

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS FOR LOST PLANTATION**

THIS DECLARATION OF COVENANTS, RESTRICTIONS, AND EASEMENTS ("Declaration"), made this 18 day of August 1999, by Effingham Development Group, L.P. ("Declarant" and sometimes hereinafter called "Developer").

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property designated as Arosa Subdivision, Geneva Subdivision, Lucerne Subdivision, Mannheim Subdivision and Hanover Subdivision at Lost Plantation, which real property is more particularly described in Exhibit "A" attached hereto and by reference made a part hereof ("the Property"); and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the Property and for the maintenance of the Property and improvements thereon, and to this end desires to subject the Property to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and each owner thereof; and

WHEREAS, Declarant deems it desirable, for the efficient preservation, protection and control of the values of the Property, to create an agency to which should be delegated and assigned the power and authority to own, maintain, administer, and enforce these covenants and restrictions and collect and disburse the assessments and charges hereafter authorized; and

WHEREAS, Declarant is also the owner of certain real property more particularly described on Exhibit “B” (“Additional Property”); and

WHEREAS, it is in the interest and to the advantage of the Declarant and to each person, corporation, partnership or other entity which shall hereafter acquire title to any lot within the Property that certain covenants, conditions and restrictions be imposed upon the Property.

NOW, THEREFORE, Declarant hereby declares that the real property described in Exhibit “A” and any other property, including the Additional Property, which the Declarant shall subject to these restrictive covenants by subsequent amendment hereto shall be subjected to this Declaration and shall be held, transferred, sold, conveyed and occupied, subject to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth, which shall run with the Property and be binding on all persons or entities hereafter acquiring any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. “*Accessory Structures*” shall mean a detached structure to be used as a playhouse, tool shed or storage shed.

Section 2. “*Additional Property*” shall mean the real property located in Effingham County, Georgia and more particularly described in Exhibit “B” attached hereto.

Section 3. “*Architectural Review Committee*” shall mean and refer to the Architectural Review Committee established in Article II of the Declaration.

Section 4. “*Association*” shall mean and refer to Lost Plantation Homeowners Association, Inc. a non-profit corporation organized and existing under the laws of the State of Georgia, its successors and assigns.

Section 5. “*Board*” shall mean and refer to the Board of Directors of the Association.

Section 6. “*Common Areas*” shall mean all real and personal property now or hereafter owned or leased by the Association for the common use and enjoyment of the Owners.

Section 7. “*Common Expenses*” shall mean and refer to the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration and the By-laws and Articles of Incorporation of the Association.

Section 8. “*Declaration*” shall mean the covenants, conditions, restrictions and easements and all other provisions set forth in this entire document, as may from time to time be amended.

Section 9. “*Developer*” shall mean and refer to Effingham Development Group, L.P., a limited partnership organized and existing under the laws of the State of Georgia.

Section 10. “*Dwelling*” shall mean the single family residential structure with garage allowed on a Lot.

Section 11. “*Land Owner*” shall mean and refer to the Owner of any Lot.

Section 12. “*Lot*” shall mean and refer to a parcel shown on the Plat of the property upon which a single-family residence may be constructed or a parcel shown on any plat of Additional Property hereafter made subject to this Declaration.

Section 13. “*Member*” shall mean and refer to every Person who is a member of the Association.

Section 14. “*Owner*” shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot which is a part of the Property or any lot which is part of any Additional Property hereafter made subject to this Declaration but excluding those having such interest merely as security for the performance of an obligation.

Section 15. “*Person*” shall mean and refer to a natural person, corporation, partnership, association, trust or other legal entity, or any combination thereof.

Section 16. “*Plat*” shall mean and refer to those certain Subdivision Plats for Lost Plantation, recorded in the Office of the Clerk of Effingham County, Georgia as Arosa Subdivision in Plat Cabinet “B”, Slide 44 “A”; as Geneva Subdivision in Plat Cabinet “B”, Slide 44 “B”; as Lucerne Subdivision in Plat Cabinet “B”, Slide 44 “C”; as Mannheim Subdivision in Plat Cabinet “B”, Slide 44 “D”; and as Hanover Subdivision in Plat Cabinet “B”, Slide 44 “E”.

Section 17. “*Property*” shall mean and refer to the real property described in Exhibit “A”.

Section 18. “*Structure*” shall mean and refer to : (i) any thing or object, the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part hereof, garage, porch, gazebo,

shed, greenhouse or bathhouse, coop or cage, covered or uncovered patio, swimming pool, tennis court, fence, curbing, paving, wall, tree, shrub, sign, signboard, mailbox, driveway, temporary or permanent living quarters (including any house trailer) or any other temporary or permanent improvement to such Lot; or (ii) any excavation, grading, fill ditch, diversion dam or other thing, object or device which affects or alters the natural flow of surface waters from, upon or across any Lot, or which affects or alters the flow of any waters in any natural or artificial creek, stream, wash or drainage channel from, upon or across any Lot; and (iii) any change in grade at any point on a Lot of more than six (6) inches, whether or not subsection (ii) of this Section 18 applies to such change.

