind such Owner's Cottage Cottages at Causton Bluff Dwelling.

The ASC shall have the authority to approve, conditionally approve, or disapprove an Owner's request to install a fence for any reason, including, but not limited to, aesthetic considerations, the location of the fence or dwelling to surrounding dwellings, structures, or topography, and any other matter deemed to be relevant or appropriate by the ASC. All Owners understand and agree that certain Owners' request may be approved and certain Owners' request may be denied based upon these considerations, and no Owner or other Person may bring any action against the Association, the Board, the ASC, or any director, officer, employee, agent, or member thereof relating directly or indirectly to the approval or disapproval of such a request.

9.6. Wells and Effluent. The Association, and its agents, employees, successors, and assigns, shall have the inalienable, transferable, and perpetual right and easement to pump water from lagoons, ponds, marinas, and other bodies of water located within the Community for the purpose of irrigating any portions of the Community. Except as set forth hereinabove, the pumping of water from any lagoon, pond, lake or other body of water within the Community for any purpose other than fire fighting is prohibited without the express written permission of the Association.

9.7. Water Wells and Septic Tanks. Subject to the terms of Section 9.6 hereof, no private water wells may be drilled or maintained on any Lot, Dwelling, or Common Property so long as the Association, a public service district, any governmental unit, or any public or private utility shall have installed a water distribution line within one hundred (100) feet of such Lot, Dwelling, or Common Property with average daily water pressure in such line adequate for the normal and reasonable activities associated with the use of those Dwellings, Lots, or Common Property served by such distribution line. Owners shall not be permitted to drill, operate and maintain wells within Dwellings, Lots, or Common Property for irrigation purposes only. Notwithstanding the foregoing, an Owner may install a deep well on an Owner's Lot with the prior, written approval of the Board of Directors and all required permits and approvals of applicable governmental agencies. Furthermore, no septic tanks or similar sewerage facilities may be installed or maintained on any Lot, Dwelling, Common Property, or other area of the Community except as provided in Section 9.6 hereof.

~~9.8. Water Conservation. In order to promote good water conservation practices and to lessen the burden of treating and disposing of sewage effluent, so as to benefit the Community and the surrounding areas, all water faucets and showerheads and nozzles located within Dwellings shall provide for a maximum flowage rate not to exceed two and one half (2 1/2) gallons of water per minute, and all toilets and commodes located within the Community shall have maximum flowage rates not to exceed three and one half (3 1/2) gallons of water per flush. If within any Dwelling or other structure or structures approved for construction by the ASC, it can be demonstrated that because of the use planned for that Dwelling or structure that it will be practically impossible to limit all water faucets located within such Dwelling or structure to the maximum flowage rates set forth hereinabove, then, in that event; maximum flowage rates for certain nozzles and faucets may exceed those provided for herein, but only for the written consent~~

~~of the ASC and only where required due to the practical impossibility of limiting such faucets and nozzles to the maximum flowage rates set forth herein.~~

9.9.9.8. Window Treatments. Unless otherwise approved in writing by the Board, all windows in a Dwelling that face toward the street, except foyer or architectural windows, shall have window treatments, and any portion of any window treatment in a Dwelling that is visible from outside of the dwelling shall be white or off-white in color. The ASC is authorized to adopt guidelines for additional permissible window treatments, including, but not limited to, window treatments made of wood. Sheets, blankets, towels, flags, and other such items shall not be placed in any window or in any way used as window treatments.

9.10.9.9. Antennas and Satellite Dishes. No transmission antenna of any kind may be erected anywhere in the Community without written approval of the ASC. No satellite dish, direct broadcast satellite (DBS) antenna, or multi-channel multi-point distribution service (MMDS) larger than one meter in diameter shall be placed, allowed, or maintained upon any portion of the Community, including a Lot. Satellite dishes and DBS and MMDS antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association authorized by the FCC, both as may be amended from time to time. Such items shall be installed to the rear of the Lot in the least conspicuous location available on the Lot which permits reception of an acceptable signal. Except as provided by this Section, no antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained outdoors on any portion of the Community, whether attached to a home or structure or otherwise.

9.11.9.10. Abandoned Personal Property. Personal property is prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Property without prior written Board permission. Neither the Association, nor any director, officer nor agent thereof, shall be liable to any Person for any claim of damage resulting from the removal and/or discard of the personal property after such twenty-four (24) hour period.

9.12.9.11. Use of Common Property. There shall be no obstruction of the Common Property, nor shall any vehicle or anything else be kept, parked or stored on the Common Property without prior approval of the Board; provided, however, vehicles may be parked in designated parking areas in accordance with any rules and regulations adopted by the Board. No Owner or other Person shall make any modification to or alteration of the Common Property without the prior written approval of the Board.

With prior written Board approval, and subject to any restrictions imposed by the Board, an Owner or Owners may reserve portions of the Common Property for use for a period of time as set by the Board. The Board is authorized to charge a fee in an amount to be determined by the

Board to the Owner for such reservation. Any such Owner or Owners who reserve a portion of the Common Property hereunder shall assume, on behalf of himself/herself/themselves and his/her/their guests, Occupants and family, all risks associated with the use of the Common Property and all liability for any damage or injury to any person or thing as a result of such use. Neither the Association, nor any director, officer or agent thereof, shall be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association or its agents or employees.

9.13.9.12. Prohibition of Nuisance and Noise. Noxious, destructive, offensive, or unsanitary activity shall not be carried on within the Community. No Lot Owner or Occupant may use or allow the use of the Lot or any portion of the Community at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Community. In this regard, specific unauthorized and unreasonable annoyances or disturbances shall include, but not be limited to, the following:

- (a) Any screaming, shouting, excessively loud talking, whistling, or playing of music or television if such conduct can be heard in the normal course of activities in any other dwelling;
- (b) Any fighting, raucous behavior, or insobriety if such conduct can be heard in any other dwelling;
- (c) The use of any alarm, equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations at any time if such sounds can be heard or vibrations felt in the normal course of activities in any other dwelling;
- (d) Any threatening or intimidating conduct towards any resident, guest, or pet in the Community;
- (e) Any conduct which, in the Board's reasonable discretion, creates any danger or risk of injury to others or damage to property or which creates any threat to health or safety of any other resident or pet;
- (f) Any excessively loud play or playground activities at any time if such conduct can be heard in the normal course of activities in any other dwelling;
- (g) Any consistent dog barking that can be heard in the normal course of activities in any other dwelling;

(h) Any conduct which creates any noxious or offensive odor at any time if such odors can be detected in the normal course of activities in any other dwelling;

(i) Any similar action or activity which interferes with the peaceful use and enjoyment of other dwellings or the Common Property by any Owner, member of the Owner's family, guests, invitees, or Occupants; or

(j) Any construction or similar activities, which can be heard in other Dwellings outside the hours of 7:30 a.m. and 7:30 p.m. Monday through Friday and 9:00 a.m. and 6:00 p.m. Saturday.

Nothing herein shall be construed to affect the rights of an aggrieved Owner or Occupant to proceed individually against a violator of this Section. The Board may, in its discretion, require any aggrieved Owner or Occupant to seek redress personally against the violator before the Association intervenes and commences enforcement action hereunder; provided, further, due to the nature of violations of this Section, the Board may, in its discretion, elect that the Association not intervene or enforce this Section. No claim for any loss, damage or otherwise, and no defense of selective, arbitrary, or capricious enforcement, shall exist for any Person as a result of any decision by the Board not to enforce this Section.

