

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

FOR

ST MARLO

GEORGIA FORSYTH COUNTY

Forsyth County
Clerks Office Superior Court
Filed for record on the 11th
day of February, 19 93
at 10:00 o'clock A.M. Recorded in
Book 638 Page 70-156 this
11 day of Feb., 19 93
Cecil McClure, Clerk
Lipscomb

I, Cecil McClure, Clerk Superior Court in and for said
county, do hereby certify that this is a true and correct
copy of the original that appears on record Deed Book 638, pages 70-156
Covenants for St. Marlo this office.
Given under my official signature and the seal of said
court, this 12 day of January, 19 95
Cecil McClure Clerk
By: Myrtie Castleberry Deputy Clerk
Forsyth Superior Court

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
ST MARLO

This Declaration of Covenants, Conditions and Restrictions for St Mario is made this 10 day of February, 1993, by Shakerag Land Equity, Ltd. a Georgia General Partnership (hereinafter referred to as the Declarant, as defined hereinbelow):

W I T N E S S E T H:

Declarant is the owner of the real property described in Exhibit "A" attached hereto and incorporated herein by reference. Declarant intends by this Declaration to impose upon the Exhibit "A" property mutually beneficial restrictions, easements, covenants and conditions under a general plan of improvement and development for the benefit of all owners of property within St Mario. Declarant desires to provide a flexible and reasonable procedure for the overall development of the property and the interrelationships of the component neighborhoods and other areas, and to establish a method for the administration, maintenance, preservation, use, and enjoyment of such property as is now or may hereafter be submitted to this Declaration; and

Declarant has retained and reserved the option, right and privilege, but not the obligation, to annex to the community and subject to this Declaration all or any portion of the Additional Property, as defined hereinbelow.

NOW, THEREFORE, Declarant hereby declares that all of the property described in Exhibit "A" and any Additional Property as may by subsequent amendment be added and subjected to this Declaration shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of and which shall run with the real property submitted to this Declaration and which shall be binding on all parties having any right, title or interest in the property described on Exhibit "A" and any portion of the Additional Property made subject hereto, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
Definitions

Section 1. "Additional Property" shall mean and refer to all that property described in Exhibit "B," attached hereto and any property as may be adjacent to or contiguous with the Exhibit "B" Property. Property shall be deemed to be adjacent to or contiguous with

the Exhibit "B" Property if it physically connects to such property, at any point, or if it is separated only by a road, public or private, or water course, including any river, creek or lake.

Section 2. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association as amended from time to time.

Section 3. "Association" shall mean and refer to the St Mario Association, Inc., a Georgia Nonprofit Corporation, its successors and assigns.

Section 4. "Board of Directors" or "Board" shall mean and refer to the elected body of the Association having its normal meaning under the Georgia Nonprofit Corporation Act and law.

Section 5. "Builder/Owner(s)" shall mean and refer to the Owner of a Lot who as a primary vocation is in the business of construction of Residential Units and who owns such Lot for the purpose of development of a Residential Unit thereon and the sale thereof to a third party, which Owner is designated, in writing, as a Builder/Owner by Declarant.

Section 6. "By-Laws of the Association" or "By-Laws" shall mean and refer to those By-Laws of the Association which govern the administration and operation of the Association, as the same may be amended from time to time.

Section 7. "Club Operator" shall mean and refer to the owner of the property on which the Golf Club is located, and its successors, assigns and successors-in-title with respect thereto.

Section 8. "Inn Space" shall mean and refer to any portion of the Additional Property or Properties which may be designated in writing by the Declarant for use for restaurant, inn and similar facilities, which facilities may or may not be a part of the Golf Club or Community.

Section 9. "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners or otherwise made available for the exclusive use and enjoyment of the Owners. The Common Area shall include, but not be limited to, the roads, streets, entranceways, recreational areas, street lighting and signage. The Common Area shall not include the Golf Club, or any of the lakes, ponds or water courses which are a part of the Golf Club, unless the Declarant expressly and in writing so designates and submits the same, in writing, to this Declaration.

Section 10. "Common Expenses" shall mean and refer to the actual and estimated expenses of operating the Association and the Community, including any reasonable reserve, all as may be imposed hereunder or found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws and the Articles of Incorporation.

Section 11. "Community" shall mean and refer to that certain real property described in Exhibit "A," attached hereto, and such additions thereto as may be made by Declarant by any Supplemental Declaration or amendment hereto which annexes to this Declaration all or any portion or portions of the Additional Property.

Section 12. "Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Community as determined by the Declarant, for so long as the Class B Member continues and thereafter as determined by the Board.

Section 13. "Declarant" shall mean Shakerag Land Equity, Ltd, the owners of Properties submitted hereto, together with any successor-in-title of any owner referred to in this definition who comes to stand in the same relation to the Community as his predecessor did shall also, come within such definition. Notwithstanding the foregoing, the phrase "owner" as referred to in this definition shall not include in its capacity as such any Mortgagee except for such Mortgagee who acquires said Declarant's entire interest with respect to the Properties and the Additional Property at the time of such acquisition pursuant to Foreclosure of a Mortgage encumbering said Declarant's interest in the Properties and the Additional Property and who then expressly assumes the position of Declarant.

Section 14. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for St Mario and all amendments and Supplemental Declarations thereto filed for record in the records of the Clerk of the Superior Court of Forsyth County, Georgia.

Section 15. "Foreclosure" shall mean and refer to, without limitation, the judicial foreclosure of a Mortgage or the conveyance of secured property by a deed in lieu of judicial foreclosure.

Section 16. "Golf Club" shall mean and refer to the property on which Declarant develops the golf course and related facilities located in the vicinity of the Properties and which is known or to be known as the St Mario Golf Club, including the eighteen hole golf course, clubhouse, golf driving range, putting green, golf cart paths, golf pro shop, locker room facility, food and beverage facilities, or related facilities, and, any lakes, ponds or water courses. Shakerag Land Equity, Ltd. presently owns the Golf Club (as the Club Operator at the time of initial recordation of this Declaration) and the Golf Club is not part of the Common Area nor is it governed by the provisions of this Declaration except as specifically provided herein. No Owner, or other person, nor the Association, shall have any rights in and to, or obligations with respect to the Golf Club except as expressly and specifically provided herein.

Section 17. "Institutional Mortgage" shall mean and refer to a Mortgage held by a bank, trust company, insurance company, or other recognized lending institution, or by an institutional or governmental purchaser of mortgage loans in the secondary market, such as Federal National Mortgage Association or Federal Home Loan Mortgage Corporation.

Section 18. "Lot" shall mean and refer to a platted portion of the Properties, other than the Common Area, intended for independent use or ownership. Lots shall be shown on the plats of survey filed with this Declaration or amendments thereto or may be further described in any other Declaration or Supplemental Declaration which may be made applicable to all or any portion of the Properties. The term "Lot" shall include within its meaning, but shall not be limited to a numbered parcel identified on a recorded plat of the Properties which is intended for independent ownership, a condominium unit and a designated portion of the

Properties intended for use and occupancy by a single household which is not included in a condominium regime.

Section 19. "Member" shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 20. "Modifications Committee" shall mean and refer to that certain committee of the Association as empowered in accordance with Article IX hereof.

Section 21. "Mortgage" shall mean and refer to a deed to secure debt, deed of trust, as well as a mortgage, and a "First Mortgage" is a first priority deed to secure debt, deed of trust or mortgage.

Section 22. "Mortgagee" shall mean and refer to a beneficiary, grantee or holder of a Mortgage. A "First Mortgagee" is the beneficiary, grantee or holder of a first priority Mortgage on a Lot or Residential Unit.

Section 23. "Mortgagor" shall mean and refer to the grantor of a Mortgage.

Section 24. "Design Review Board" shall mean and refer to that certain board as empowered in accordance with Article IX hereof.

Section 25. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. When the term Owner is used it shall include a Builder/Owner, unless the context otherwise so requires.

Section 26. "Parcel" shall mean and refer to designated subdivisions of property subject to this Declaration and comprised of one or more Lots. In the absence of a specific designation of separate Parcel status, all property within a Phase shall be considered a part of the same Parcel; provided, however, the Declarant may designate so long as Declarant owns a Lot by certification recorded in the land records of Forsyth County, Georgia, that such property shall constitute a separate Parcel or Parcels and, provided further, a Parcel may include more than one Phase if *so* designated by Declarant. A Parcel may be smaller or larger or coterminous with any and all Phases. A Parcel may be established to include only interior Lots, lakefront Lots, Lots fronting on the Golf Club, or other Lots similarly situated to each other; provided that this shall not be a limitation in the creation of a Parcel but rather an example thereof.