ARTICLE II
TO THIS PROPERTY SUBJECT DECLARATION AND ADDITIONS THERETO

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

Section 2. Additions to Existing Property The Declarant and its successors and assigns shall have the right to bring within the scheme of this Declaration all or any portions of the Additional Property described in Exhibit “B” hereto. The additions authorized under this Section, shall be made by filing of record a supplemental declaration with respect to all or portions of the Additional Property which shall extend the scheme of the Declaration to such Additional Property. Upon the filing of such supplemental declaration, the term “Property” as used in this Declaration shall include the portions of the Additional Property brought within the scheme of this Declaration as provided herein. Any such supplemental declaration may contain complementary

additions and modifications of the covenants and restrictions contained in this Declaration, as may be deemed necessary by Declarant to reflect the different character, if any; of the added properties. In no event shall any such supplemental declaration revoke, modify or add to this Declaration with respect to the Property.

ARTICLE III
ARCHITECTURAL CONTROL

Section 1. Purpose It is the Declarant's purpose to prohibit any improvement or change in the Property which would be unsafe or hazardous to any personal property or to any individual; to minimize destruction or diminution of the view afforded to all Lots, and to preserve as much as is practicable the aesthetic quality of the Property; to assure that the improvements and construction of Dwellings and Structures on the Property will be of good and attractive design, and in harmony with the natural setting of the area and serve to preserve and enhance the beauty thereof; and to assure that the materials and workmanship for all improvements are of high quality and comparable to other improvements permitted on the Property.

Section 2. Approval Required No Structure shall be commenced, erected, altered, modified or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made, nor shall the clearing of any trees or change of property grade be made, until plans and specifications showing the nature, kind, shape, height, type and color brick, materials, location and grade of the same have been submitted to and approved in writing as to conformity and harmony of external design and general quality with the existing standards of the neighborhood and location in relation to surrounding structures and topography by the Architectural Review Committee (as hereinafter defined) as outlined herein. No change shall be made in

color, stain or painting of any Structure or door thereof, balcony or deck thereunto attached, unless so approved.

Section 3. Architectural Review Committee The Architectural Review Committee (“ARC”), shall consist of at least three (3) and not more than five (5) members, to be appointed by the Board of Directors and shall have exclusive jurisdiction to approve or disapprove all construction on any portion of the Property.

Section 4. Liability Neither the ARC nor any member thereof shall be liable to the Association or to any Owner for any damage, loss or prejudice suffered or claimed on account of:

(a) The approval or disapproval of any plans, drawings and specifications, whether or not defective;

(b) The construction or performance of any work, whether or not pursuant to approved plans, drawings and specifications;

(c) The development of any property within the Property, provided that such member has acted in good faith on the basis of such information as may be possessed by him or her; or

(d) Any negligence or breach of contract by any builder carrying out construction within the Property.

Section 5. Responsibility of Declarant There is reserved unto the Declarant the right of performing all functions and giving of all approvals and disapprovals otherwise within the jurisdiction of the ARC, so long as Class B membership exists in the Association.

Section 6. Procedures Whenever approval is required for any matter within the jurisdiction of the ARC, the person seeking such approval shall furnish the data required by the ARC, and no such submission shall be deemed to have been made unless and until all required information has been received. The ARC shall either approve or disapprove such design and location and proposed construction and clearing activities within forty-five (45) days after such plans and specifications have been submitted to it. If the plans and specifications are disapproved in any respect, the applicant shall be notified wherein such plans and specifications are deficient. The Board of Directors shall have the right, from time to time, to establish reasonable filing fees to defray the expenses of the ARC, which shall be paid at the time of submission of such plans.

Section 7. When Approval Deemed Granted In the event the ARC shall fail to approve or disapprove a proposed design plan and location within forty-five (45) days after the final plans and specifications therefore have been received by it, approval shall be deemed granted, unless a suit to enjoin the proposed construction has been commenced prior to commencement of construction. Plans and specifications required to be submitted shall not be deemed to have been received if they contain erroneous data, or fail to present accurate and complete information upon which the ARC shall be expected to base its decision.

Section 8. Right to Inspect The ARC shall have the right, at its election, to enter upon any Lot during the construction, erection or installation of improvements or alterations, to inspect the work being undertaken in order to determine that such work is being performed in conformity with the approved plans and specifications, and in a good

and workmanlike manner utilizing approved methods and good quality materials (in the sole judgment of the ARC). The ARC shall have the power to order the dismantling or cessation of work it deems nonconforming in its sole judgment, and to enforce such order by any legal or equitable proceedings, including but not limited to, a proceeding seeking a temporary restraining order or other injunctive relief.

Section 9. Approval of Builders Any builder or landscaper, prior to performing any work on any Lot in the Property, must first be approved by the ARC as to financial stability, building or landscaping experience and ability to build or landscape structures or grounds of the class and type of those which are to be built on the Property. Such approval may be granted or withheld in the sole and uncontrolled discretion of the ARC. No person shall be approved as a builder or landscaper unless such person obtains his income primarily from construction or landscaping of the type which builder or landscaper is to perform upon the Property. No Owner shall be permitted to act as his own builder or contractor except where such Owner obtains his income primarily from the construction of the type of structures to be constructed on the Property and otherwise meets the qualifications for approval of the ARC as hereinabove set forth.

Section 10. Violations

(a) If any Structure shall be erected, placed, maintained or altered upon any Lot, otherwise than in accordance with the plans and specifications approved by the ARC pursuant to the provisions of this Article III, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article and without the approval required herein. If in the judgment of the ARC such violation shall have occurred, the ARC shall be entitled and empowered to enjoin or remove any such

construction. Any costs and expenses incurred by the ARC in enjoining and/or removing any construction or improvements shall be added to and become a part of the assessment to which the Owner and the affected Lot are subject.