9.14.9.13. Signs. Except as may be required by legal proceedings, no signs, advertising posters or billboards of any kind shall be erected, placed, or permitted to remain in the Community without the prior approval of the Board or its designee, except that two (2) professional security signs not to exceed ten inches (10") by ten inches (10") each in size may be displayed on a Lot or from within a Dwelling and one (1) professionally lettered "For Sale" sign not to exceed two feet (2') by two feet (2') in size may be displayed on a Lot or from within a Dwelling being offered for sale. The Board shall have the right to erect reasonable and appropriate signs on the Common Property on behalf of the Association. The Board also shall have the authority to adopt regulations permitting temporary signs on Lots announcing open houses, births, birthdays or other events for limited periods of time. No "For Lease" sign or political sign shall be allowed on a Lot or within a Dwelling without the approval of the Board. No "For Sale" signs or directional signs shall be permitted on the Common Property without the approval of the Board.

9.15.9.14. Rubbish, Trash, and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Lot, Dwelling, and Common Property, and shall not be allowed to accumulate on a Lot, the Common Property, or in a Dwelling. Rubbish, trash, and garbage shall be disposed of in appropriate sealed bags and placed in proper receptacles for collection. ~~Trash cans shall only be brought to the curb the night prior to day for trash collection, and shall be removed from the curb no later than the night of trash collection. At all other times, t~~Trash cans shall be stored in the garage or such other areas as may be designated by the Board. Woodpiles should not be visible

from the street and should be neatly stacked. No organic material shall be buried anywhere in the Community. The Board may establish rules and regulations regarding the storage location of trash bags, trash cans, and receptacles and the placement of same for pick-up.

9.16-9.15. Trash Collection Services. The term “Trash Collection Services” means the commercial collection of trash, garbage, debris, refuse, landscaping refuse, yard waste, recyclables, such as newspaper, plastic and glass, and other items and materials as may be determined by the Board of Directors to be included as trash. The Association may, but shall not be required to, provide Trash Collection Services for the Lots. The Board of Directors shall have the right, but not the obligation, to negotiate with, contract with, and supervise, providers of Trash Collection Services. In the event the Association does provide Trash Collection Services, the costs of Trash Collection Services shall be a common expense of the Association. If any Owner creates any condition or disposes of any item which increases the expense of Trash Collection Services to the Association, then the increased expense may be specifically assessed against the Owner creating the additional expense.

9.17-9.16. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, but not limited to, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community, except in a Dwelling or garage with the garage door shut. Clothing, clotheslines, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the dwelling. Only appropriate outdoor items, such as neatly stacked firewood, patio furniture, grills, and similar items may be kept outside of a Dwelling. The Board of Directors shall have the authority to adopt reasonable rules and regulations governing the placement of items outside of a Dwelling. Further, reasonable decorations, in the Board’s sole discretion, shall be permitted outside of a Dwelling, subject to such rules and regulations, if any, adopted by the Board.

9.18-9.17. Impairment of Dwellings and Easements. An Owner shall not undertake any act or work that will impair the structural soundness or integrity of a Dwelling or impair any easement, nor do any act nor allow any condition to exist which will adversely affect other Lots or their Owners or Occupants.

9.19-9.18. Tree Removal. No Person shall remove a tree within the Community without first obtaining the prior, written approval of the ASC; provided, however, an Owner may remove a dead or diseased tree from the Owner’s Lot that presents an immediate threat to the safety of person or property without first obtaining the prior, written approval of the ASC. In the event an Owner removes a dead or diseased tree from the Owner’s Lot that presents an immediate threat to the safety of person or property, the Owner, within three (3) days of the tree’s removal, shall provide the Board with photos of the tree both prior to and after its removal and such other information as the Board may require, including, but not limited to an arborist report.

9.20-9.19. Historic Site Protection. All owners and their guests, invitees, licensees, agents and employees, as well as the Association, shall not in any way damage, harm or adversely materially affect any of the earthworks, embankments, or historically and archaeologically significant improvements in characteristics of the various historic sites located within the Community as more particularly shown on the plats for the Community. All Owners and the Association shall not in any way materially disturb, destroy, damage or harm any of the above-referenced components of the historic sites located within the Community. Excavations for archaeological purposes may be undertaken within the historic sites only to comply with applicable governmental regulations, rules, ordinances and statutes and shall be only undertaken with the written approval of the Board.

9.21-9.20. Waterfront Areas. Except with the prior written approval of the ASC, no device, improvement, structure or material shall be placed, constructed or installed upon any Lot, Dwelling, Common Property or any other portions of the Community which shall in any way alter the course of the natural boundaries or the flow of any waterway located within or adjacent to the Community including, but not limited to, the Wilmington River, and all tidal lagoons, lakes or other bodies of water located within or adjacent to the Community. Except with the prior written approval of the Board, no activity, improvement, construction or development may be undertaken which shall involve to result in the removal of water from any of the above-referenced waterways and bodies of water located in or adjacent to the Community, except the removal of water for firefighting purposes.

9.22-9.21. Erosion Control. No activity which may create erosion or siltation problems anywhere in the Community shall be undertaken.

9.23-9.22. Window Air Conditioners. No air conditioning unit shall be installed in any window of any dwelling.

9.24-9.23. Delivery Receptacles and Property Identification Markers. The ASC shall have the right to approve the location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similarly delivered materials, and of name signs for such receptacles as well as property identification markers.

9.25-9.24. Subdivision of Lots. No Lot may be subdivided into a smaller Lot without the written consent of the Board.

9.26-9.25. Garage Sale. No garage sale, yard sale, or similar activity shall be conducted in the Community.

9.27-9.26. Easements. All property subjected to this Declaration shall be subject to those easements, if any, set forth on any recorded plat thereof.

~~9-28-9.27.~~ Traffic Regulations. All vehicular traffic on the private streets and roads in the Community shall be subject to the provisions of the state and local laws concerning operation of motor vehicles on public streets. The Association is authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits and including modifications of those in force on public streets, within the Community. Such rules and regulations may apply to any type of motor vehicle, including, but not limited to, passenger vehicles, golf carts, ATVs, and similar recreational vehicles. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for violation thereof. In the event of a conflict between such provisions of state and local laws and such rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle, including, but not limited to, passenger vehicles, golf carts, ATVs, and similar recreational vehicles, within the Community. All vehicles of any kind and nature, including, but not limited to, passenger vehicles, golf carts, ATVs, and similar recreational vehicles, which are operated on the streets in the Community shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.

ARTICLE X. LEASING

10.1. Definition. “Leasing,” for purposes of the Declaration, is defined as the regular, exclusive occupancy of a Lot by any person or persons other than the Owner; provided, however, leasing shall not include occupancy by the spouse, child or parent of an Owner and shall not include the occupancy by a roommate of an Owner who occupies the Lot as such Owner’s primary residence.

10.2. Leasing Provisions. Leasing of Lots shall be governed by the following provisions:

(a) Notice. At least seven (7) days prior to entering into the lease of a Lot, the Owner shall provide the Board of Directors with a copy of the proposed lease and such other information as the Board may reasonably require. The Board may approve or disapprove the form of said lease. In the event a lease form is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease form into compliance with the Declaration, any rules and regulations adopted pursuant thereto, and any criteria determined by the Board. Within ten (10) days from the execution of the lease by both parties, the Owner shall provide the Board with a copy of the executed lease and the names and phone number of the lessees. Nothing contained in this Section shall permit the Board to approve or deny a lessee.

