

the Developer has incorporated under the laws of the State of Georgia Bridgewater Homeowners Association, Inc. as a non-profit corporation and hereby delegates and assigns to it the powers of owning, maintaining and administering the community properties and facilities, administering and enforcing the Covenants, Conditions and Restrictions, collecting and disbursing the assessments and charges hereinafter created, and promoting the recreation, health, safety and welfare of the residents of Bridgewater Subdivision.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and agreements hereinafter made, the Developer declares that the Master Declaration of Covenants, Conditions and Restrictions for Bridgewater Subdivision and Supplementary Declaration for Bridgewater Subdivision, Phase 1 recorded in the Office of the Clerk of Superior Court of Chatham County, Georgia in Deed Book 214-V, Page 286, aforesaid records, ARE HEREBY CANCELLED; and the real property described in Exhibit "A" and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be held, developed, transferred, sold, conveyed, occupied and used subject to this Declaration and the covenants, conditions and restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I

DEFINITIONS

Section 1. "Declaration" shall mean the covenants, conditions and restrictions and all other provisions herein set forth in this document, as may from time to time be amended.

Section 2. "Association" shall mean and refer to Bridgewater Homeowners Association, Inc., its successors and assigns.

Section 3. "Developer" shall mean and refer to SLYLAND DEVELOPMENT, LLC, a Georgia limited liability company, and its successors and assigns, together with any successor to all or substantially all of the business of developing the property. All rights of the Developer, as Developer, hereinafter set forth shall cease when it no longer has an interest in developing the property.

Section 4. The "Property" shall mean and refer to the real property described on Exhibit "A" which has hereby become subject to this Declaration, together with such other

or as shown on any recorded subdivision map of the Property and improvements thereto which are intended to be dedicated to the common use and enjoyment of the Association.

Section 6. "Lot" shall mean and refer to any plot of land not expressly designated otherwise as shown upon any recorded subdivision map of the property with the exception of the Common Areas as heretofore defined. The term shall also include a condominium, townhouse, patio home, or other owned living unit within the Property.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot, but excluding those having such interest as security for the performance of an obligation.

Section 8. "Member" shall mean and refer to members of the Association and shall include any Owner and the Developer.

Section 9. "Builder" or "Builders", as the context shall require, shall mean and refer to any Owner engaged principally in the business of constructing for sale to homeowners single family residential dwellings to whom the Developer sells or has sold one or more lots for the purpose of constructing thereon a single family residential dwelling.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. Existing Property. The real property which is and shall be held, developed, transferred, sold, conveyed, used and occupied subject to this Declaration is located in Chatham County, Georgia, and more particularly described on Exhibit "A" attached hereto and by reference made a part hereof.

Section 2. Additions to Existing Property. The Developer shall have the right to subject to this Declaration any or all of the additional Property described on Exhibit "B" attached hereto and by reference made a part hereof, provided that not more than seven (7) years have elapsed since the filing of this Declaration and not more than five (5) years have elapsed since the last supplementary declaration which subjects any additional Property to this Declaration.

Notwithstanding any other provisions contained herein, the Declarant reserves the right to submit

Section 1. Obligation of the Association. The Association, subject to the provisions of this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in good, clean, attractive and sanitary condition, order and repair in compliance with standards set by the Architectural Review Board.

Section 2. Easement of Enjoyment and Easement of Ingress and Egress. Subject to the provisions herein, every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, and every Member shall have a right of enjoyment in the Common Area. Each Owner has a non-exclusive easement for ingress and egress over the Common Area to the extent necessary to provide access to the Lot and for utilities serving that Lot. This right of access for ingress and egress cannot be suspended for violations of the Covenants or non-payment of assessments.

Section 3. Extent of Easements. The easements of enjoyment and easements of ingress and egress created herein shall be subject to the following:

(a) The right of the Association to establish reasonable rules and regulations governing the use of the Common Areas in the personal conduct of Owners, occupants and guests thereon and to charge reasonable admission or other fees for special or extraordinary uses of the Common Areas;

(b) The right of the Association to suspend the right of a Member to use the recreational facilities for any period during which any assessment against said Member remains unpaid for more than thirty (30) days after notice;

(c) The right of the Association to suspend the right of a member or anyone in his household to use the recreational facilities for a period not to exceed sixty (60) days for any infraction of this Declaration;

(d) The right of the Association to encumber any or all of the Common Area as may be authorized herein, or in the Articles of Incorporation, or as granted to non-profit corporations under Georgia law (A lender's rights, in the event of default upon any encumbrance

(c) The right of the Association to dedicate or transfer all or any part of the Common Area owned by it to any public agency, authority, or utility for such purposes and subject to such conditions as are authorized by the Articles of Incorporation, this Declaration, or by Georgia law;

(f) The right of the Association, acting through the Board of Directors, without Member, mortgagee and agency approvals unless provided otherwise herein, to grant easements across the Common Areas for any purpose not inconsistent with the use of those areas by Members;

(g) The following rights are reserved by the Declarant:

(i) The right to use portions of the Common Areas for sales and marketing purposes;

(ii) The right to reserve easements across the Common Areas for development purposes;

(iii) The right to grant, terminate, or vacate easements across Common Areas for limited purposes such as installation and maintenance of utilities, storm water management, or provisions of services to units.