Section 27. "Parcel Assessments" shall mean and refer to assessments for common expenses provided for herein or by any Supplemental Declaration or amendment hereto which are used for the purposes of promoting the recreation, healthy, safety, welfare, common benefit, and enjoyment of the Owners within a specific Parcel, including, but not limited to, the maintenance of property within a given Parcel.

Section 28. "Person" shall mean and refer to a natural person, a corporation, a partnership, trustee, or other legal entity.

Section 29. "Phase" shall mean and refer to the increments of Property subjected to this Declaration including the initial Phase described in Exhibit "A" hereto and subsequent Phases described in any amendments or Supplemental Declarations annexing all or any portion of the Properties hereto, each such described property being a separate Phase.

Section 30. "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto and shall further refer to such Additional Property or part thereof when and if such is annexed by amendment or Supplemental Declaration to this Declaration. Properties shall also include the Common Area, but shall not include the Golf Club.

Section 31. "Residential Unit" shall mean and refer to any portion of the Properties intended for use and occupancy as a residence or accommodation by a single household and shall, unless otherwise specified, include within its meaning (by way of illustration, but not limitation) single family detached houses, single family attached homes, such as townhomes, villas, condominium units, garden homes, and patio or zero lot line homes, as may be developed or used on the Properties. The term "Residential Unit" shall not include any Inn Space, which might be subject to all or part of this Declaration. For the purposes of this Declaration, a newly constructed Residential Unit shall come into existence when substantially complete.

Section 32. "Rules and Regulations" shall mean and refer to those Rules and Regulations as promulgated by the Board of Directors of the Association pursuant to this Declaration and the By-Laws.

Section 33. "Subdivision Plat(s)" shall mean the plat(s), recorded by Declarant in the Official Records of Forsyth County, Georgia, which depict the Lot within a respective Phase of the Properties.

Section 34. "Supplemental Declaration" shall mean and refer to a declaration of covenants, conditions and restrictions which, from and after the date of recording of this Declaration may be executed by Declarant or approved, in writing, by Declarant which, by its terms, provides for restrictions on the use of property or a respective Phase or Parcel in a specified manner, as set forth therein. By way of example and not limitation, a Supplemental Declaration may establish supplemental restrictive covenants, conditions or restrictions applicable to a Phase or Parcel which provide for single family attached homes such as townhomes, villas, condominium units, garden homes and patio or zero lot line homes or provide for supplemental restrictive covenants, conditions and restrictions as may be applicable to any Inn Space.

ARTICLE II **Development**

Section 1. Development of the Properties. Except as otherwise set forth in Article XI, Section 2, or as permitted by a Supplemental Declaration as may be applicable to a respective Phase, all Lots within the Properties (i) shall be and are hereby restricted exclusively to single-family residential use (ii) shall be developed and built upon only for detached single

family dwelling purposes and (iii) shall be subject to the standards and restrictions set forth in this Declaration including, specifically, Article IX and XI hereof. Declarant shall have the right, but not the obligation, for so long as Declarant owns any Lot primarily for the purpose of sale or has the unexpired option (as defined in Section 2) to make improvements and changes to all Common Area and to all Lots owned by Declarant, including, without limitation, (i) installation and maintenance of any improvements in and to the Common Area, (ii) changes in the location of the boundaries of any Lots owned by Declarant or of the Common Area, (iii) changes in the boundaries between the Golf Club and any portion of the Properties owned by Declarant (or any of the Additional Property submitted to the terms hereof), (iv) installation and maintenance of any water, sewer, and other utility systems and facilities, and (v) installation of security and/or refuse facilities.

Section 2. Development of Additional Property. Declarant hereby reserves the option, right and privilege (but not the obligation), to be exercised in its sole discretion, to submit from time to time the Additional Property or a portion or portions thereof to the provisions of this Declaration and thereby to cause the Additional Property or a portion or portions thereof to become part of the Properties. This option, right or privilege may be exercised only by Declarant in accordance with the terms, conditions, and limitations set forth in Article VII hereinbelow, which are the only terms, conditions and limitations on such option, right and privilege to add all or any portion of the Additional Property to the Properties.

Section 3. Golf Club. The Declarant, as Club Operator as of the date of recordation of this Declaration, intends to develop the Golf Club including an eighteen hole golf course and related facilities. The Golf Club shall be a facility separate and distinct from the Common Area and the Association and such Golf Club shall be governed by its own rules, regulations and requirements. The Golf Club shall not be subject to regulations, restrictions or requirements of the Association. Notwithstanding anything herein to the contrary, neither ownership of a Lot nor the contract to acquire a Lot shall be deemed to include any rights or claims against the real estate and real property improvements now or hereinafter as might exist at the Golf Club with the exception of those rights as detailed in Article V, Part D herein. Each Owner expressly acknowledges that the Golf Club, as hereinabove referred to, may be developed and operated by the Club Operator, or its successors and assigns in interests thereto, with no obligation to dispose, sell or refrain from the disposition or sale of such Golf Club to anyone, including, but not limited to, any Lot Owner or to the Association or any other organization or entity which may now or hereafter exist. Each Owner acknowledges that by acquiring title to any Lot, or by acquiring a membership in the Association, that such Owner does not acquire any vested right or easement, prescriptive or otherwise, to use the Golf Club in any manner nor does any owner acquire any ownership or membership interest in the Golf Club. The Owners of Lots, by acceptance of deed or interest therein, acknowledge that ownership of a Lot or interest in the Community does not entitle such Owner or the Association to any proprietary common membership or equitable interest in the Golf Club, or facilities related to the playing of golf, within or related to the Golf Club.

Section 4. Interest Subject to Plan of Community. Every Owner of a Lot shall take title to such Lot and every Mortgagee and lienholder holding an interest therein shall take

title or hold such security interest with respect thereto subject to this Declaration, as may be amended. Any provision of this Declaration to the contrary notwithstanding, the provisions set forth in this Article II may not be abrogated, modified, rescinded, supplemented, or amended in whole or in part without the prior written consent of Declarant.

Section 5. Subdivision Plat.

(a) Declarant reserves the right to record, modify, amend, revise and add to, at any time and from time to time, Subdivision Plat(s) setting forth such information as Declarant may deem necessary with regard to the Properties, including, without limitation, the locations and dimensions of the Lots, Common Area, Additional Property, Inn Space, roads, utility systems, drainage systems, utility easements, drainage easements, access easements, and set-back line restrictions. The Club Operator shall have the right to record, modify, amend, revise and add to, at any time and from time to time, plat(s) setting forth such information as the Club Operator may deem necessary with regard to the Golf Club, including, without limitation, the location of the golf course.

(b) Until the time a Lot or Residential Unit within a respective Parcel or Phase is transferred by the Declarant to another (other than a Builder/Owner, an affiliate of Declarant, or a holder of a First Mortgage), no Owner of any Lot or Residential Unit shall have any rights whatsoever to the continuation of any covenants, or restrictions on such Parcel or Phase as contained herein or as may be imposed, expressly or impliedly, by recordation of any Subdivision Plat or as might otherwise be implied or expressed. In furtherance thereof, until the time a Lot or Residential Unit within a respective Parcel or Phase is transferred by the Declarant as aforementioned, the Declarant may revoke or cancel any Subdivision Plat or other instrument which might be deemed, either expressly or impliedly, to impose any covenants, conditions, or restrictions or may take whatever steps it deems necessary or desirable to avoid the implication of such existing.