(b) The ARC shall provide written notice to the Owner by certified mail, setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If the Owner shall not have taken reasonable steps toward the required remedial action within twenty (20) days after the mailing of the aforesaid notice of violation, then the ARC shall have the right of abatement as provided in Section 1 (b) of Article XII hereof. In addition to the right of abatement, the Board, upon being informed of such violation by the ARC shall be entitled to seek equitable relief to enjoin such construction.

Section 11. Fees The ARC may impose and collect a reasonable and appropriate fee to cover the cost of any inspections performed pursuant to Section 6 hereof. The fee shall be established from time to time by the ARC.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Each Owner of a Lot which is now or hereafter subject to this Declaration shall be a Member of the Association. The foregoing is not intended to include persons or entities who hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to this Declaration and shall pass automatically to any Owner's successor-in-title to the Lot.

Section 2 Voting Rights. The Association shall have two classes of voting membership, as follows:

(a) Class A. Initially, the Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be members and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

(b) Class B. The Class B member shall be the Declarant and it shall be entitled to three (3) votes for each Lot owned by Declarant until the happening of either of the following events:

(i) Seventy-five percent (75%) of the lots then subject to this Declaration are owned by Class A members; or

(ii) Declarant shall sooner relinquish such voting rights.

(c) After either such event described in Section 2 (b) hereof, Declarant shall be entitled to one (1) vote for each Lot then held by Declarant.

(d) When Declarant no longer holds title to any Lot subject to this Declaration, there shall no longer be a Class B membership of the Association.

ARTICLE V PROPERTY RIGHTS

Section 1. *Membership's Easement of Enjoyment.* Subject to the provisions hereof, each member of the Association shall have a right and easement of use and enjoyment in and to the Common Area (including, without limitation, the right of pedestrian (but no vehicular) access, ingress and egress to and from his Lot over those portions of the Common Area from time to time designated for such purposes and the right of use of such recreational facilities as may be erected and maintained by the

Association for such purposes from time to time), which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following:

(a) the right of the Association to adopt and publish rules and regulations governing the use of the Common Area;

(b) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility now or hereafter located or constructed upon the Common Area and to impose reasonable limits on the number of Owners and/or guests who may use such recreational facilities:

(c) the right of the Association to suspend any Owner's voting rights and right to use any recreational facilities within the Common Area for any period during which any lawful assessment of the Association against said Owner's Lot remains unpaid;

(d) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds of each class of members, agreeing to such dedication or transfer, has been recorded;

(e) the easements reserved in Article VIII of this Declaration.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the by-laws of the Association, his right of use and enjoyment in and to the Common Area and the improvements thereon, if any, to the members of his family, his tenants, guests and invitees, subject to such regulations as may be established from time to time by the Association.

Section 3. Title to Common Area. Declarant may from time to time convey to the Association, at no expense to the Association, real and personal property for the common use and enjoyment of the Owners. The Association hereby covenants and agrees to accept from Declarant all such conveyances of real and personal property. Notwithstanding any legal presumption to the contrary, the fee simple title to such real and personal property designated as Common Area or for public use, together with all rights therein, shall be reserved to Declarant until such time as the real and/or personal property is conveyed to the Association or to any municipality or other government body, agency or authority.

Section 4. No Partition. There shall be no judicial partition of the Property or the Common Area, or any part thereof, nor shall any Person acquiring any interest in the Property or the Common Area or any part thereof seek any judicial partition unless the Property or Common Area has been removed from the provisions of this Declaration.

Section 5. Golf Course. The golf course, clubhouse and related facilities adjacent to the Property are not a part of the Property, are not owned by Declarant and no Owners shall have or gain any right or interest therein.

ARTICLE VI
COVENANT FOR MAINTENANCE AND
CAPITAL IMPROVEMENT ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments.

Each Owner of a 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:

(1) annual assessments which may or shall be levied by the Association and (2) special

assessments, established and collected as hereinafter provided. The annual and special assessments, together with interest thereon and the costs of collection thereof, as hereinafter provided, shall be a charge and a continuing lien upon the Lot against which such assessment is made. Each assessment, together with interest thereon and the cost of collection thereof, including reasonable attorney's fees, shall be the personal obligation of the Person who was the Owner of such Lot at the time the assessment became due. The personal obligation for delinquent assessments shall not pass to the successors-in-title of the owner unless expressly assumed but shall remain a lien on the lot. Declarant shall not be subject to any of the assessments set forth in this Article with respect to Lots owned by Declarant.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for promoting the health, safety, pleasure and welfare of the Owners of the Lots and the payment of the costs and expenses incident to the operation of the Association, including, without limitation, the construction, maintenance and repair of the Common Area and improvements thereon, if any, the maintenance of services furnished by the Association, the purchase of insurance by the Association, the repair and replacement of improvements on the Common Area, payment of all taxes, insurance premiums and all costs and expenses incidental in the operation and administration of the Association, and establishment and maintenance of a reasonable reserve fund or funds.