(b) General. Lots may be leased only in their entirety; no fraction or portion may be rented. There shall be no subleasing of Lots or assignment of leases unless approved in writing by the Board. All leases shall be for a period of at least one (1) year unless otherwise

approved in writing by the Board. The Lot Owner must provide the lessee copies of the Declaration, Bylaws, and Association rules and regulations.

(c) Liability for Assessments and Compliance with Declaration, Bylaws, and Rules and Regulations. Any lease of a Lot shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into a lease by existence of this covenant on the Lot. Any lessee, by occupancy of a Lot under the definition of “leasing” stated herein, agrees to the applicability of this covenant and incorporation of the following language into the lease.

(i) Liability for Assessments. Lessee agrees to be personally obligated for the payment of all assessments and all other charges which become due as a consequence of lessee’s activities, including, but not limited to, activities which violate provisions of the Declaration, the Bylaws, or the rules and regulations adopted pursuant thereto. The above provision shall not be construed to release the Lot Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

Additionally, when a Lot Owner who is leasing his or her Lot fails to pay any assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Lot Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon demand by the Board of Directors, lessee shall pay to the Association all unpaid annual and special assessments and other charges, as lawfully determined and made payable during the remaining term of the lease and any other period of occupancy by lessee following such demand. All such payments made by lessee shall reduce, by the same amount, lessee’s obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board’s demand to pay assessments or other charges to the Association, lessee shall be personally obligated to pay to the Association all late charges, fines, interest, and costs of collection, including, but not limited to, reasonable attorney’s fees actually incurred, to the same extent lessee would be required to make such payments to the Association if lessee were the Owner of the premises during the term of the agreement and any other period of occupancy by lessee, and including all amounts paid by lessee to lessor following the date of such demand from the Board.

(ii) Compliance with Declaration, Bylaws, and Rules and Regulations. Lessee shall abide by and comply with all provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other occupants and guests in order to ~~insure~~ ensure compliance with the foregoing. Lessee acknowledges that the violation by lessee or any occupant living with lessee of any provision of the Declaration, Bylaws, or rules and regulations adopted thereunder shall constitute a default under this lease. Owner shall cause all occupants of his or her Lot to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and is responsible for all violations and losses caused by such occupants, notwithstanding the fact that such occupants of the Lot are fully liable and may

be sanctioned for any violation of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto. If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule and regulation for which a fine is imposed, such fine may be assessed against the lessee and/or the Owner; provided, however, if a fine is not paid by the lessee within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Board of the lessee's failure to do so. Unpaid fines shall constitute a lien against the Lot. Any lessee charged with a violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto is entitled to the same procedure to which an Owner is entitled prior to the imposition of a fine or other sanction.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by lessee, any occupant, or any person living with lessee is deemed to be a violation of the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the irrevocable power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the irrevocable power and authority to evict the lessee on behalf and for the benefit of the Owner, in accordance with the terms hereof, or to require the Owner to do so. In the event the Association proceeds to evict the tenant, any costs, including attorney's fees and court costs, associated with the eviction shall be specially assessed against the Lot and the Owner thereof, such being deemed hereby as an expense which benefits the leased Lot and the Owner thereof.

10.3. Applicability of this Article. Except as specifically provided herein, this Article shall not apply to any leasing transaction entered into by or on behalf of the Association.

ARTICLE XI. MAINTENANCE RESPONSIBILITY

11.1. Association's Responsibility of Common Property. The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair, and replacement of all landscaping, private streets, grass areas, paving, and other improvements situated on the Common Property. The Association shall also maintain and keep in good repair all water and sewer pipes or facilities which serve only the Common Property, to the extent that such pipes and facilities are not maintained by public, private, or municipal utility companies. The Association shall maintain the lagoons, lakes, and detention/retention ponds within the Community, and entry areas that serve the Community. The Association shall also be responsible for the dredging of the harbor as determined in the Board's sole discretion. It shall further be the responsibility of the Association to maintain all historic sites which have been conveyed to the Association. The Association shall be responsible to preserve and protect such historic sites, including, but not limited to protecting and preserving all embankments, earthworks and other historically and archaeologically significant characteristics and artifacts contained therein.

Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. All costs incurred by the Association in maintaining such areas as provided in this Section shall be considered a Common Expense to be paid by all Owners through either Base Assessments or special assessments.

11.2. Association's Responsibility of ~~Cottage~~Cottages at Causton Bluff Dwellings. The Association shall maintain and keep in good repair certain landscaping located on the ~~Cottage~~Cottages at Causton Bluff Lots, which shall consist of and be limited to mowing, edging, and blowing grassy areas.

The Association shall also maintain and keep in good repair certain portions of the exteriors of the ~~Cottage~~Cottages at Causton Bluff Dwellings, which shall consist of and be limited to: (i) roofs, which shall be limited to the shingles, flashing, and felt, but which shall exclude the roof decking and trusses; (ii) gutters and downspouts; (iii) the painting, staining, or pressure washing of the exterior surfaces of the ~~Cottage~~Cottages at Causton Bluff Dwellings, including any siding, brick, stucco, and trim; (iv) the painting, staining, or pressure washing of all windows, window cases, window frames, and window sills, but excluding all glass surfaces and hardware and excluding the caulking of windows, window cases, window frames, and window sills; (v) the painting, staining, or pressure washing of all exterior doors and doorframes which are part of the entry system, but excluding all glass surfaces and hardware; (vi) the painting, staining, or pressure washing of shutters, columns, and pediments; (vii) the maintenance, repair, and replacement, including, but not limited to the painting, staining, or pressure washing, of all portions of any balcony, deck, porch, stoop, or patio serving a Cottage at Causton Bluff Dwelling, including surfaces, railings, steps, supports, and structures of same, and all dividing fences or structures between any balcony, deck, porch, or patio; provided, however, the Association shall not maintain any portion of the screen porch attached to a Cottage at Causton Bluff Dwelling; (viii) the maintenance, repair, and replacement, including, but not limited to the painting, staining, or pressure washing, of the stucco on the exterior portions of the Cottages at Causton Bluff Dwellings; and (viiiix) the painting, staining, or pressure washing of exterior surfaces of garage doors.

All costs incurred by the Association in maintaining such landscaping and such exterior portions of the ~~Cottage~~Cottages at Causton Bluff Dwellings and ~~Cottage~~Cottages at Causton Bluff Lots as provided herein shall be considered The Cottages at Causton ~~Bluff Neighborhood~~Bluff Expense to be paid by the Owners of the ~~Cottage~~Cottages at Causton Bluff Lots within The Cottages at Causton ~~Bluff Neighborhood~~Bluff through either The Cottages at Causton ~~Bluff Neighborhood~~Bluff Assessments or special assessments.

11.3. General. Subject to the maintenance responsibilities herein provided, any maintenance or repair performed by an Owner or Occupant on or to the Common Property or any other area within the Community which is the Association's responsibility hereunder shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not

be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair. Additionally, in the event an Owner or Occupant performs such maintenance or repair, the Association may require the Owner or Occupant to restore such property to substantially the same condition as it existed prior to such maintenance or repair or may fine the Owner or Occupant in accordance with the terms of this Declaration.