Section 6. Inn Space. In the sole discretion of Declarant, Declarant may submit Inn Space to all or some of the provisions of this Declaration by a Supplemental Declaration or by amendment so long as Declarant's right and option pursuant to Article VII continues. Declarant hereby expressly reserves the right and option, but not the obligation, to submit such Inn Space to all, any part or a part of the provisions of this Declaration and until so submitted, the Inn Space shall not be subject to the provisions hereof. The reservation of this right and option shall include, but not be limited to, the Declarant's reserved right for so long as the Class "B" member shall exist to grant easements, rights of ingress and egress, use rights, and other similar rights of Owners over and to any of the Common Area or other Properties to the owners of the Inn Space and their business invitees. By exercise of this right and option, Declarant may convey to owners of Inn Space and their business invitees the same rights given to Owners within the St Mario Community under this Declaration. Inn Space made a part of St Mario shall be aesthetically compatible with the Community Wide Standard. Notwithstanding the foregoing, those reserved easements as herein exist for the benefit of owners of Inn Space are hereby established as of the date of recording of this Declaration and are acknowledged as existing. If

added to the Community, Inn Space may be considered one or more Lots, as set forth within any Supplemental Declaration.

ARTICLE III **Property Rights**

Section 1. General. Each Lot or Inn Space, if any, shall for all purposes constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration or any Supplemental Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner and every owner of Inn Space shall be entitled to the exclusive ownership and possession of his Lot or Inn Space, subject to the provisions of this Declaration, including without limitation, the provisions of this Article III. If any chutes, flues, ducts, conduits, wires, pipes, plumbing, or any other apparatus or facilities for the furnishing of utilities or other services to a Lot or Inn Space is conveyed therewith and lies partially within and partially outside of the designated boundaries of the Lot or Inn Space in question, any portions thereof which serve only such Lot or Inn Space shall be deemed to be a part of such Lot or Inn Space and any portions thereof which serve more than one Lot or Inn Space or any portion of the Common Area, shall be deemed to be part of the Common Area. The ownership of each Lot, and if set forth in a Supplemental Declaration Inn Space, shall include, and there shall pass with the title to each such Lot or Inn Space as an appurtenance thereto, whether or not separately described, all rights of a Member in the Association and all of the right and interest of use in and to the Common Area as set forth herein.

Section 2. Easement of Enjoyment. Every Owner and every owner of Inn Space, shall have a right and easement of enjoyment in and to the Common Area subject to any restrictions, limitations, or provisions contained in this Declaration. Such right and easement may be exercised by the Owner and owner of the Inn Space, as the case may be, and the members of their respective family and their respective tenants, licensees and invitees, subject to such reasonable regulations and procedures as may be adopted by the Board. An Owner or owner of Inn Space may assign to the tenant of his Lot or Inn Space all rights of access to and use of the Common Area so that such tenant, his family and guests shall be entitled to access to and use and enjoyment of the Common Area on the same basis as the assignor and his family and guests. The aforementioned right and easement of enjoyment shall be appurtenant to and shall pass with the title to every Lot or Inn Space subject to the following easements, reservations, rights and provisions, which are expressly reserved hereby:

(a) the right of the Association to suspend an Owner's or an Inn Space owner's voting rights, if any, and right to use the facilities as may be located on the Common Area for any period during which (i) any Association assessment or such other association as may be made a part of the Properties against said Owner's or Inn Space owner's property remains unpaid and (ii) for any infraction of the Rules and Regulations for the duration of the infraction and for an additional period thereafter not to exceed thirty (30) days;

(b) the right of the Association to borrow money (i) for the purpose of improving the Common Area, or any portion thereof, (ii) for acquiring additional Common Area,

(iii) for constructing, repairing, maintaining or improving any facilities located or to be located within the Common Area, or (iv) for providing the services authorized herein, and, subject to the provisions herein, to give as security for the payment of any such loan a Mortgage; provided, however, that the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, licenses, easements and privileges herein reserved or established for the benefit of Declarant, any Owner, the Club Operator, or the holder of any Mortgage, irrespective of when such Mortgage was executed or given;

(c) the right of the Association to grant and accept easements as provided herein and to dedicate or transfer fee simple title to all or any portion of the Common Area to Forsyth County or to any other public agency or authority, public service district, public or private utility, or other person provided that any such transfer of the fee simple title must be approved by a majority of those present in person or by proxy at a duly held meeting of the Association and by Declarant, for so long as Declarant owns any Lot primarily for the purpose of sale or has the unexpired option to add Additional Property to the Properties; provided nothing herein shall require Forsyth County or any public agency or authority of Forsyth County to accept any such conveyance until the standards of such proposed grantee have been met and satisfied;

(d) the right of the Declarant or the Association, with the approval of Declarant to dedicate, transfer, or grant permits, licenses, or easements in and to the Common Area for utilities, roads, and other purposes reasonably necessary or useful for the proper development, maintenance, or operation of the Properties, the Additional Property, the Golf Club or any portions thereof;

(e) the rights and easements reserved herein for the benefit of the Declarant, Club Operator with respect to the Golf Club, Additional Property, Inn Space and the Association;

Section 3. Reserved Easements. Declarant hereby reserves the following easements and rights in respect to the Properties which reservation is in addition to the other easements reserved in this Declaration.

(a) the perpetual, alienable and transferable easement and right reserved to the benefit of Declarant and its successors and assigns and, subject to regulation by the Declarant, to the benefit of Builder/Owners, to enter and travel upon, over, and across the Common Area for the purpose of completion and repair of improvements within the Properties or Additional Property, including Residential Units and for all reasonable purposes to further assist and enhance the marketing and sale of the Properties, Lots or Residential Units together with the easement in and to the Common Area and Lots not conveyed to an Owner for the maintenance of signs, sales offices, construction offices, business offices, and model Residential Units, together with such other facilities as in the sole opinion of the Declarant may be reasonable required, convenient or incidental to the completion, improvement and/or marketing and sale of Lots, Residential Units or the Additional Property, so long as Declarant or any

Builder/Owner owns any Lot or Residential Unit primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Property;

(b) the perpetual, alienable and transferable easement and right reserved to the benefit of the Club Operator, its agents, contractors and employees together with its successor and assigns in interest to the Golf Club for the benefit of the Golf Club, to enter and travel upon, over and across the Common Area for the purpose of the construction, improvement, maintenance and repair of the Golf Club and for all reasonable purposes related thereto to further assist and enhance the development and operation of the Golf Club;

(c) the perpetual, alienable and transferable easement and right reserved to the use and benefit of the Club Operator, its invitees, licensees and guests (including the general public) and its successors and assigns in interest to the Golf Club for the benefit of the Golf Club to enter and travel upon, over, and across the paved areas of the Common Area (inclusive of all roads, sidewalks, pathways, parking lots and streets therein) for the purpose of ingress and egress to and from the Golf Club Property. The easement set forth herein shall also be to the benefit of any club organization formed by the Club Operator, and the members thereof, present and future;

(d) the perpetual, alienable and transferable easement and right reserved to the use and benefit of the Club Operator and its invitees, licensees and guests (including the general public), upon over and across the Common Area (inclusive of all pathways, sidewalks, walkways and cart paths) for the purpose of pedestrian travel and access by golf carts and for the continued placement of golf cart pathways and related directionary signage which serve the Golf Club in its operation as a Golf Club;

(e) the perpetual, alienable and transferable right and easement reserved to the benefit of the Club Operator and its successors and assigns in interest to the Golf Club, to use and enjoy any waterways, including lakes or ponds as might presently be a part of the Common Area for the purpose of irrigation of the Golf Club, whether such is developed fully or not. The easement set forth herein shall also be to the benefit of any Golf Club or club organization formed by the Club Operator, and the members thereof, present and future.

(f) the perpetual, alienable and transferable right and easement reserved to the benefit of the Club Operator and its successors and assigns in interest to the Golf Club, in and to the Common Area and all Lots for the purpose of lateral support.

Notwithstanding the foregoing reserved easements and rights, the beneficiaries of any rights or easements hereinabove set forth for purposes of travel, entry, access, ingress or egress waive all rights egress of uncontrolled and unlimited travel, entry, access entry, access, ingress or egress across the Common Area and acknowledge and agree that such travel, entry, access, ingress or egress shall be limited to roads, streets, sidewalks, pathways, parking lots, cart paths, walkways and trails located within or upon the Common Area.

Section 4. Owner's Right to Ingress. Egress. Use and Support.

(a) Every Owner and every owner of Inn Space, if any, (and their business invitees) shall have the right of ingress and egress over, upon, and across the Common Area necessary for access to his or her Lot, or Inn Space and shall furthermore have the right to lateral support. Such rights shall be appurtenant to and pass with the title to each Lot or Inn Space and shall be subject to the terms of this Declaration. However, all owners and all Owners of Inn Space, by accepting title to Lots or Inn Space, waive all rights of uncontrolled and unlimited access, ingress and egress to and from each such Lot or Inn Space and acknowledge and agree that such access, ingress and egress shall be limited to roads, streets, sidewalks, walkways, parking lots and trails located within the Properties from time to time, provided that pedestrian and vehicular access, to and from all Lots and Inn Space shall be provided at all times.