Section 3. Computation of Annual Assessments. It shall be the duty of the Board at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated expenses of operating the Association for the coming

year, such budget to include a capital contribution to the reserve account in accordance with the capital needs of the Association. The budget and the proposed annual assessments to be levied against each Lot shall be delivered to each Owner no later than ten (10) days prior to such annual meeting. The annual assessment shall be equally divided among the Lots so that the annual assessments shall be the same for each Lot. Lots owned by the Declarant or its successor in the development of the Property shall not be considered when determining the annual assessment for each Lot. The budget and the annual assessment shall become effective unless disapproved at the annual meeting by either (i) Declarant, so long as there is a Class B member, or (ii) a vote of the majority of the Owners voting in person or by proxy at such meeting. In the event of the proposed budget is not approved or the Board fails for any reason to determine the budget for the succeeding year, then until a budget has been determined as provided herein, the budget and annual assessment in effect for the then current year shall continue for the succeeding year. If any budget at any time prove inadequate for any reason, the Board may call a meeting of the Association for the approval of a special assessment.

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessments 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 a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of at least two thirds (2/3) of the Class A members present and voting in person or by proxy at a meeting

duly called for such purpose and the assent of the Class B member so long as the Class B member shall have the right to vote. Special assessments may also be levied by the Association if for any reason the annual assessments prove inadequate to defray the expenses of the Association in fulfilling its duties and obligations hereunder, subject to the consent of the members as set forth above. Lots owned by the Declarant shall not be subject to special assessments.

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 Section 3 or 4 above shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast fifty percent (50%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called, subject to the same notice requirement, and the required quorum at the subsequent 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 day set for the preceding meeting.

Section 6. Rate of Assessment. Annual and special assessments must be fixed at a uniform rate for all Lots and may be collected annually or more frequently as may be determined by the Board of Directors. Beginning January 1, 2000 and for each fiscal year thereafter, the annual assessment may be increased annually by the board of Directors without approval by the Members of the Association by an amount not exceeding ten (10%) percent of the annual assessment of the previous year.

Section 7. *Date of Commencement of Annual Assessments; Due Dates.* The annual assessment provided for herein shall be paid in such manner and on such dates as may be fixed by the Board. The initial annual assessment (i.e., in effect as of the date hereof is One Hundred and Eighty Dollars (\$180.00) per annum and shall be payable, without proration, at the time a Lot is purchased. 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 specified 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 which is not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the maximum legal rate per annum. In such case, the Association may accelerate, at its option, any unpaid balance of the assessment and may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Lot, and interest, costs, and reasonable attorney's fees of any such action, shall be added to the amount of such assessment. Each Owner, by the acceptance of a deed to a Lot, thereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt and to enforce the aforesaid lien by all methods available for the enforcement of liens against real property, including foreclosure by an action brought in the name of the Association in a like manner as the foreclosure of a deed to secure debt on real property, and such Owner

expressly grants to the Association a power of sale in connection with the foreclosure sale and the power to acquire and hold, lease, mortgage and convey the Lot. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area, abandonment of his Lot or by renunciation of membership in the Association. An Owner may give to the Association, nevertheless, subject to acceptance thereof by the Association, a deed in lieu of foreclosure.

Section 9. Subordination of the Lien to First Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any security deed representing a first lien on the Lot and recorded prior to the date of such assessment. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due after the recording of the security deed being foreclosed and prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessment thereafter becoming due 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 other interest therein dedicated and accepted by any local public authority and devoted to public use; (b) the Common Area; (c) all properties exempted from taxation by state or local governments upon the terms and to the extent of such legal exemption; and (d) all properties owned by Declarant.

ARTICLE VII
MAINTENANCE

Section 1. Association's Responsibility. Except as otherwise provided for herein, the Association shall maintain and keep in good repair all portions of the Common Area and improvements thereon. The Association's responsibility with respect to the Common Area shall be deemed to include the maintenance, repair and replacement of (i) all roads, driveways, walks, parking areas, buildings and other improvements situated within the Common Area; (ii) such utility lines, pipes, plumbing, wire conduits and systems which are a part of the Common Area; and (iii) all lawns, trees, shrubs, hedges, grass and other landscaping situated within or upon the Common Area.

Section 2. Owner's Responsibilities. Each Owner of a Lot, whether vacant or occupied, shall keep and maintain the Lot and the exterior of any and all improvements located thereon in a neat, attractive and safe condition. Such maintenance shall include, but shall not be limited to, painting, repairing, replacing and care for roofs, gutters, downspouts, building surfaces, trees, shrubs, grass, walks and other exterior improvements. Should any Owner of a Lot fail to maintain the Lot or the improvements thereon as set forth hereinabove, the ARC, its agents and representatives, may after thirty (30) days written notice to the Owner of such Lot, enter upon the Lot for the purpose of mowing, removing, clearing, cutting, or pruning underbrush, weeds, or other unsightly growth, for removing garbage or trash, or for performing such exterior maintenance as the ARC, in the exercise of its sole discretion, deems necessary or advisable. Such Owner shall be personally liable to the ARC for the direct and indirect cost of such maintenance, which costs shall be added to and become part of the

assessment to which such Owner and the Lot are subject. Although notice given as herein provided shall be sufficient to give the ARC, its agents and representatives, the right to enter upon such Lot and perform such maintenance, entry for such purpose shall be only between the hours of 9:00 A.M. and 5:00 P.M. on any day except Sunday. The provisions hereof shall not be construed, however, as an obligation on the part of the ARC to mow, clear, cut or prune any Lot, to provide garbage or trash removal service, or to perform such exterior maintenance.