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other Person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Community or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to the Owner of any Lot or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of portion of the Community. The Association shall not be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Article where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

If the Board determines that the need for maintenance or repair is in the Common Property or any other area within the Community which is the Association's responsibility hereunder, and is caused through the actions or inactions of any Owner or Occupant, or his or her family, guests, lessees or invitees, then the Association may assess the cost of any such work against the Owner's Lot.

11.4. CottageCottages at Causton Bluff Lot Owner's Responsibility. Except as specifically provided in Section 11.2 above, each Owner of a CottageCottages at Causton Bluff Lot shall maintain and keep in good repair, condition, and order the Owner's Lot, the CottageCottages at Causton Bluff Dwelling located on such Owner's Lot, and all structures located on such Owner's Lot. Without limiting the generality of the foregoing, each Owner is specifically responsible for: (i) driveways, walkways, and front walks providing access to a CottageCottages at Causton Bluff Dwelling or CottageCottages at Causton Bluff Lot; (ii) all landscaping located on the CottageCottages at Causton Bluff Lot not maintained by the Association, including but not limited to trimming trees, bushes, and shrubs, removal of weeds, keeping any planting beds in good condition and free of weeds, and replacement of pine straw or other ground cover; (iii) all portions of the heating and air conditioning system serving a CottageCottages at Causton Bluff Dwelling or Lot, including the compressor and any vents, electrical lines or other pipes or lines related thereto, whether or not located on the Owner's Lot; (iv) the exterior surfaces of the

~~Cottage Cottages~~ at Causton Bluff Dwellings, including any siding, brick, ~~stucco~~, and trim, but excluding the maintenance, repair, and replacement of the stucco and the periodic painting, staining or pressure washing performed by the Association as provided above; (v) all windows, window cases, window frames, window sills, and caulking, including all glass surfaces and hardware, but excluding the periodic painting, staining or pressure washing performed by the Association as provided above; (vi) all exterior doors and doorframes which are part of the entry system, including all glass surfaces and hardware, but excluding the periodic painting, staining or pressure washing performed by the Association as provided above; (vii) all portions of the screen porch attached to the ~~Cottage Cottages~~ at Causton Bluff Dwelling; (viii) exterior lighting attached to a ~~Cottage Cottages~~ at Causton Bluff Dwelling; (ix) any pipe, line, conduit, structure, or other apparatus serving only one (1) Lot, whether or not located on the Owner's Lot; (x) all fences installed on the ~~Cottage Cottages~~ at Causton Bluff Lot or serving the ~~Cottage Cottages~~ at Causton Bluff Lot, but excluding the maintenance, repair, and replacement of the dividing fences performed by the Association as provided above; (xi) utility boxes serving an Owner's Lot; (xii) any landscaping installed by or on behalf of an Owner; (xiii) tree roots, including, but not limited to, tree roots entering into or otherwise affecting a pipe, line, conduit, structure, or other apparatus serving only one (1) Lot; (xiv) replacement of any dead vegetation located on the Owner's Lot; (xv) all portions of any ~~balcony~~, deck, porch, stoop, or patio serving a ~~Cottage Cottages~~ at Causton Bluff Dwelling, including surfaces, railings, steps, supports, and structures of same, ~~and all dividing fences or structures between any balcony, deck, porch, or patio, but excluding the periodic painting, staining or pressure washing performed by the Association as provided above~~; and (xvi) foundations and footings of the ~~Cottage Cottages~~ at Causton Bluff Dwelling located on a Lot, including waterproofing.

Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. Each Owner shall perform the Owner's responsibility hereunder in such manner so as not to unreasonably disturb other Owners. In performance of such maintenance responsibilities hereunder, the Owner shall comply with all other provisions of this Declaration, including, but not limited to, Article VIII of this Declaration. Each Owner shall also have the obligation to promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible to maintain, repair, and/or replace.

11.5. Bartow Point Lot Owner's Responsibility. Except as may be provided in Section 11.1 above, each Owner of a Bartow Point Lot shall maintain and keep in good repair, condition, and order the Owner's Lot, the Bartow Point Dwelling located on such Owner's Lot, and all structures located on such Owner's Lot. Such maintenance shall include, but not be limited to, exterior painting, repairs, mowing, edging, weeding, trimming, replacement of pine straw or other ground cover, and keeping planting beds in good condition and free of weeds. In addition, ~~except for sidewalks, which shall be the responsibility of the Association until acceptable by a governmental authority, agency, or municipality~~, each Owner of a Bartow Point Lot shall maintain any right of way located between the Owner's Lot and the curb of the street(s) bordering such Lot.

Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. Each Owner shall perform the Owner's responsibility hereunder in such manner so as not to unreasonably disturb other Owners. In performance of such maintenance responsibilities hereunder, the Owner shall comply with all other provisions of this Declaration, including, but not limited to, Article VIII of this Declaration. Each Owner shall also have the obligation to promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible to maintain, repair, and/or replace.

11.6. River Embankment Maintenance. The Owners of those Lots which enjoin and abut the bluff and embankment areas bordering the Wilmington River shall maintain, repair and reconstruct those portions of the bluff and embankment areas which are located within such Lots or located between such Lots and the Wilmington River, and such Owners shall keep such embankments and bluff areas in a stable, safe and attractive manner. Additionally, such Owners shall keep the embankments and bluff areas seeded and covered with grass or other slope stabilizing vegetation as approved by the Board. Such Owner shall repair, reconstruct, fill and stabilize any portions of the embankments and bluff areas which have washed out or erodes in a manner approved by the Board. If such embankment and bluff area has been subject to severe material erosion, such Owner or Owners shall be required to construct such erosion control and embankment stabilization improvements which are reasonably required by the Board. Additionally, each such Owner shall be responsible for repairing, replacing, mowing, seeding, bulkheading, maintaining, and reconstructing the retaining walls, revetments, riprap emplacements, slopes, erosion control improvements and devices and embankments located adjacent to the Wilmington River on his or her Lot or located between his or her Lot and the Wilmington River.

Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto and in compliance with any regulations and requirements of the Georgia Department of Natural Resources, U.S. Corp of Engineers, and other governmental agencies. Each Owner shall perform the Owner's responsibility hereunder in such manner so as not to unreasonably disturb other Owners. In performance of such maintenance responsibilities hereunder, the Owner shall comply with all other provisions of this Declaration, including, but not limited to, Article VIII of this Declaration. Each Owner shall also have the obligation to promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible to maintain, repair, and/or replace.

11.7. Failure to Maintain. If the Board determines that any Owner has failed or refused to discharge properly the Owner's obligation with regard to the maintenance as provided in this Article, then, except in the case of an emergency as determined in the sole discretion of the Board, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense.

The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board. Unless the Board determines that an emergency exists, the Owner shall have ten (10) days within which to complete the maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days and diligently pursue completion of such repair or replacement. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided, then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be an assessment and lien against the Owner and the Lot.

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

In the event the Board exercises such self-help as provided herein, and in the event further self-help based upon the same or a substantially similar violation is deemed necessary by the Board within the following six (6) months, the Board may exercise such self-help without further notice to the Owner, and all costs shall be an assessment and lien against the Owner and the Lot.

The Board may alternatively enforce this Article through monetary fines against the Owner or Occupant of the Lot, and each day the maintenance, repair, or replacement is not completed shall constitute a separate violation for which fines may be assessed on a daily basis.