(b) There is reserved unto (i) the Declarant and (ii) the Association, the right and privilege, but not the obligation to maintain guarded or electronically-monitored gates controlling vehicular access to and from the Properties provided, however, that no such guarded or electronically-monitored gates shall prohibit or unreasonably interfere with the use and enjoyment of the reserved rights and easements set forth in Sections 2 or 3 of this Article and, provided further, that no such guarded, or electronically-monitored gates controlling vehicular access to the Properties shall impede or otherwise interfere with (i) the rights of the owner of the Inn Space and their invitees to gain access to the Inn Space; (ii) Declarant to market, sell and develop the Community inclusive of the Additional Property or any portions thereof or; (iii) to the extent determined by Declarant the right of Builder/Owners to market, sell, and develop Lots within the Properties, including the Additional Property.

Section 5. Easement for Additional Property. There is hereby reserved in Declarant, its successors, assigns and successors-in-title to the Additional Property and all parts thereof for the benefit of and as an appurtenance to the Additional Property and as a burden upon the Properties, a perpetual, alienable and transferable right and easement for (i) pedestrian and vehicular ingress, egress and parking, across, within, and on all roads, sidewalks, trails and parking facilities, from time to time located within the Common Area (ii) the installation, maintenance, repair, replacement, connection and use of security systems and utility facilities and distribution lines, including, without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and master television antennas and/or cable system lines, and (iii) drainage and discharge of surface water onto and across the Properties, provided that such drainage and discharge shall not unreasonably interfere with the use and enjoyment of the Lots, the Properties or any improvements from time to time located thereon.

Section 6. Easement for Association. There is hereby reserved for the benefit of the Association, its officers, agents and employees, including, but not limited to, any manager employed by the Association and any employees of such manager, a general right and easement to enter upon any Lot or portion thereof in the performance of its respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and

then, whenever practical, only upon advance notice and with permission of the Owner, occupant, of the Lot directly affected thereby.

Section 7. Maintenance Easement. Subject to the provisions within Article V, Part B, Section 2, there is hereby reserved for the benefit of the Declarant, the Association, and their respective agents, employees, successors and assigns, an alienable, transferable and perpetual right and easement to enter upon any Lot for the purpose of mowing, removing, clearing, cutting or pruning landscape covering, grass, underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain the Community Wide Standard and reasonable standards of health, fire safety, and aesthetic appearance within the Properties; provided that such easement shall not impose any duty or obligation upon the Declarant or the Association to perform any such action.

Section 8. Alterations in Boundaries. Additions to Common Area. There is hereby reserved in Declarant the right to alter, modify and realign the boundaries of the Common Area, any Lots or Inn Space, owned by Declarant, and, with the written consent of the Club Operator, the Golf Club, including the realignment of boundaries between adjacent Lots owned by Declarant. Any such alteration may be shown on an amendment to the Subdivision Plat adopted and recorded by Declarant.

Section 9. Easement of Encroachment. If any portion of the improvements constructed on the Common Area encroaches upon a Lot or any improvement constructed on a Lot encroaches upon the Common Area as a result of construction, reconstruction, repair, shifting, settlement, or movement of any portion of the improvements, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists; provided, however, if any improvement on a Lot or Common Area is knowingly and willfully constructed, reconstructed, or repaired so as to encroach, respectively, on the Common Area or a Lot, to an extent greater than five (5) feet, no such easement shall exist.

Section 10. Use of Common Area. Other than for the right of ingress and egress and the normal intended use as interpreted by the Declarant until expiration of Declarant's right to annex Additional Property and thereafter as interpreted by the Association, the Owners are hereby prohibited and restricted from using any of the Common Area except as may be allowed by the Board or as may be expressly permitted in this Declaration or any amendment or Supplemental Declaration applicable to all or a portion of the Properties. By way of explanation and not limitation, no planting or gardening shall be done upon the Common Area without prior approval of the Board, and no fences, hedges, walls or structures shall be erected or maintained upon the Common Area, except as are installed or modified by Declarant or as approved by the Board or their designated representatives. It is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners and is necessary for the protection of said Owners.

Section 11. Acknowledgment of Rights of Use. Each Owner, each owner of Inn Space, if any, and each Member of the Association, by acceptance of a deed or contract for deed

to any Lot or Residential Unit is deemed to accept the reservations, rights of use, licenses, easements, and permits existing in, through, and over the Common Area.

Section 12. Conveyance of Common Area. The Association covenants to accept title to all or portions of the Common Area when offered by the Declarant.

Section 13. Construction and Sale Period. Despite any provisions contained in this Declaration to the contrary, including the Use Restrictions of Article XI, hereinbelow, it shall be expressly permissible for Declarant and its assigns (which may include Builder/Owners as approved by Declarant) to maintain and carry on upon such portion of the Properties as the Declarant may deem necessary, including, but not limited to, the Common Area, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient, or incidental to construction upon or sale and marketing of any of the Properties or Additional Property, including, without limitation, business offices, signs, model homes, and sales offices, so long as construction on or offering for sale by Declarant or a Builder/Owner of all or any portion of the Properties or Additional Property, including Lots continues. The right to maintain and carry on such facilities and activities shall include specifically the right to use Lots and Residential Units owned by Declarant or Builder/Owners as models and sales offices and to authorize sales and construction personnel to travel upon and enter the Common Area. Furthermore, Declarant reserves the right, during installation of streets or other facilities, as shown on any Subdivision Plat or plat of any Phase, to enter onto any Lot or Lots for the purpose of disposing of excavation, if necessary, provided that such Lot or Lots have not been conveyed to and/or contracted for or by any other Owner or Owners.

Section 14. No Partition. Except as is permitted in this Declaration, there shall be no partition of the Common Area or any part thereof, nor shall any person acquiring any interest in any of the Properties or any part thereof seek any such partition, judicial or otherwise, unless the affected area has been removed from the provisions of this Declaration. This section shall not be construed to prohibit the Board of Directors from acquiring and disposing of tangible personal property nor from acquiring title to real property which may or may not be subject to this Declaration.

Section 15. Easements for Utilities, etc. There is hereby reserved to the Declarant for as long as Declarant's right to annex Additional Property exists and thereafter to the Association, the power to grant blanket easements, upon, across, over, and under all of the Properties, including Lots, for ingress, egress, installation, replacing, repairing, and maintaining master television antenna or cable systems, security, and similar systems, walkways, and all utilities, including, but not limited to, water, sewers, telephones, gas, cable television, and electricity; provided this easement shall not authorize entry into or cause physical damage to any structure as might exist unless owned by Declarant if the Declarant is so acting or the Association if the Association is so acting. In furtherance of this easement, from and after such time as the Association is empowered as referred to herein, the Board shall, upon written request of Declarant, grant such easements as may be reasonably necessary for the development of any property described in Exhibit "A" or the Additional Property. In addition, Declarant reserves the easements and rights-of-way as shown on any Subdivision Plat or the plat of any Phase or any of the Properties, including Lots, for the purpose of constructing, maintaining, and repairing

a system or systems of electric lighting, electric power, telegraph and telephone line or lines, gas, sewers, or any other utility Declarant determines to install in, across, and/or under the Properties; provided, however, Declarant reserves the right to relocate, make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements. To the extent possible, all utility lines and facilities serving the Properties and located therein shall be located underground. By virtue of any such easement and facilities, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Properties so encumbered, (i) to erect and maintain pipes, lines, manholes, pumps and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes or shrubbery, (iii) to grade, excavate, or fill, or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, and use of such utilities and systems; provided, however, that such utility company or other supplier or servicer shall take reasonable actions to repair any damages caused by such utility company or other supplier or servicer during the exercise of any rights conveyed under any easement granted hereunder.

Section 16. Easement for Law Enforcement and Fire Protection. Declarant hereby grants to Forsyth County, Georgia or such other governmental authority or agency as shall from time to time have jurisdiction over the Properties with respect to law enforcement and fire protection, the perpetual, alienable and transferable right and easement upon, over and across all of the Common Area for purposes of performing such duties and activities related to law enforcement and fire protection in these Properties as shall be required or appropriate from time to time by such governmental authorities under applicable law.