ARTICLE VIII EASEMENTS

Section 1. Utility Easements. There is hereby created in favor of the Association an easement upon, across, over, through and under all of the Common Area for ingress, egress, installation, replacement, repair and maintenance of all utility and service lines and systems, including but not limited to water, sewers, gas, telephones, electricity, television, cable or communications lines and systems. An easement is further granted to the Association, to enter in or to cross over the Common Area and the Lots, to inspect and to perform the duties of maintenance and repair of the Common Area and the Lots, as provided for herein. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines or other utilities may be installed or relocated on the property except as initially programmed and approved by the Declarant or thereafter approved by Declarant or the Board. Should any utility furnishing a service covered by the general easement herein provided request a specific easement be a separate recordable document, Declarant or the Association shall have the right to grant such an easement on the Common Area without conflicting with the terms hereof.

Section 2 Easement for Declarant Declarant hereby reserves for itself, its successors and assigns, the following easements and rights of way in, on, over, under and through any part of the Property owned by Declarant and the Common Area for so long as Declarant owns any Lot primarily for the purpose of sale:

(a) for the erection, installation, construction and maintenance of wires, lines, and conduits, and necessary or proper attachments in connection with the transmission of electricity, gas, water, telephone community antenna, television cables and other utilities;

(b) for the construction of improvements on the Lots;

(c) for the installation, construction and maintenance of storm-water drains, public and private sewers and for any other public or quasi-public utility facility;

(d) for the use of the Common Area and any sales offices, model units and parking spaces in connection with its efforts to market Lots; and

(e) for the maintenance of such facilities and equipment as in the sole discretion of Declarant may be reasonably required, convenient or incidental to the completion, improvement and sale of Lots.

Section 3. Easements for Association. There shall be a general right and easement for the benefit of the Association, its directors, officers, agents and employees, including any management company retained by the Association, to enter upon the Common Area and the Lots to perform their respective duties.

ARTICLE IX GENERAL COVENANTS AND RESTRICTIONS

The following covenants and restrictions shall apply to all Lots and to all Structures erected or placed thereon.

Section 1. Residential Use. All lots shall be restricted exclusively to a single-family residential use. No Lot, or any portion thereof, shall at any time be used for any commercial, business or professional purpose; provided, however, that nothing herein shall be construed to prohibit or prevent any builder of residences within the Property from using any Lot owned by Declarant or such builder for the purpose of carrying on business related to the development, improvement and sale of Lots in the Property. Declarant specifically reserves the right to establish a model home to be used by Declarant and/or by any builder as real estate agent employed by or affiliated with Declarant. This section shall not be construed as to prohibit any Owner from operating a business office in the home on the Lot provided the Owner does not require or permit the clients or customers of the Owner to frequent the home and the existence of such office is not discernable from the outward appearance of the home.

Section 2. Common Area. The Common Area shall be used only by the Owners and their agents, servants, tenants, family members, invitees and licensees for access, ingress to an egress from their respective Lots and for such other purposes as may be authorized by the Association except such use by others of the pool and tennis courts adjacent to the Willow Peg Golf Club as is permitted under the Links Group Agreement.

Section 3. Nuisances.

(a) No unlawful, noxious or offensive activities shall be carried on in any Lot, or upon the Common Area, nor shall anything be done therein or thereon which, in the judgment of the Board, constitutes a nuisance, causes unreasonable noise or

disturbance of others or unreasonable interferes with other Owners' use of their Lots and/or the Common Area.

(b) No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of any Lot so as to render the same unsanitary, unsightly or offensive. No nuisance shall be permitted to exist upon any portion of the Property. Without limiting the generality of any of the foregoing, no exterior speakers, horns, whistles, bells or other sound devices, except security devices used exclusively for security purposes, shall be located, used or placed on the Property or any Lot.

Section 4. *Resubdivision of Property.* No Lot may be split, divided, or subdivided for sale, resale, gift, transfer, or otherwise, without the prior written approval of the ARC of plans and specifications for such split, division or subdivision. Declarant specifically reserves the right to split, subdivide, reconfigure or recombine its Lots.

Section 5. *Erosion Control.* No activity which may create erosion or siltation problems shall be undertaken on any Lot without the prior written approval of the ARC of plans and specifications for the prevention and control of such erosion or siltation. The ARC may, as a condition of approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion or siltation. Such means may include (by way of example and not of limitation) physical devices for controlling the run-off and drainage of water, special precautions in grading and otherwise changing the natural landscape and require landscaping as provided for in Section 6.

Section 6. *Landscaping.* No construction or alteration of any Structure shall take place without the prior written approval by the ARC of plans and specifications for

the landscaping to accompany such construction or alteration. No home shall be occupied for living purposes until foundation landscaping has been completed according to plans and specifications approved by the ARC.

Section 7. Temporary Buildings. No temporary buildings, trailer, garage or building under construction shall be used, temporarily or permanently, as a residence on any Lot except as temporary sleeping or living quarters required or described for security purposes in accordance with plans and specifications therefore approved by the ARC. No contractor or builder shall erect on any Lot any temporary building or shed for use in connection with construction on such Lot without the prior written consent of the ARC.

Section 8. Signs.