11.8. Maintenance Standards and Interpretation. The Board of Directors, in its discretion, may determine schedules of maintenance and repair for the Common Property and any other property within the Community which the Association is responsible to maintain hereunder, and may do so based on the availability of funds for performance of such projects. The Board shall attempt to determine and prioritize schedules based on its opinion of severity of damage and need for corrective work or maintenance. Maintenance and repairs which are part of the Association's responsibility need not be made upon Owner request if, in the Board's discretion, an emergency condition does not exist.

The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Article. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

11.9. Measures Related to Insurance Coverage. The Board shall have the authority to require any Lot Owner to do any act or perform any work involving portions of the Community

which are the Owner's maintenance responsibility, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Community, reduce the Association's insurance premium(s) or otherwise assist the Board in procuring or maintaining insurance coverage. This authority shall include, but shall not be limited to, requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; requiring Owners to install smoke detectors; requiring Owners to make improvements to the Lots and dwellings; and such other measures as the Board may reasonably require so long as the costs of such work does not exceed in any twelve (12) month period the greater of either five hundred (\$500.00) dollars per Lot or 1/6th of the Base Assessment then in effect.

ARTICLE XII. PARTY WALLS

12.1. General Rules of Law to Apply. To the extent not inconsistent with the provisions of this Article, the general rule of law regarding party walls and liability for personal damage due to negligence of willful acts or omissions shall apply to all Party Walls within the Community that are built as part of the original construction of the dwellings and any replacement thereof. In the event any portion of any structure or facility, as originally constructed, including, without limitation, any Party Wall, shall protrude over an adjoining Lot or dwelling, it shall be deemed that such Owners have granted perpetual easements to the adjoining Owner or Owners for continuing maintenance and use of the projection or Party Wall. The foregoing shall also apply to any replacements of any Party Walls. The foregoing conditions shall be perpetual in duration.

12.2. Painting. Each Owner shall be responsible for painting the portion of any Party Wall that faces his or her dwelling.

12.3. Repair, Replacement and Maintenance for Party Walls.

(a) Generally. The cost of reasonable repair and maintenance of Party Walls (other than painting) shall be shared equally by the Owners of the dwellings sharing such improvements without prejudice, however, to the right of any Owner to call for a larger contribution from the other under any rule of law regarding liability for negligent or willful acts or omissions.

(b) Failure to Contribute. In the event that an Owner shall fail or refuse to pay his pro rata share of costs of repair, maintenance, or replacement of a Party Wall (whether or not through his or her own fault or the failure of his or her insurance company to pay any claim), then and in that event, the Owner advancing monies therefor shall have a right to file a claim of lien for such monies advanced in the public records and pursue any other available legal remedies against such other Owner.

(c) Alterations. The Owner of a dwelling sharing a Party Wall with an adjoining dwelling shall not cut windows or other openings in the Party Wall, nor make any alterations, additions or structural changes in the Party Wall.

(d) Weatherproofing. Notwithstanding any other provisions of this Declaration, an Owner who by his or her negligent or willful act causes a Party Wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

(e) Easements. Each Owner sharing a Party Wall shall have all easement rights reasonably necessary to perform the obligations contained herein over the Lots or dwellings sharing the Party Wall. Without limiting the generality of the foregoing, in the event an electrical meter, electrical apparatus, CATV cable or other utilities apparatus is installed within a Lot and serves more than such Lot, the Owners of the other Lot(s) served thereby shall have an easement for access to inspection and repair of such apparatus, provided that such easement rights shall be exercised in a reasonable manner and the Owner of the Lot encumbered by the easement shall be reimbursed for any physical damage to his Lot as a result of such exercise by the Owner(s) making use of such easement(s).

ARTICLE XIII. WETSLIPS

13.1. Allocation of Wetslips. The Wetslips have been conveyed to certain Owners within the Community. The conveyance of such Wetslips are set forth in Exhibit "E" attached hereto and incorporated herein.

13.2. Subsequent Conveyances. The conveyance of the Wetslips as described herein will pass with each Lot and/or dwelling as appurtenance thereto in accordance with the terms of this Declaration. Ownership of the Lot and/or dwelling may not be severed from ownership of the Wetslip, and transfer of title to the Lot and/or dwelling results in the transfer of the Wetslip to the grantee of any deed.

13.3. Maintenance. The Association is responsible for the maintenance and upkeep of the Dock and the Wetslips. The Association shall levy monthly assessments against the Owners of the Wetslips in an amount in addition to all other assessment to pay for the costs of maintenance, upkeep, insurance, and all other necessary proper costs of the Wetslips. The costs of maintenance, upkeep, insurance and all other necessary proper costs of the Dock shall ~~be a Common Expense~~ be assessed against the Owners of the Wetslips in an amount in addition to all other assessments.

13.4. Rules and Regulations. Use of the Wetslips and the Dock are expressly subject to the rules and regulations set forth in Exhibit "F" attached hereto and incorporated herein. Such use is also subject to such rules and regulations adopted by the Board of Directors. If any boat is docked, stored, or placed on any portion of the Wetslips or Dock in violation of this Article or in violation of the rules and regulations set forth in Exhibit "F" or adopted by the Board, the Board may send a notice to the boat owner or user, or place a notice on the boat, specifying the nature of the violation and stating that after ~~twenty-four~~ forty-eight (4824) hours the boat may be removed. The notice shall include the name and telephone number of a person to contact regarding the alleged violation and shall include the name and telephone number of the person or entity which will do the

removing. If ~~twenty-four~~forty-eight (2448) hours after such notice is placed on the boat, or three (3) days after the notice has been sent to the owner or user, the violation continues or thereafter occurs again within six (6) months of such notice, the boat may be removed in accordance with the notice, without further notice to the boat owner or user. If any boat is docked, stored, or placed on any portion of the Wetslips or Dock in such a way that it may cause immediate damage or injury to a Wetslip, Dock, another boat, or any person, or otherwise creates a hazardous condition, no notice shall be required and the boat may be removed immediately. If a boat is removed in accordance with this Section, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of damage as a result of the removal activity. The Association's right to remove the boat is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines.

13.5. Sole Use and Enjoyment of Wetslips. The Wetslips are for the sole use and enjoyment of the Owners to which they have been conveyed.

ARTICLE XIV. EASEMENTS

14.1. Easements for Use and Enjoyment. Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property, which shall be appurtenant to and shall pass with the title to the Owner's Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any portion of the Common Property, to limit the number of guests of Lot Owners and tenants who may use the Common Property, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, the Owner's family, tenants, guests, and invitees;

(b) the right of the Association, acting through the Board, to make and to enforce reasonable rules and regulations governing the use of the Common Property;

(c) the terms and conditions of this Declaration, the Bylaws, and the rules and regulations of the Association;

(d) the right of the Association to suspend the right of an Owner to use the Common Property in the Community, if any, for any period during which any assessment against the Owner or Owner's Lot which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, Bylaws, or rules and regulations;

(e) the right of the Association to borrow money as may be set forth in this Declaration and the Bylaws; provided, however, the lien and encumbrance of any such mortgage given by the Association against the Common Property shall be subject and subordinate to any rights, interests, options, easements, and privileges herein reserved or established for any Lot or Lot Owner;

(f) the right of the Association to grant permits, licenses, or easements across the Common Property; and

(g) the right of the Board of Directors to convey all or a portion of the Common Property to any Person upon the written approval of at least two-thirds (2/3) of the total vote of the Association membership.