Section 17. Assignment of Declarant Rights. Declarant may assign its rights as Declarant and by such assignment create the status of each such assignee as Declarant to all or any portion of the Properties or Additional Property to any party or parties who take title to all or any portion of the Properties or Additional Property for the purpose of development and sale. Declarant, however, unless otherwise specifically assigned, shall, so long as it owns any interest in the Community, retain its Declarant status to such portion of the Properties retained by it and retain all Class "B" votes despite any such transfer or assignment.

Section 18. Restrictions. Rights and Additional Easements Relating to Golf Club.

(a) In General. By execution and recordation of this Declaration, the Declarant does hereby reserve unto itself and its successors and assigns in interest to the Golf Club the perpetual, alienable and transferable right to develop the Golf Club, in the manner determined by Declarant, including related facilities as may be designed and constructed in the discretion of the Declarant or its successors or assigns in interest to the Golf Club. The Declarant, by execution hereof, does not commit to, promise or otherwise covenant the existence of such Golf Club and hereby expressly, by recordation of this Declaration, declares that any such Golf Club is solely proposed and not assured to exist.

(b) Golf Play Easement. Each Lot which abuts or otherwise is contiguous to the Golf Club shall have reserved from the title thereof, by recordation of this Declaration, perpetual, alienable and transferable easements over, across and upon each such Lot to permit the doing of every act necessary and proper to the playing of golf on the Golf Club, which easements are expressly hereby reserved and established. The acts regarding the playing of golf on the Golf Club shall include, but not be limited to, the recovery of golf balls from any area on such Lots, the flight of golf balls over and upon such Lots, the use of necessary and usual equipment upon the Golf Club, the usual and common noise level created by the playing of the game of golf, and the maintenance of any Golf Club, together with all other common and usual activities associated therewith, and with all the normal and usual activities associated with the operation of a Golf Club. Nothing herein shall, however, relieve the Club Operator or any participant in the game of golf from liability, if any, for physical damage as might result to any improvements as might exist on such Lots as might abut or otherwise be contiguous or adjacent to the Golf Club. Notwithstanding anything in this Declaration to the contrary, no fence or wall shall be constructed on any Lot which interferes with the easement rights herein contained, unless approved by the Club Operator.

(c) Pedestrian/Golf Cart Path Easement. By recordation of this Declaration, Declarant does hereby reserve for the benefit of the Club Operator and its successors and assigns in interest to the Golf Club, the perpetual, alienable and transferable right and easement on, over and across the Common Areas, for all invitee's, licensees, guests and other authorized users of the Golf Club for the use of the pedestrian and golf cart paths located in such portions of the Properties as serve the Golf Club.

(d) Landscape, etc. Easement. By recordation of this Declaration, Declarant does hereby reserve over, across and upon each and every Lot which abuts or is contiguous to or otherwise lies adjacent to the Golf Club for the benefit of the Declarant and the Club Operator a ten (10) foot perpetual, alienable and transferable easement as measured from the boundary line of each such Lot as separates such Lot from the Golf Club to a line running parallel thereto and being located ten (10) feet into the interior of each such Lot. Such easement shall be useable and enjoyable by the Declarant and the Golf Club, together with their lawful successors and assigns in ownership or interest to the Golf Club, for the purpose of operation and maintenance of the Golf Club including, but not limited to, irrigation thereof, which easement specifically shall constitute a part of any Golf Club. By way of example and not limitation, such easement shall be for the purpose of authorizing entry into any such portions of such Lots to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping shall include planting of grass, irrigation, fertilizer application, mowing and edging, and removal of any underbrush, trash, debris and trees. No planting or other use of this area, nor any improvement thereof, shall be permitted by the Owner of any such Lot as hereinabove referenced without the prior written consent of the Golf Club Operator. No trees, landscaping, or other plantings thereof may be removed from such easement area by the Owner of the Lots encumbered hereby. Owners of such Lots as might be encumbered by the easement referred to in this subparagraph may not grow nor permit to grow in the area of such Lots adjacent to the Golf Club varieties of grass or other vegetation which, in the opinion of the

Declarant or the Club Operator may be inimical to golf course grasses or vegetation. Such restriction on the growing of grasses or other vegetation shall expressly apply to the ten (10) foot easement area hereinabove referred to. In no event shall any Owner of a Lot encumbered hereby use the aforereferenced easement area for storage of materials or equipment nor shall such Lot Owner or any occupant thereof commit the accumulation of garbage, trash or rubbish of any kind nor shall there be any burning of anything within such easement area unless permitted by the Declarant or by the Golf Operator and each such permission as might be granted shall expressly be deemed revocable at the option of Declarant or the aforereferenced Golf Club. The easement created herein shall also be useable and enjoyable by the Declarant and the Club Owner, together with their lawful successors and assigns in ownership or interest to the Golf Club, for the purpose of maintaining the lakes, ponds or water courses which are part of the Golf Club.

Section 19. Easements for Utilities, etc. Connection.

(a) It is hereby reserved to the Declarant and its successors and assigns in interest to the Golf Club, the perpetual, alienable and transferable right and easement to connect to and otherwise enjoy any and all utility services as might exist within the Common Area for the benefit of the development and operation of the Golf Club and the Additional Property. There is hereby further reserved to the Declarant and its successors and assigns in interest to the Additional Property and to the Club Operator and its successors and assigns in interest to Golf Club, for the benefit of the Additional Property and the Golf Club, the right and easement across, over, under and upon the Common Area and those portions of Lots (excepting Residential Units) as might be reasonably necessary, for the installation, maintenance, repair, replacement and use of utility facilities and distribution lines, including without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines, and for the drainage and discharge of surface water onto and across the Properties, provided that such drainage and discharge shall not unreasonably interfere with the use and enjoyment of any Lot or any Residential Units or improvements as might be located on any Lot from time to time and provided further that such easement shall expressly include the right of Declarant and the Club Operator to attach to and otherwise enjoy such utility facilities and distribution lines including but not limited to drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and other utility systems as might exist in the Common Area and Lots (excluding within Residential Units), all for the benefit of the Additional Property and the Golf Club.

(b) There is hereby reserved on, over and within the unimproved portions of the Golf Club for the benefit of each Lot, the Common Area and the Additional Property, a perpetual, alienable and transferable non-exclusive right and easement to connect to and otherwise enjoy utility distribution lines, pipes, wires, conduits and culverts for electrical, gas, telephone, water, sewer service and drainage as such pipes, wires, conduits and culverts are installed by Declarant; provided, however, that the scope of such right and easement shall be limited as determined by the installation and connection thereto of the foregoing by Declarant in the initial development of the Property. The easement hereby reserved shall not authorize access or entry onto the Golf Club by any Owner, Builder Owner or the Association except as

expressly authorized by Declarant or the Club Operator. The purpose of this easement is to provide connection and maintenance of the foregoing utility services if such is provided by Declarant across, over and on any portion of the Golf Club.

Section 20. Easement Encroachment Respecting Golf Club. If any portion of improvements relating to the Golf Club encroaches upon a Lot or on the Common Area as a result of construction, re-construction, repair, shifting, settlement or movement of any portion of such improvements, a valid perpetual easement for encroachment and for the maintenance of the same shall exist so long as the encroachment exists; provided, however, no such easement shall exist to an extent of greater than ten (10) feet except as otherwise expressly set forth herein.

Section 21. Easement for Walks, Trails, Signs and Perimeter Walls. It is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over, and across (i) those strips of land ten (10) feet in width located along and adjacent to the exterior boundaries of all Lots, such strips to be bounded by the exterior boundaries adjacent to streets and roads and by lines in the interior of such Lots which are ten (10) feet from and parallel to such exterior boundaries, for the installation, maintenance, and use of sidewalks, traffic directional signs, and related improvements, provided that Declarant shall have no obligation to construct any such improvements. There is further reserved for the benefit of the Declarant, the Association, and their respective successor and assigns, the alienable, transferable and perpetual right and easement upon, over, and across those strips of land fifteen (15) feet in width located along those boundaries of all Lots that constitute part of the perimeter boundary of the Properties, such easement to be for the purpose of constructing, installing, replacing, repairing and maintaining a perimeter wall or fence around the perimeter boundary of the Properties, provided that Declarant nor the Association shall have any obligation to construct any such perimeter wall or fence.