(a) No signs whatsoever shall be installed, altered or maintained on any Lot, or on any portion of a Structure visible from the exterior thereof, except: (i) such signs as may be required by legal proceeding; (ii) a sign indicating the builder or mortgagee of the residence on the Lot, but then only during construction; (iii) directional signs for vehicular or pedestrian safety; and (iv) a "For Sale" sign on any unsold or unoccupied Lot or on any Lot and home then for sale.

(b) Any permitted sign may be erected only after ARC's prior written approval of the size, design, color, location and other aspects of such sign which approval shall be in the sole discretion of the ARC.

Section 10. Fences. Fences of decorative wood, brick or stucco may be constructed along the boundary lines of a Lot provided (i) any fence erected on a Lot which is adjacent to the golf course shall not be higher than four feet (4'); (ii) any fence

erected on a Lot which is not adjacent to the golf course shall not be higher than six feet (6') and (iii) no fence shall be erected on any Lot nearer to the front of the Lot than the front of the Dwelling constructed on the Lot. Chain link fences are prohibited. Prior to erecting any fence, the Owner shall obtain the written approval of the ARC of the plans, specifications and location of such fence. All framing is to be on the inside with decorative boards to the outside.

Section 11. Roads and Driveways. No road or driveway shall be constructed or altered on any Lot without the prior written approval of the ARC of plans and specifications for such roads and driveways. Such specifications shall include the proposed substance to be used in constructing such roads and driveways, which substance shall be satisfactory to the ARC.

During approved construction, all vehicles in any way connected with such construction shall enter the Lot or Lots under construction only by the driveway as approved in the plans by the ARC. In no event shall any driveways other than those approved by the ARC be constructed or used for temporary access to any Lot. All vehicles shall be parked at the Lot to avoid damage to trees, paving, curbs, gutters and any other improvements on the Lot.

Section 12. Antennae. No antenna, satellite dish 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 on the exterior of any Structure without the prior written approval of the ARC. In no event shall freestanding transmission or receiving towers be permitted.

Section 13. Clotheslines. No outside clotheslines shall be placed on any Lot.

Section 14. *Recreational Vehicles, Trailers, etc.* The ARC, in reviewing the plans and specifications for any proposed Structure, may require that special parking areas be made available for recreational vehicles. No trailer, trailer house, boat, or recreational vehicle shall be parked on any Lot, except in a parking area approved by the ARC pursuant to this Section 14 or within enclosures or behind screening erected in accordance with plans and specifications submitted to and approved by the ARC.

Section 15. *Recreational Equipment.* No recreational and playground equipment shall be placed or installed on any Lot if the equipment is visible from the street abutting such Lot or from the golf course without the prior written approval of the ARC.

Section 16. *Accessory Structures.* Accessory Structures are prohibited on any Lot adjacent to the golf course. On Lots not adjacent to the golf course, Accessory Structures may be erected with the prior written approval of the design plans, specifications and location of such Accessory Structures by the ARC in its sole discretion.

Section 17. *Improvements of Lots.* All construction of Dwellings, Accessory Structures and all other improvements on a Lot shall be undertaken and completed in accordance with the following conditions:

(a) All construction shall be carried out in compliance with the laws, code rules, regulations and orders of all applicable governmental agencies and authorities.

(b) All Dwellings constructed on the Lots shall be “traditional or European” style. The determination of whether or not a residence is “traditional or European” shall be decided by the ARC in its sole and uncontrolled discretion.

(c) Only one mailbox shall be located on any Lot and will be consistent with the quality and design of surrounding Dwellings and mailboxes and shall be placed and maintained to complement the Dwelling to which it appurtenant to the extend such mailbox permitted is to be located and maintained by the United States Postal Service, its successors and assigns.

(d) No lumber, bricks, stones, concrete blocks, scaffolding, mechanical devices, or any other materials or devices used for building purposes shall be stored on any Lot except for purposes of construction of a Dwelling or Accessory Structure on such Lot, nor shall any such building materials or devices be stored on any Lot for longer than the length of time reasonably necessary for the construction of the improvements for which the materials or devices are to be used.

(e) No exposed, above-ground tanks for the storage of fuel or water or any other substance shall be located on any Lot other than apparatus relating to solar energy, the locations and design of which must first be approved by the ARC.

(f) Containers for garbage and other refuse shall be underground or in sanitary enclosures or screened by shrubbery or fencing approved by the ARC; no incinerators for garbage, trash or other refuse shall be used, and a garbage disposal is required for each Dwelling.

(g) No window air conditioning unit may be located in any part of any Dwelling or Accessory Structure which is visible from any street or the golf course and all exterior compressor units shall be ground mounted and screened by fencing or planting of a density and height to hide the unit effectively, which fencing or planting shall first be approved by the ARC.

(h) Any screen porch which is part of any Dwelling or Accessory Structure must have a dark color screen and no bright color silver finish screens may be used.

(i) No plumbing vent or heating vent shall be placed on the front side of any roof or any Dwelling or Accessory Structure, and any such vent shall be painted the same color as the roof on which it is placed.

(j) Any construction on a Lot shall be at the risk of the Owner of such Lot and the Owner of such Lot shall be responsible for any damage to any curbing or street resulting from construction on such Lot; repairs of such damage must be made within thirty (30) days after completion of such construction on the Lot to which the damaged curbing or street is contiguous or adjacent.