Any Lot Owner may delegate the Owner's right of use and enjoyment in and to the Common Property and facilities located thereon to the members of the Owner's family, or to the Owner's tenants and guests, and shall be deemed to have made a delegation of all such rights to the Occupants if the Owner's Lot is leased; provided, however, the Owner shall retain such rights necessary for ingress and egress to and from the Owner's Lot.

14.2. Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Property adjacent thereto or as between adjacent Lots due to trees or the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than two (2) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point.

14.3. Easements for Utilities. The Association shall have blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, 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 system, or security system which the Association may have installed to serve the Community. It shall be expressly permissible for the Association to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board, on behalf of the Association, shall have the right to grant such easement. Nothing contained in this Section shall require or obligate the Association to maintain such easement areas, or any facilities or improvements located therein or thereon.

14.4. Easement for Entry. The Association shall have an easement to enter onto any Lot and dwelling for emergency, security, safety, and for other purposes reasonably necessary for the proper maintenance and operation of the Community, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation and in the performance of the Association's

maintenance responsibilities as provided herein, entry shall be only during reasonable hours and after notice to the Owner or Occupant. This right of entry shall include the right of the Association to enter a Lot to cure any violation of the Declaration, Bylaws, or rules and regulations of the Association or any condition which may increase the possibility of a fire or other hazard, including but not limited to the hoarding of items within an Owner's Dwelling, in the event that an Owner fails or refuses to cure the condition upon request by the Board.

The Association, and its agents, employees, successors, and assigns, shall have an inalienable, transferable, and perpetual right and easement, but not the obligation, to enter upon any unimproved portions of Lots, which are located within ten (10) feet from the water's edge of any lagoon, lake, river, marina, pond, or other body of water within the Community, for the purpose of mowing such area and keeping the same clear and free from unsightly growth and trash, as well as for the purpose of maintaining such bodies of water, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards.

The Association and its successors and assigns shall have the inalienable, transferable and perpetual right in easement on, over and across the Common Property, Lots and Dwellings located adjacent to and fronting upon any and all lagoons and lakes within the Community for the purpose of repairing, replacing, mowing, seeding, bulkheading, maintaining and reconstructing the embankments, tidal- creeks and upland tidally influenced wetland areas constituting one or more of the various lagoons, waterways and lakes located within the Community. The easement reserved herein shall include all land located along the interior and shall measure ten (10') feet from each boundary located adjacent to the lagoons of all Lots and Common Property with such lands to be bounded by the exterior boundaries of such Lot and Common Property located adjacent to such lagoons and by lines in the interior of such Lots and Common Properties which are exactly ten (10') feet from such exterior boundaries of such Lots and Common Properties located adjacent to such lagoons.

Nothing contained in this Section shall require the Association to enter onto any Lot or dwelling for emergency, security, safety, or for any other purposes.

14.5. Easement for Historic Sites. The Association and its respective agents, employees, successors and assigns inalienable, shall have a transferable, perpetual right and easement on, over and across all Lots for the purpose of maintaining, protecting and preserving the various historic sites located within the Community. The easement reserved herein shall allow and permit the Association and its agents, employees, successors and assigns the right to traverse all Lots so as to have a reasonable and convenient means of access to the historic sites. In preserving, protecting, maintaining and repairing the various earthworks, embankments and historically and archaeologically significant portions of the historic sites, the Association and its agents, employees, successors and assigns shall be allowed or permitted to enter upon all Lots in undertaking such preservation, maintenance, repair and protection activities, but the Association and its agents, employees, successors and assigns shall only enter upon the Lots for so long as is

reasonably necessary in order to undertake such repair, maintenance and preservation activities for the historic sites located within the Community.

14.6. Easement for Private Streets, Sidewalks, and Signs. Each Owner, subject to the terms of this Declaration, the Bylaws, and the rules and regulations of the Association, shall have a perpetual, non-exclusive right-of-way easement for vehicular and pedestrian access, ingress and egress over and across the private streets within the Community, as depicted on the subdivision plat(s) for the Community recorded in the Chatham County, Georgia land records. The right-of-way easement herein granted shall permit joint usage of such easement by (a) the Owners and Occupants, (b) the legal representatives, successors and assigns of the Owners, and (c) invitees and licensees of the Owners and Occupants. The Association shall have a perpetual, non-exclusive right and easement upon, over and across the private streets and roads and such other portions of the Community for the installation, maintenance, and use of such streets and roads, sidewalks, traffic directional signs, and related activities and improvements. The Association shall have the right, but not the obligation, to limit ingress and egress to and from the Community by installation and maintenance of a gating system and/or guard service at the entrance(s) of the Community. Nothing contained herein shall be construed as obligating the Association to take any action to limit ingress and egress to and from the Community, including, but not limited to, the installation and maintenance of a gating system.

14.7. Easement for Walks, Trails, and Signs. The Association, and its successors and assigns, shall have the inalienable, transferable, and perpetual right and easement upon, over, and across all land located along the interior of and within ten (10) feet of each boundary located adjacent to streets and roads for all Lots and all Dwellings, such lands to be bounded by such exterior boundaries adjacent to streets and roads and by lines in the interior or of such Lots and Dwellings which are exactly ten (10) feet from such exterior boundaries, for the installation, maintenance, and use of sidewalks, jogging trails, bike paths, traffic directional signs, and related improvements.

14.8. Easement for Entrance Sign and Landscaping. The Association shall have an easement over any portion of a Lot on which any entrance feature, including, but not limited to, the Community sign, fencing and landscaping, are located. Such entrance features shall remain the personal property of the Association. The Association shall be solely liable for the maintenance, repair and/or replacement of the entrance features, fencing, landscaping, and annual flowers. The Association shall additionally have an easement for the installation and maintenance of utility and water lines across the Lot to the entrance features.

ARTICLE XV. SALE OF LOTS

15.1. Grantor's Obligation for Notice. A Lot Owner intending to make a transfer or sale of a Lot or any interest in a Lot shall give the Board written notice of such intention within seven

(7) days after execution of the transfer or sales documents. The Owner shall furnish the Board, as part of the notice, the name and address of the intended grantee and such other information as the Board may reasonably require. This Article shall not be construed to create a right of first refusal in the Association or in any third party.

15.2. Grantee's Obligation for Notice. Within seven (7) days after receiving title to a Lot, the grantee of the Lot shall give the Board written notice of such ownership of the Lot. Upon failure of an Owner to give the required notice within the seven (7) day period provided herein, the Board may levy a fine against the Lot and Owner thereof, and assess the Owner for all costs incurred by the Association in determining the Owner's identity.

ARTICLE XVI. INSURANCE

16.1. Hazard Insurance on the Common Property. The Association shall obtain and maintain property insurance for all insurable improvements on the Common Property. The Board shall utilize reasonable efforts to secure a property insurance policy providing "all risk" coverage in an amount equal to full replacement cost, before application of deductibles, of the Common Property. If "all risk" coverage is not reasonably available at reasonable cost, as determined in the sole discretion of the Board, the Board shall obtain, at a minimum, fire and extended coverage, including coverage for vandalism and malicious mischief, in like amounts.

16.2. Liability Insurance and Directors' and Officers' Liability Insurance. The Board shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents in their capacities as such, 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.

16.3. Premiums and Deductible on Association Policies. Premiums for insurance obtained by the Association shall be a Common Expense of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

16.4. Policy Terms. All such insurance coverage obtained by the Board shall be written in the name of the Association. Such insurance shall be governed by the following provisions:

(a) All policies shall be written with a company licensed to do business in Georgia.