ARTICLE IV

Association Membership and Voting Rights

Section 1. Membership. Subject to Section 2 of this Article, every person who is the record owner of a fee or undivided fee interest in any Lot or Inn Space which is subject to this Declaration shall have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any such Lot or Inn Space, and such ownership of a Lot or Inn Space which is subject to this Declaration shall be the sole qualification for such membership. In the event that fee title to such a Lot or Inn Space is transferred or otherwise conveyed, the membership in the Association which is appurtenant thereto shall automatically pass to such transferee, notwithstanding any failure of the transferor to endorse to his transferee any certificates or other evidences of such membership. The foregoing is not intended to include persons who had 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.

Section 2. Multiple Owners. No Owner, whether one or more persons, shall have more than one (1) membership per Lot owned; provided, however, multiple use rights for multiple Owners shall exist subject, however, to the right of the Board to regulate and limit use by multiple Owners. Each Owner, by acceptance of a deed or other conveyance for a Lot or Inn Space, consents and agrees to the dilution of his or her voting interest in the Association by virtue of the submission from time to time of the Additional Property or any portion or portions thereof to the terms of this Declaration as provided herein. The rights and privileges of membership, including the right to vote, may be exercised by a Member or the Member's spouse.

Section 3. Voting. The Association shall have three (3) classes of membership, Class "A", Class "B" and Class "C."

(a) Class "A". Class "A" members shall be all Owners, including Builder/Owners, with the exception of the Class "B" and "C" Members, if any. Class "A" Members shall be entitled on all issues to one (1) vote for each Lot in which they hold the interest required for membership by section 1 hereof. When more than one person holds such interest in any Lot, the vote for such Lot shall be exercised as those Owners themselves determine and if one of such multiple owners exercises the vote without opposition by any other of such multiple owners at the same time such vote is exercised, the vote shall be as so exercised. In the event more than one of such multiple owners seek to, exercise the vote or if any one of such multiple owners dispute any others right to so vote, the Lot's vote shall be suspended.

(b) Class "B". The Class "B" member shall be the Declarant. Until termination of the Class "B" vote, as below provided for, the Class "B" member shall be entitled to three (3) times the total number of then existing Class "A" and Class "C" votes. The Class "B" membership shall terminate upon the happening of the earlier of the following:

(i) unless Declarant has an unexpired option to add Additional Property, one hundred twenty (120) days after seventy-five (75%) percent of the approximately six hundred twenty-nine (629) Lots as are contemplated to be part of St Mario on the master plan thereof, inclusive of Lots as may exist or come to exist with the Additional Property, have been conveyed to Owners other than Builder/Owners or affiliates of Declarant;

(ii) when, in its discretion, the Declarant so determines; or

(iii) twenty (20) years following conveyance of the first Lot in the Community to an Owner other than a Builder/Owner or affiliate of Declarant.

From and after the happening of these events, whichever occurs earlier, the Class "B" member shall be deemed to be a Class "A" member entitled to one (1) vote for each Lot in which it holds the interest required for membership under Section 1 hereof.

(c) Class "C". Class "C" members shall be the owners of any Inn Space (other than the Association) which may be subject to the terms of this Declaration. Class "C" members shall have such memberships, voting rights and additional rights as may be delineated in any Supplemental Declaration subjecting such space to this Declaration.

Section 4. Declarant Control. Notwithstanding any other provision to the contrary within this Declaration, the Articles of Incorporation or the By-Laws for the Association, Declarant hereby retains the authority and right to appoint and remove any member or members of the Board of Directors of the Association and any officer or officers of the Association until such time as the Class B membership terminates. Every Grantee of any interest in the Properties, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors and officers of the Association in accordance with the foregoing provisions of this section. Upon the expiration of the period in which Declarant maintains the authority and right to appoint and remove members of the Board and officers of the Association, such right shall pass to the Members, including Declarant, if Declarant then owns one or more Lots, and a special meeting of the Association shall be called within one hundred twenty days (120) thereafter. At such special meeting, the Members shall elect a new Board which shall undertake the responsibilities of the Board, and Declarant shall deliver all books, accounts, and records, if any, which Declarant has kept on behalf of the Association and any agreements or contracts, executed by or on behalf of the Association during such period in which Declarant has in its possession.

ARTICLE V

Association Powers and Responsibilities

A. In General.

Section 1. Common Area. The Association, subject to the rights, easements and privileges set forth in this Declaration, shall be responsible for the management and control of the Common Area and all improvements thereon and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof. The Association shall maintain, operate, and preserve the Common Area for the good and benefit of the Community and holders of easements herein provided for or contemplated.

Section 2. Services. The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof and any other personnel as the Association's Board of Directors shall determine to be necessary or desirable for the proper operation of the Properties. Such personnel may be furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. The Association may obtain and pay for legal, accounting and any other professional services necessary or desirable in connection with the operation of the Properties or the enforcement of this Declaration. The Association may, but shall not be required to, arrange as an Association expense with others to furnish trash collection, security, cable television, and other common services to each Lot, Residential Unit, or Inn Space within the Community. All costs and

expenses incident to any of the foregoing shall be a Common Expense payable by the Association.

Section 3. Personal Property and Real Property for Common Use. The Association, through action of its Board may acquire, hold, and dispose of tangible and intangible personal property and real property. All funds received as a result of Properties acquired by the Association and the proceeds thereof, after deducting therefrom the costs incurred by the Association in acquiring or selling the same, shall be held by and for the benefit of the Association. Notwithstanding the above, or any provision of this Declaration to the contrary, for so long as Declarant shall own any Lot primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion or portions thereof to the Properties, the Association shall not, without the consent of Declarant, borrow money or pledge, mortgage, or hypothecate all or any portion of the Common Area.

Section 4. Power to Contract. The Association may, acting through its Board, contract with any other residential or commercial association, Parcel, or neighborhood within or adjacent to the Community to provide services and/or perform services on behalf of such other association, Parcel, or neighborhood. The Association may, acting through its Board, contract with any governmental division, department or agency for such to provide services on its or its Members behalf.

Section 5. Rules and Regulations.

(a) The Association, through its Board, may establish reasonable Rules and Regulations concerning the use of the Common Area and improvements located thereon. Rules or Regulations shall not, however, diminish, alter, or affect the rights of use, easements, permits, privileges, or licenses provided to Declarant, the Club Operator, the owner of Inn Space, and their respective invitees, guests, successors and assigns. Furthermore, no Rule or Regulation shall affect or treat Declarant, the Club Operator, the owner of Inn Space, and their respective invitees, guests, successors and assigns in a manner more restrictively than the Association's Rules and Regulations may affect or treat its Class "A" members. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Owners, the Declarant, the Club Operator and the owner of Inn Space prior to the Rules and Regulations effective date. Such Rules and Regulations shall be binding upon the Owners and users, their families, tenants, guests, invitees, and agents, until and unless such Rules or Regulations requirement is specifically overruled, canceled, or modified by the Board. The Board shall have the authority to impose reasonable monetary fines and other sanctions for violations of its Rules and Regulations, and monetary fines may be collected by lien and foreclosure, as provided in Article VIII hereof. In addition, the Board shall have the right to suspend votes and the right to use the Common Area (other than for access to one's Lot) for violation of its Rules and Regulations, as well as to proceed judicially to enjoin and abate violations of such Rules and Regulations as if such Rules and Regulations were restrictions contained herein as covenants on the Properties.

(b) All provisions of this Declaration, the By-Laws and any Rules and Regulations promulgated by the Board, the Design Standards which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants of Lots and guests and invitees of occupants or Owners. The Owner of each Lot shall be responsible for ensuring that the occupant, and the guests, invitees and licensees of the Owner or the occupants strictly comply with all provisions of the Declaration, By-Laws, Design Standards and Rules and Regulations promulgated by the Board. Fines may be levied against Owners or occupants for violations of the Rules and Regulations, Declaration, By-Laws or Design Standards. If a fine is levied first against an occupant and is not paid within thirty (30) days, the fine may then be imposed against the Owner of the Lot wherein the occupant resides.