(k) Dwellings on any Lot of the Property having a width of 100 feet or more shall be of the quality, size and design required by Article 2 of the Declaration of Protective Covenants of Willowpeg Subdivision, Phase I, dated April 19, 1988 and recorded in the office of the Clerk of the Superior Court of Effingham County in Plat Record Book 18, pages 258-260.

(l) Dwellings on any Lot of the Property having a width of less than one hundred feet (100') shall meet the following requirements: (i) the enclosed, heated living area (exclusive of garages, carports, porches, terraces, bulk storage and basement) of all one-story Dwellings shall contain not less than twelve hundred (1200) square feet; (ii) the enclosed, heated living area (exclusive of garages, carports, porches, terraces, bulk storage and basement) of all one and one-half story Dwellings shall contain not less than thirteen hundred (1300) square feet; (iii) the enclosed, heated living area (exclusive of garages, carports, porches, terraces, bulk storage and basement) of all two story and

two and one-half story Dwellings shall contain not less than fifteen hundred (1500) square feet; (iv) no Dwelling shall be constructed exceeding two and one-half (2 ½) stories in height on any Lot without prior written approval of the ARC; and (v) Vinyl may be used on the exterior of a Dwelling but not more than fifty percent (50%) of the front elevation shall be vinyl.

(m) Driveways shall be constructed with concrete. However, other material may be approved by the ARC if any exception is requested when plans are submitted to the ARC for approval. Existing trees, topography and landscape planning should be taken into consideration and, where possible, driveways should bypass these, leaving them undisturbed.

(n) Silver-finish aluminum doors (including sliding doors) and windows shall not be approved. A factory-painted or anodized finish aluminum may be used, the color of which shall be specified in the plans submitted to the ARC for approval.

Section 18. *Animals.* No animals, including birds, insects and reptiles, may be kept on any Lot unless kept solely as household pets and not for commercial or domestic purposes and not to exceed two (2) dogs and three (3) cats. No animals shall be allowed to become a nuisance. No structure for the care, housing or confinement of any animal shall be constructed, placed or altered on any Lot unless plans and specifications for said Structure have first been approved by the ARC, in its sole discretion. All pets shall be confined to the Owner's Lot.

Section 19. *Wells and Septic Systems.* No deep well or septic system shall be constructed or maintained on any Lot whenever water and sewer connections and facilities are available to that Lot, or whenever such facilities are in the process of

construction and completion is projected for not to exceed thirty (30) days beyond completion of the residence. Each Lot Owner shall pay all fees for water and sewer service and hookup. Each Lot shall be required to utilize the water and/or sewage system installed by Declarant or the governing authority, provided that Declarant shall be under no obligation to provide same. Lot Owners may construct and maintain wells for lawn irrigation purposes only.

Section 20. *Trees and Shrubs.* No trees measuring eight (8) inches or more in circumference at a point two (2) feet above ground level, no flowering trees or shrubs, nor any evergreens on any Lot may be removed without the prior approval of the ARC unless located within ten (10) feet of the approved site for a Dwelling or within the right-of-way of driveways or walkways. Excepted herefrom shall be damaged or dead trees and trees which must be removed due to an emergency.

ARTICLE X INSURANCE

The Board or its duly authorized agent shall obtain such insurance policies insuring the Common Area and the Association as the Board deems necessary or desirable in its sole discretion. The named insured on all policies of insurance shall be the Association and, if applicable, Declarant.

ARTICLE XI DECLARANT'S RIGHTS AND RESERVATIONS

Section 1. *Additions.* Declarant may, but shall not be obligated to, develop other lots owned by Declarant and subject the same to these or other restrictions and covenants. Until such times as additions are made, these covenants shall apply to Lots

developed upon the Property and only to such Lots and not to any other real property of Declarant.

Section 2. Successors. All rights and reservations of Declarant hereunder may be assigned by Declarant to any successor of Declarant in the development and sale of the Property, including, without limitation, all rights of Declarant as the Class B member of the Association.

Section 3. Amendment. Declarant may unilaterally amend this Declaration at any time and from time to time pursuant to Section 7 of Article XII hereof.

ARTICLE XII
GENERAL PROVISIONS

Section 1. Enforcement.

(a) The Association, ARC, the Declarant or any Owner shall have the right to enforce by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association, ARC, Declarant or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

(b) The ARC shall have the right of abatement in all cases where an Owner of a Lot shall fail to take reasonable steps to remedy a violation of breach of any restriction contained in this Declaration within twenty (20) days after the mailing of written notice of such violation or breach exists, and to take such action or actions specified in the notice to the Owner to abate, extinguish, remove or repair such violation or breach, all without being deemed to have committed a trespass or wrongful act by reason of such entry and such action on the Lot.

Section 2. Severability. If any provision of the Declaration or any paragraph, sub-paragraph, article, section, sentence, clause, phrase, word or the application thereof in any circumstance is held invalid, the validity of the remainder of this Declaration and the application of any such provision, paragraph, sub-paragraph, article, section, sentence, clause, or word in any other circumstance shall not be affected thereby and the remainder of this Declaration shall be construed as if such invalid part was never included therein.

Section 3. Headings. The headings of article and sections in this Declaration are for convenience of reference only and shall not in any way limit or define the content or substance of such articles and sections.