(b) All policies on the Common Property shall be for the benefit of the Association and its members.

(c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(e) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies should be reviewed annually by one or more qualified persons.

(f) The Board shall use reasonable efforts to secure insurance policies that will provide for the following:

(1) a waiver of subrogation by the insurer as to any claims against the Board, the Association's manager, if any, the Owners and their respective tenants, servants, agents, and guests;

(2) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(3) a provision that no policy may be canceled, invalidated, suspended or subjected to nonrenewal on account of any one or more individual Owners, and a provision that no policy may be canceled, invalidated, suspended, or subjected to nonrenewal due to any defect or conduct of any director, officer, or agent of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time for the required cure to be performed;

(4) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(5) that no policy may be canceled or substantially modified or subjected to nonrenewal without at least thirty (30) days prior written notice to the Association.

16.5. Lot Owner Insurance. Each Owner of a Lot shall carry blanket all-risk casualty insurance, if reasonably available, or if not reasonably available, fire and extended coverage, on the Owner's Lot, and all structures constructed thereon, meeting the same requirements as set forth in this Article for insurance obtained by the Association. Upon request by the Board, the Owner shall furnish a copy of such insurance policy or policies to the Association. In the event that any Owner fails to obtain insurance or fails to furnish proof of a current insurance policy in effect, the Association may purchase such insurance on behalf of the Owner and assess the cost thereof to the

Owner. The Association may in addition, or in the alternative, impose a monetary fine to enforce this provision. Nothing contained in this Section shall require the Association to purchase insurance on behalf of the Owner.

Each Owner of a Lot further covenants and agrees that, in the event of damage and destruction of structures on his or her Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with this Declaration. The Owner shall pay any costs of repair or reconstruction which are not covered by insurance proceeds.

16.6. Termite Bond. Each Owner of a Bartow Point Lot shall take all steps necessary to prevent, and treat for, termites. Further, each Owner of a Bartow Point Lot shall obtain and maintain a termite bond of his or her dwelling. Upon request by the Board, the Owner of a Bartow Point Lot shall furnish evidence demonstrating such steps the Owner has taken to prevent, and treat for, termites, and a copy of such termite bond to the Association. In the event that any Owner of a Bartow Point Lot fails to take all steps necessary to prevent, and treat for, termites or fails to obtain and maintain a termite bond, or fails to furnish proof of such steps or a current termite bond in effect, the Association may take such steps necessary to prevent, and treat for, termites and/or purchase such termite bond on behalf of the Owner and assess the cost thereof to the Owner. The Association may in addition, or in the alternative, impose a monetary fine to enforce this provision. Nothing contained in this Section shall require the Association to take any action to prevent, and treat for, termites, or obtain a termite bond of a Bartow Point Lot.

The Association, acting through the Board shall take such steps necessary to prevent, and treat for, termites for the ~~CottageCottages~~ at Causton Bluff Lots and ~~CottageCottages~~ at Causton Bluff Dwellings. The Association, acting through the Board, shall obtain and maintain a termite bond for all ~~CottageCottages~~ at Causton Bluff Dwellings throughout the Community. All costs incurred by the Association shall be considered The Cottages at Causton ~~Bluff NeighborhoodBluff~~ Expense to be paid for by the Owners of the ~~CottageCottages~~ at Causton Bluff Lots within The Cottages at Causton ~~Bluff NeighborhoodBluff~~ as The Cottages at Causton ~~Bluff NeighborhoodBluff~~ Assessment or special assessment.

ARTICLE XVII. REPAIR AND RECONSTRUCTION

17.1. An Insured Loss. In the event of damage to or destruction of all or any part of the Community that is insured by the Association, as a result of fire or other casualty that is covered by insurance that the Association has obtained, unless eighty (80%) percent of the Owners vote not to proceed with the reconstruction and repair of the structure, the Board or its agent shall arrange for and supervise the prompt repair and restoration of the structure.

17.2. Cost Estimates. Promptly after a fire or other casualty that is covered by insurance that the Association has obtained causing damage to the Community that is insured by the Association, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures to substantially the condition which existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.

17.3. Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the additional costs shall be assessed against all Owners. This assessment shall not be considered a special assessment. If there are surplus funds after repair and reconstruction is completed, such funds shall be common funds of the Association to be used as directed by the Board.

17.4. Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Community was originally constructed, except where changes are necessary to comply with current applicable building codes.

17.5. Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair as set forth in this Article to be disbursed by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board.

ARTICLE XVIII. MORTGAGEE'S RIGHTS

18.1. Foreclosure. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of the first Mortgage, it shall not be liable for assessments or charges by the Association chargeable to such Lot which became due prior to such acquisition of title. Such acquirer shall be responsible for all charges accruing subsequent to the passage of title.

18.2. Eligible Mortgage Holder. A Mortgage Holder shall become an Eligible Mortgage Holder if the Mortgage Holder provides to the Association in writing its name, address, and phone number, as well as the address of the Lot and name of the Lot Owner to which it holds a Mortgage; provided, however, a settlement statement from a closing shall not be sufficient information to enable a Mortgage Holder to become an Eligible Mortgage Holder. Upon becoming an Eligible

Mortgage Holder, an Eligible Mortgage Holder shall be entitled to timely written notice of the following:

(a) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Owner of any other obligation under this Declaration which is not cured within sixty (60) days; or

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

18.3. Financial Statement. Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year.

18.4. Non-Impairment. Notwithstanding anything to the contrary herein contained, the provisions of this Declaration governing sales and leases shall not apply to impair the right of any first Mortgagee to: (i) foreclose or take title to a Lot pursuant to remedies contained in its Mortgage; (ii) take a deed or assignment in lieu of foreclosure; or (iii) sell, lease, or otherwise dispose of a Lot acquired by the Mortgagee.

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

ARTICLE XIX. AMENDMENTS

19.1. General. This Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent, of the Association members holding at least two-thirds (2/3) of the total vote of the Association. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and filed in Chatham County, Georgia land records.

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the owners, may amend the Declaration to comply with any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

19.2. Limitation Period. Any action to challenge the validity of this Declaration or an amendment adopted under this Article must be brought within one (1) year of the recording of same in the Chatham County, Georgia land records. No action to challenge this Declaration or any such amendment may be brought after such time.

ARTICLE XX. GENERAL PROVISIONS

20.1. Enforcement. In addition to any other enforcement right set forth within the Declaration or Bylaws, the Association, acting through the Board of Directors, shall have the right to enforce, in its sole discretion, any violation of the Declaration, Bylaws or rules and regulations of the Association by a proceeding at law or in equity, or as otherwise provided herein. Failure of the Board of Directors to exercise its authority to take enforcement action authorized by the Declaration, Bylaws or rules and regulations of the Association shall not be grounds for any action against the Association or the Board of Directors. Owners may enforce the Declaration against other Owners by a proceeding at law or in equity.

(a) Fines and Suspensions of Use. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Lot, for any violation of the Declaration, Bylaws, or any Association rules and regulations. The Board shall further have the power to suspend the use of the Common Property for any violation of the Declaration, Bylaws, or any Association rules and regulations. If any Occupant violates the Declaration, Bylaws or Association rules and regulations and a fine is imposed, the fine may be imposed against the Owner and/or Occupant. The Board may establish and promulgate a fining schedule. The Board shall not impose a fine or suspend the right to use the Common Property, unless and until the Board has sent or delivered written notice to the Owner or Occupant as provided herein; provided, however, an Owner's right to use the Common Property shall automatically be suspended without notice during any period in which an Owner is more than thirty (30) days delinquent on any assessment or charge, and the Owner shall be ineligible to use the Common Property until the Owner's account balance has been paid in full.