Section 6. Enforcement of Restrictions. The Association shall have the right and power to enforce each and every covenant, condition, provision and restriction herein contained, including those restrictions relating to architectural approval and modification, and shall have all those powers and privileges necessary or desirable to so act.

Section 7. Power to Assess. The Association shall have the right and power, as more particularly set forth in this Declaration, to fix, levy, collect, and enforce payment by any lawful means, all charges and assessments pursuant to the terms of this Declaration, to pay all expenses in connection therewith, and all office and other expenses incident to the conduct and affairs of the business of the Association.

Section 8. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration, the By-Laws, or its Articles of Incorporation and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Section 9. Board Right to Act. To the extent not otherwise required by the provisions of the Official Code of Georgia relating to Non-Profit Corporations, this Declaration, the By-Laws, or the Articles of Incorporation, the powers granted to the Association by this Declaration or the Articles of Incorporation or By-Laws of the Association shall be exercised by the Board of Directors, acting through the Officers of the Association, without any further consent or action on the part of the Members.

B. Maintenance.

Section 1. Association Responsibility. The Association shall maintain and keep in good repair the Common Area, such maintenance to be funded as hereinafter provided. This maintenance shall include, but not be limited to, maintenance, repair, and replacement, subject to any insurance then in effect, of all streets, sidewalks, curbs, trails, parking lots, drainage, water or sewer systems, tennis courts, swimming pools, gatehouses, fences, perimeter walks, landscaping and other floral structures, and any other improvements situated upon the Common Area. The Association shall not be liable for any injury or damage to any person or property (a) caused by the elements, (b) caused by any Owner, the Club Operator, or owner of Inn Space or by their respective guests, invitees, successors or assigns, (c) resulting from any rain or other

surface water which may leak or flow from any portion of the Common Area, or (d) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner for any loss or damage, by theft or otherwise, of any property of such Owner, Club Operator or Owner of Inn Space or their respective guests, invitees, successors or assigns which may be stored in or upon any portion of the Common Area or any portion of the Properties. No diminution or abatement of assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform such function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs 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 governmental authority, the obligation to pay each such assessment being a separate and independent covenant on the part of each Owner.

Section 2. Owner's Responsibility. Subject to Article IX hereof, the maintenance responsibility of an Owner or of an owner of Inn Space subject to this Declaration shall be as follows:

(a) All maintenance of Lots or Residential Units, unless specifically identified hereunder or in a Supplemental Declaration as being the responsibility of the Association or another party or entity, shall be the responsibility of the Owner, including Builder\Owner of such Lot or Residential Unit. Such maintenance shall include but not be limited to reasonable maintenance of all exterior portions of a Residential Unit and Lot, inclusive of all landscaping and grass.

(b) All maintenance of Inn Space, if any, shall be the responsibility of the owner of such Inn Space unless identified in a Supplemental Declaration as being the responsibility of another party or entity.

(c) In the event the Board of Directors of the Association determines that (i) any Owner has failed or refused to discharge properly his or her obligations with regard to the maintenance, repair, or replacement of items for which he or she is responsible hereunder; or (ii) that the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, or his or her family, guests, lessees, or invitees, the Association, except in the event of an emergency situation, shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement, at their sole cost and expense; the notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary and the cost thereof. The noticed party shall have ten (10) days within which to pay such amount claimed; or, in the event such maintenance or repair is to the Owner's Residential Unit, Lot, or Inn Space, complete said maintenance, repair, or replacement; or, in the event that such maintenance, repair, or replacement is not capable of completion within said ten (10) day period, to commence such work within said ten (10) day period which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may

provide any such maintenance, repair, or replacement at such person's sole cost and expense, and the cost shall be added to and become a part of the assessment to which such party is subject and shall become a lien against the Lot or Inn Space of such party collectible as an assessment pursuant to Article VIII hereof. By way of example and not limitation, in the event of an Owner's failure to comply with the provisions hereof, the Association may cause any weeds, grass, trees or landscaping to be cut, pruned or removed, as the case may necessitate, and may remove or cause to be removed such garbage, trash or rubbish as has accumulated thereon. Such shall expressly include removal of dead or diseased trees or landscaping.

(d) In addition to the foregoing, the Association may do anything necessary to secure compliance with this Declaration or the Design Standards so as to place said Lot in a neat, attractive, healthful, and sanitary condition and the charges incurred for securing such compliance, including the cutting, trimming, pruning, or removal of weeds, grass, landscaping, trees or such garbage, trash or rubbish as may be removed, may be charged to the Owner or occupant of such Lot for the cost of such work so long as such fee does not exceed Two Hundred and Fifty Dollars (\$250.00) for each such cutting, trimming, pruning or removal in the first calendar year following recording of this Declaration, with each year thereafter such limitation to be adjusted, from year to year, by a percentage equivalent to the increase in the percentage of the cost of living based upon the Consumer Price Index, for Atlanta, Georgia, increases from one (1) year to the previous year. The Owner or occupant, as the case may be, agrees by the purchase or occupancy of the property to pay such statement immediately upon receipt thereof, and such payments made by the Association shall be secured by a lien in the same manner as General Assessments paid the Association under this Declaration.

Section 3. Club Operator Contribution. In consideration of the easements granted or reserved to the benefit of the Club Operator hereunder, the Club Operator covenants and agrees to pay to the Association One Thousand Dollars (\$1,000.00) per month, commencing on the first day of the month following the day of the first round of golf played, for a fee, on the eighteen (18) hole golf course as located on the Golf Club Property and continuing on the first day of each month thereafter. Each such payment shall be paid by the Club Operator to the Association by the tenth (10) day of each such month and shall incur a late fee of ten percent (10%) thereof if not received by the Association by the fifteenth (15th) day of each such month.

C. Insurance and Casualty or Liability Losses.

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief. This insurance shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy applicable to the Common Area covering the Association, its officers, directors, members, and agents. The public liability policy shall have at least a One Million (\$1,000,000.00) Dollar each occurrence limit (combined single limit (C.S.L.) for bodily injury and property damage),

Two Million (\$2,000,000.00) Dollar general aggregate, C.S.L., and Two Million (\$2,000,000.00) Dollar products/completed operations aggregate, C.S.L. Unless otherwise provided by the Board of Directors, the cost of all such insurance coverage shall be paid from the Common Expense. Each insurance policy may contain a deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The Association may allocate equitably the payment of a reasonable insurance deductible between the Association and the Owners affected by a casualty against which the Association is required to insure, provided, however, that the amount of deductible which can be allocated to any one Owner shall not exceed \$1,000.00 per casualty loss.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as Trustee, for the respective benefited parties, as further identified in (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in Georgia and holding a rating of A-XI or better in the Financial Category as established by A.M. Best Company, Inc., if available, or, if not available, the most nearly equivalent rating.

(b) All policies on the Common Area shall be for the benefit of the Association and the Owners and their Mortgagees, as their interests may appear.

(c) Exclusive authority to adjust losses under policies in force on any portion of the Properties, including the Common Area, obtained by the Association shall be vested in the Association's Board of Directors; provided, however, that 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 Association's Board of Directors 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 reasonably available, with an annual review by one or more qualified persons, at least one of whom must be in the insurance or real estate industry and familiar with insurance for improvements in the Forsyth County, Georgia, area.

(f) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

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

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

(iii) that no policy may be canceled, invalidated, or suspended on account of any one or more individual owners;

(iv) that no policy may be canceled, invalidated or suspended on account of any defect or of the conduct of any director, officer, or employee 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 thereafter within which the defect may be cured by the Association, its Manager, any Owner or Mortgagee; and

(v) a waiver of the insurer's right to cancel without first giving thirty (30) days prior written notice of such cancellation to the Association and to any Mortgagee to which a Mortgagee endorsement has been issued.

(vi) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration.

(vii) all liability insurance policies shall contain cross-liability endorsements to cover liability of the Association to an individual Owner and shall also name the Declarant as an additional insured.

(g) It shall be the responsibility of each Owner at his own expense, to provide public liability, property damage, title, and other insurance with respect to his own Lot. The Association's Board of Directors may require all Owners to carry public liability and property damage insurance with respect to their respective Lots and to furnish copies of certificates thereof to the Association.