Section 4. Duration. The covenants and restrictions of this Declaration shall run with and bind the Property for a period of twenty (20) years from the date this Declaration is recorded, at the end of which period such covenants and restrictions shall be automatically extended for successive periods of ten (10) years each unless at least two thirds (2/3) of the Owners at the time of the expiration of the initial period, or of any extension period shall sign an instrument in which said covenants and restrictions are modified in whole or in part, which instrument shall be filed on record in the office of the Clerk of Superior Court of Effingham County.

Section 5. Rights and Obligations. Each grantee of the Declarant, by the acceptance of a deed of conveyance, accepts the same subject to all restrictions, conditions, covenants, reservations, liens and charges and the jurisdiction, rights and powers created or reserved by this Declaration. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running

with the Lot and shall bind and person having at any time any interest or estate in the Property or any portion thereof, and shall inure to the benefit of such grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

Section 6. Notices. Notices provided for in this Declaration shall be in writing and shall be addressed to any Owner at his Lot or at such other address as hereinafter provided. Notices to the Association or Board shall be in writing and shall be addressed to Declarant or at such different address or addresses as reflect their proper address. Any Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered upon mailing by United States registered or certified mail, return receipt requested or when delivered in person.

Section 7. Amendment. So long as Class A members own less than seventy-five percent (75%) of the lots subject to this Declaration, this Declaration may be amended unilaterally at any time and from time to time by the Declarant. At such time as Class A members own seventy-five percent (75%) or more of the lots subject to this Declaration, this Declaration may be amended unilaterally at any time and from time to time by Declarant in the following circumstances:

(a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith;

(b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration;

(c) if such amendment is required to obtain the approval of this Declaration by an institutional lender, such as a bank, savings and loan association or life insurance company or by a governmental lender or purchaser of mortgage loans, such as the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or obtain purchase mortgage loans on the Lots subject to this Declaration; or

(d) if such amendment is necessary to enable any governmental agency, such as the Veterans Administration or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration.

Section 8. *No Liability.* Declarant has used its best efforts and acted with due diligence in connection with the drafting, preparation and recording of this Declaration to ensure that each Owner has the right and power to enforce the terms and provisions hereof against every other Owner. In the event this Declaration is unenforceable by an Owner or any other person for any reason whatsoever, Declarant shall have no liability of any kind as a result of such unenforceability and each Owner, by acceptance of a deed conveying Lot, acknowledges and agrees that Declarant shall have no such liability.

IN WITNESS WHEREOF, the undersigned have executed this Declaration on the
day and year first above written

EFFINGHAM DEVELOPMENT GROUP, L.P.

By: LES INVESTMENTS, INC., General Partner

By: _____

EXHIBIT "A"

AROSA SUBDIVISION AT LOST PLANTATION:

Lots 548 through 555, inclusive of Lost Plantation as more particularly shown and described on that Plat of Survey prepared by Michael A. Hussey, Georgia Registered Land Surveyor No. 2509 and recorded in the Office of the Clerk of Effingham Superior Court in Plat Cabinet "B", Slide 44 "A", specific reference to which is made a part of this description and which plat is incorporated herein by reference for all purposes.

GENEVA SUBDIVISION AT LOST PLANTATION:

Lots 566 through 576 inclusive and Lots 699 through 712 inclusive of Lost Plantation as more particularly shown and described on that Plat of Survey prepared by Michael A. Hussey, Georgia Registered Land Surveyor No. 2509 and recorded in the Office of the Clerk of Effingham Superior Court in Plat Cabinet "B", Slide 44 "B", specific reference to which is made a part of this description and which plat is incorporated herein by reference for all purposes.

LUCERNE SUBDIVISION AT LOST PLANTATION:

Lots 222 through 232 inclusive and Lots 286 and 287 inclusive of Lost Plantation as more particularly shown and described on that Plat of Survey prepared by Michael A. Hussey, Georgia Registered Land Surveyor No. 2509 and recorded in the Office of the Clerk of Effingham Superior Court in Plat Cabinet "B", Slide 44 "C", specific reference to which is made a part of this description and which plat is incorporated herein by reference for all purposes.

MANNHEIM SUBDIVISION AT LOST PLANTATION:

Lots 233 through 246 inclusive and Lots 281 through 285 inclusive of Lost Plantation as more particularly shown and described on that Plat of Survey prepared by Michael A. Hussey, Georgia Registered Land Surveyor No. 2509 and recorded in the Office of the Clerk of Effingham Superior Court in Plat Cabinet "B", Slide 44 "D", specific reference to which is made a part of this description and which plat is incorporated herein by reference for all purposes.

HANOVER SUBDIVISION AT LOST PLANTATION:

Lots 295 through 311 inclusive and Lots 365 through 374 inclusive of Lost Plantation as more particularly shown and described on that Plat of Survey prepared by Michael A. Hussey, Georgia Registered Land Surveyor No. 2509 and recorded in the Office of the Clerk of Effingham Superior Court in Plat Cabinet "B", Slide 44 "E", specific reference to which is made a part of this description and which plat is incorporated herein by reference for all purposes.

EXHIBIT "B"

All that tract or parcel of land lying and being in the 9th G.M. District, Effingham County, Georgia, containing 180.3 acres, more or less, and shown generally upon that certain map or plat of survey dated December 12, 1996 prepared by Wilder Surveying & Mapping and now owned by South Rincon Development Associates.

LESS AND EXCEPT (i) that portion of such tract described in the Exhibit to this Declaration and (ii) that portion of such tract constituting Phase I of Willowpeg Subdivision.