(i) Notice. If any provision of the Declaration or Bylaws or any Association rule or regulation is violated, the Board shall send the violating Owner or Occupant written notice identifying the violation and fine and/or suspension being imposed and advising the Owner or Occupant of the right to request a hearing before the Board to contest the violation or the fine and/or suspension or to request reconsideration of the fine and/or suspension. Fines and suspensions may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the Owner or Occupant's right to request a hearing before the Board to challenge the fine and/or suspension. In the event of a continuing violation, each day the violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the Owner or Occupant. In the event an Owner or Occupant violates the same provision of the Declaration or Bylaws or any Association rule and

regulation within six (6) months from the date of the notice, the Board may impose the fines and/or other sanction provided in the notice without further notice to the Owner or Occupant.

(ii) Hearing. If a written request for a hearing is received from the Owner or Occupant within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the Owner or Occupant a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present. Failure to request a timely hearing as provided herein shall result in loss of the right to challenge and request reconsideration of the fines or suspension. The Board of Directors may, but shall not be required to, suspend the fines and/or suspension until the date of the hearing.

(b) Suspension of Voting. A member's right to vote shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge. The Association shall not be required to provide any notice to such member that the member's voting rights have been automatically suspended.

(c) Abatement and Self-Help. The Board or its designee may enter upon a Lot to exercise self-help in order to remove or abate any violation thereon of the Declaration; provided, however, the Board shall first provide the Owner of the Lot ten (10) days notice of the Board's intention to enter the Owner's Lot and provide the Owner with an opportunity to remove or abate the violation, provided further, such notice shall not be required if the Board determines that an emergency exists. All costs of self-help or of otherwise enforcing the Declaration, Bylaws or Association rules, including reasonable attorney's fees actually incurred, shall be assessed against the Owner, Occupant and/or Lot subject to the violation.

(d) Notice of Violation. The Association shall have the authority to record in the Chatham County, Georgia land records a notice of violation identifying an uncured violation of the Declaration, Bylaws, or rules and regulations regarding a Lot.

(e) Enforcement Costs. The Owner or Occupant responsible for a violation shall be liable for all costs incurred in enforcement, including reasonable attorney's fees actually incurred, whether or not a legal proceeding in law or equity is filed in connection with the violation. In the event an Occupant is responsible for the violation, the Owner shall also be liable for all costs incurred in enforcement against such Occupant, including reasonable attorney's fees actually incurred, whether or not a legal proceeding in law or equity is filed in connection with the violation. All such costs shall be considered a specific assessment and shall become a lien against the Owner's Lot.

(f) Waiver. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter. Neither the Association, its Board of Directors, any duly created committee, any member of any of the foregoing, the Association's officers, nor agents shall have

any liability of any kind as a result of any failure to enforce any provision contained in this Declaration, the Bylaws, or the rules and regulations. Each Owner acknowledges and agrees that the Association has the discretion to pursue covenant violations based on the gravity of the violation, the strength of the Association's legal and factual position, and the Association's financial position. The Association's decision regarding any specific covenant violation shall not affect the rights of other Owners with respect to that violation.

20.2. Duration. The Covenants and Restrictions within the Declaration shall run with and bind the property subject to this Declaration perpetually or as otherwise provided by Georgia law.

20.3. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SAFETY AT THE COMMUNITY; HOWEVER, EACH OWNER, FOR HIMSELF OR HERSELF AND HIS OR HER TENANTS, GUESTS, LICENSEES, AND INVITEES, ACKNOWLEDGES AND AGREES THAT THE ASSOCIATION IS NOT A PROVIDER OF SECURITY AND SHALL HAVE NO DUTY TO PROVIDE SECURITY AT THE COMMUNITY. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER TO PROTECT HIS OR HER PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH LOT OWNER.

THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SAFETY MEASURES UNDERTAKEN.

20.4. Dispute Resolution. Any Lot Owner or Occupant must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute against the Association before that Owner or Occupant files any lawsuit against the Association, the Board, or any officer or director, or any agent of same. The Owner or Occupant shall, in such notice and at the hearing, make a good faith effort to explain the grievance and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Association shall give notice of the date, time, and place of the hearing to the Person requesting the hearing. The Board shall schedule the hearing for a date not less than seven (7) nor more than thirty (30) days from the date of receipt of the notice of hearing from the Person requesting the hearing. Alternatively, the Board may notify the Owner or Occupant that it is waiving the requirement of the Owner or Occupant to request and attend the hearing with the Board.

20.5. No Discrimination. No action shall be taken by the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status, or handicap.

20.6. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

20.7. Eminent Domain. If all or any part of the Common Property shall be taken or conveyed in lieu of or under threat of condemnation by any authority having power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. If the taking involves a portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after such taking at least seventy-five percent (75%) of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining Common Property to the extent land is available therefor.

20.8. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation of the Association, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

20.9. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision, which shall remain in full force and effect.

20.10. Conflicts. The duties, powers, and obligations of the Association, including the members, directors, and officers, shall be those set forth in the Act, the Georgia Nonprofit Corporation Code, the Declaration, the Bylaws, the Articles of Incorporation, and the rules and regulations of the Association. If there are conflicts or inconsistencies between such, then the provisions of the Act, the Georgia Nonprofit Corporation Code, the Declaration, the Bylaws, the

Articles of Incorporation, and the rules and regulations of the Association, in that order, shall prevail; and each Owner of a Lot, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

20.11. Venue. This Declaration, the Bylaws, and the rules and regulations of the Association shall be governed by the laws of the State of Georgia without regard to its principles of conflicts of laws. The Owners, Occupants, and the Association agree that the state and federal courts located in Chatham County, Georgia shall be the sole and exclusive jurisdiction and venue for all disputes, claims, and causes of action between the Owners, Occupants, and/or the Association. The Owners, Occupants, and the Association consent to the jurisdiction and venue of the state and federal courts located in Chatham County, Georgia for adjudication of any dispute, claim, or cause of action between the Owners, Occupants, and/or the Association. The Owners, Occupants, and the Association waive any objections or defenses to jurisdiction or venue in any such proceedings before such courts.

20.12. Preparer. This Declaration was prepared by Margaret K. Clark, Esq., The Law Office of Margaret K. Clark, PC, 1 Diamond Causeway, Suite 21 #204, Savannah, Georgia 31406.

[SIGNATURES COMMENCE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the President and Secretary of Causton Bluff Owners Association, Inc. hereby certify that the agreement of the required majority to approve this Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Causton Bluff and the Amended and Restated By-Laws of Causton Bluff Owners Association, Inc. was lawfully obtained and that all notices required by the law were properly given.

This _____ day of _____, 20__.

CAUSTON BLUFF OWNERS
ASSOCIATION, INC.

Signature of President
Print Name: _____

Sworn to and subscribed before me
this ____ day of _____, 20__.

Witness: _____

Notary Public

Signature of Secretary
Print Name: _____

Sworn to and subscribed before me
this ____ day of _____, 20__.

Witness: _____

Notary Public