Section 4. Delegation of Use. A Member's rights of enjoyment to the Common Area and facilities shall extend to the members of his or her family and to his or her guests, subject to such general regulations as may be established from time to time by the Association.

Section 5. Title to Common Area. Title to the Common Area shall be conveyed by the Developer as follows:

(a) Contemporaneously herewith, the Developer has set aside and dedicated a portion of the Common Area comprising and containing the recreational facility to be located within the Property. This parcel, together with the improvements located thereon, shall be conveyed to the Association, free and clear of all liens and financial encumbrances.

(b) Other recreational facilities located on portions of the Common Area shall be conveyed by the Developer to the Association, free and clear of all liens and financial encumbrances, as shall be provided in supplementary declarations relating to such future

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Section 1. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

(a) Class A Members shall be all Owners, with the exception of the Developer, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

(b) The Class B Member shall be the Developer and shall be entitled to three (3) votes for each Lot owned (based on the total number of Lots planned). The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

- (i) One Hundred Twenty (120) days after date at which 75% of the total number of Lots planned are conveyed to Lot owners other than the Declarant; or
- (ii) At such time as seven (7) years have elapsed since the filing of this Declaration or five (5) years have elapsed since the filing of the last supplementary declaration which subjects any additional property to this Declaration.

Section 3. The affairs of the Association shall initially be managed by a Board of Directors as follows:

(a) During the declarant control period, the Board of Directors will consist of at least two (2) Directors elected by the Membership. After the declarant control period, the Board of Directors will consist of five (5) Directors elected by the Members. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes will be elected. Cumulative voting is not permitted.

for the unexpired term of his predecessor.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Properties, hereby covenants, and 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:

- (a) Annual assessments or charges, and
- (b) Special assessments for capital improvements, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with interest, costs and reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such Property at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be exclusively used to promote the recreation, health, safety and welfare of the residents in the Property and for the improvement and maintenance of the Common Area and to meet the expenses of the Association, which shall adopt an annual operating budget. The Board of Directors is expressly authorized to levy assessments on behalf of the Association.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Three Hundred and No/100 (\$300.00) Dollars per Lot.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each

majority vote of the Members obligated to pay such assessment or with the written approval of Members entitled to cast a majority of the total number of authorized votes of Members obligated to pay such assessment (in both cases, excluding the Declarant during the Declarant control period).

(c) Increases in certain fixed costs for insurance, taxes, recycling or waste disposal may be passed through to the Members by permitting an automatic increase in the maximum assessment which reflects those increases. The Board of Directors is expressly authorized to obtain appropriate insurance coverages on behalf of the Association.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the capital improvements upon the Common Areas, including fixtures of personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the vote of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast Sixty Seven (67%) Percent of all the votes of each class of Membership shall constitute a quorum. In the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subject meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Unless otherwise provided for herein, both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association.

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of Ten Percent (10%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. The following Property subject to this Declaration shall be exempt from the assessments, charges and liens created herein:

- (a) All properties to the extent of any easement or any interest therein dedicated and accepted by the local public authority and devoted to public use;
- (b) All Common Areas;
- (c) All properties exempt from taxation by State and Local governments upon the terms and to the extent of such legal exemption;

Section 11. Reduced Assessment for Property Owned by Declarant or Builder. If

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The lots for which the one-time assessment has been paid may be exempt from further assessment until the earlier of : (i) initial occupancy or (ii) two fiscal years after submission to the Declaration. The Developer or Builder, as appropriate, must provide for or pay for all maintenance on its Lots and shall fund all Association operating deficits during the Declarant control period, including reserves based upon expected lives of items for which reserved, but not including shortfalls caused by non-payment of assessments by other Members or extraordinary expenditures (for example, expenses caused by natural catastrophes or environmental hazards). A Lot initially occupied or conveyed to an Owner other than the Declarant or a Builder shall be fully assessed. The obligation to fund budget deficits is a lien against all the land owned by the Declarant or Builder, as appropriate, in the Development.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. The Architectural Review Board. An Architectural Review Board consisting of three (3) or more persons shall be appointed by the Developer. At such time as the Developer no longer has an interest in developing the Property, vacancies in the Architectural Review Board shall be filled by a majority vote of the remaining members of the Board.

Section 2. Purpose. The Architectural Review Board shall regulate the external design, appearance, use, location and maintenance of the Property and of the improvements thereon in such a manner as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography. The Architectural Review Board shall promulgate standards and guidelines appropriate to the character of each increment, phase, or parcel of the Property. Such standards and guidelines shall be generally distributed among the Members.

Section 3. Conditions. No improvements, alterations, repairs, change of paint colors, excavations, changes in grade or other work which in any way alters the exterior of any Property or the improvements located thereon from its natural or improved state existing on the date such Property was first conveyed in fee by the Developer to an Owner or to the Association