In addition to the other insurance required by this section, the Board shall obtain, as a Common Expense, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds (provided that the Community includes Lots upon which financing exists that is held or serviced by any financial agency, corporation, or secondary mortgage market enterprise which requires the maintenance of such fidelity bond) on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but may not be less than three (3) months' assessments, plus reserves on hand if such bond is obtained. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled or substantially modified without at least ten (10) days' prior written notice to the Association.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction, as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction, or in the event no repair or reconstruction is made after making such settlement as is necessary and appropriate with the affected Owners or Owners and their Mortgagee(s), as their interests may appear, shall be retained by and for the benefit of the Association. This is a covenant for the benefit of any Mortgagee of any part of the Properties and may be enforced by such Mortgagee.

(b) If it is determined, as provided for in Section 3 of this Article, that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, available proceeds shall be disbursed in the manner as provided for excess proceeds in Section 2 (a) hereof.

Section 3. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Properties covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition in which it existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy-five (75%) percent of the total vote of the Association and the Declarant shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, that such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the Properties shall be restored to its natural state and maintained as an undeveloped portion of the Properties by its respective Owner or Owners in a neat and attractive condition.

Section 4. Repair and Reconstruction. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners ultimately responsible for the payment of the policy premium in the same proportion as an Owner's assessment bears to the Association's budget. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the cost of repair, such excess shall be deposited to the benefit of the Association.

Section 5. Lot Owner's Responsibility. By virtue of taking title to a Lot or to any Inn Space, each Owner of a Lot or owner of Inn Space covenants and agrees with all other Owners and owners of Inn Space and with the Association to carry all risk casualty insurance in the event the Association does not carry blanket all-risk casualty insurance on improvements on Lots or the Inn Space. Each Owner or owner of Inn Space, if any, further covenants and agrees that in the event of a partial loss or damage and destruction resulting in less than total destruction of any structure located on a Lot or any Inn Space, he or she shall proceed promptly to repair or reconstruct the damaged structure in a manner consistent with the aesthetic appearance and quality of the original construction and the Community Wide Standards. In the event that any Residential Unit or Inn Space structure is totally destroyed or rendered uninhabitable or unusable and the Owner or owner thereof determines not to rebuild or reconstruct, then that Owner or owner shall clear that Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction. The obligation of an Owner hereunder specified shall not be applicable to any Owner whose Lot is insured under a casualty insurance policy obtained by an association of owners on his behalf. In the event that any Residential Unit or Inn Space structure is totally destroyed or rendered uninhabitable or unusable and the Owner or owner thereof determines to rebuild or reconstruct, then such Owner or owner shall repair or rebuild such Lot or Inn Space to substantially the same condition as existed prior to such fire or other casualty and in accordance with all applicable standards, restrictions, and provisions of this Declaration (including, without limitation, Article IX hereof) and all applicable zoning, subdivision, building, and other governmental regulations. All such work of repair and construction, as identified herein, shall be commenced promptly following such damage or destruction and shall be carried through diligently to conclusion within a reasonable time.

D. Lake, Pond and Water Course and Obligations.

Section 1. Easement to Association Members in Relation to Lakes, Ponds and Water Courses. A perpetual, alienable and transferable right and easement is hereby reserved for the benefit of the Members of the Association and their family members residing on the Properties to enter upon each lake, pond or water course which is a part of the Golf Club and use and enjoy the same for recreational fishing use provided, further:

- (i) No fishing shall be permitted except by rod and reel, or pole, hook and line;

- (ii) Fishing shall not be permitted near spawning beds unless permitted by the Club Operator;
- (iii) Fishing limits shall be those established by the laws of the State of Georgia;
- (iv) No water craft, canoe, raft or boats shall be permitted on any lake, pond or water course which is a part of the Golf Club at any time;
- (v) No activity which will disturb the peace, quiet, safety, comfort or use and enjoyment of the occupants of the surrounding Lots and the users of the Golf Club shall be permitted at any time.

Section 2. Maintenance of Lakes. etc. Each lake, pond, or water course which is a part of the Golf Club shall be maintained by the Club Operator except as otherwise set forth herein. Such maintenance shall include, but not be limited to, the obligation of the Club Operator to minimize weed or other aquatic growth within any lake, pond or water course which is a part of the Golf Club, prevent such lake, pond or water course from becoming polluted, and taking any and all actions necessary to effect compliance with environmental rules, regulations and procedures as from time to time promulgated or instituted by any governmental authority as well as implement any and all erosion control procedures and practices; provided, however, nothing herein shall be construed to prevent or inhibit the maintenance or upkeep of the Golf Club Property, as determined to be performed from time to time by the owner of such Golf Club Property. Notwithstanding the foregoing, the banks and shorelines along and around any lake, pond or watercourse which is part of the Golf Club shall be maintained, including mowed and weeded and trash removed, by the owner of the property (including Lot Owner) which abuts the high water line of such lake, pond or watercourse, such maintenance to be performed to at least the Community-Wide Standard.

Section 3. Lot Easement in Relation to Lakes. Ponds and Water Courses. There is hereby reserved for the benefit of the Club Operator together with its lawful agents, employees, successors and assigns, the perpetual, alienable and transferable right and easement to enter upon any unimproved portion of Lots which are located within ten (10) feet from the high water line of any lake, pond or other water course located on the Golf Club for the purpose of mowing and weeding such area and keeping the same free and clear from unsightly growth and trash (which shall be at the expense of the owner of the burdened property, pursuant to Section 2, above), as well as for the purpose of maintaining such lakes, ponds and water courses, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards including but not limited to the application of fertilizer to the lake, pond, or water course and the removal of underbrush, stumps, trash or debris and trees as might otherwise be deemed by the Declarant or Club Operator inimical to the aesthetics or water quality of the lake, pond or other water course; provided, however, that no trees, underbrush, stumps, or other vegetation or natural portions of such area may be removed or otherwise altered if such are regulated by any state or federal agency.

Section 4. Reserved Right in Club Operator. Each lake, pond, or water course which is a part of the Golf Club shall be subject to the reserved perpetual, alienable and transferable right to the exclusive benefit of the Club Operator for the use of the water as may exist within such lake, pond or water course for the purpose of irrigation of the Golf Club as might be owned by the Club Operator. Each Owner of a Lot, other than the Club Operator and the Association, shall be expressly prohibited from using the water as might exist within any lake, pond or water course located within the Golf Club for any purpose, including irrigation, other than as might be expressly authorized, in writing, by the Club Operator.

Section 5. Restriction on Use of Ponds, Lakes and Water Courses.

(a) There shall be no water craft, canoe, raft or boats, including but not limited to any gas or petroleum product powered water craft, canoe, raft or boat permitted on any lake, pond or water course within the Golf Club, except as permitted by the Club Operator.

(b) Notwithstanding any other provision contained herein to the contrary, any Owner who uses any lake, pond or water course shall be limited in use to any such lake, pond, or water course for recreational fishing purposes and such recreational fishing purposes may be regulated by rules and regulations promulgated by the Club Operator.

(c) Any Lot or parcel of land which borders on any lake, pond or water course when transferred by deed of conveyance, of any nature whatsoever, shall only include such land as is within the description by metes and bounds of such Lot or other parcel of land and as shown on a recorded plat or described in the deed of conveyance into such Owner (which boundary is anticipated to be the high water mark of such lake, pond or water course) and the same shall not include the land and bed of water or any part thereof or the water above such land and bed.

(d) Nothing herein contained shall require the Association, the Declarant, or the Club Operator or their lawful successors and assigns to maintain the water level of any lake, pond or water course at any certain level, nor are any of the foregoing parties bound to maintain any lake, pond or water course free from diminution.

(e) There is hereby reserved for the benefit of the Club Operator over, in and through any lake, pond, or water course the perpetual, transferable and alienable right and easement to construct docks or any other type of improvement or amenity, whether functional or aesthetic, into, on and across any lake, pond, or water course for the benefit of the Golf Club and the Club Operator or its guests, invitees and assigns.

(f) There is hereby reserved for the benefit of the Club Operator and their lawful successors in interest and assigns, the perpetual, exclusive, alienable and transferable right and easement to enter upon any lake, pond or water course for the retrieval of golf balls.

(g) Access to any lake, pond or water course for purposes of recreational fishing as herein provided to each Owner shall not interfere with or otherwise trespass upon private property rights of Owners, owners of Inn Space, the Declarant or the Club Operator and access rights across any Lot, Inn Space, property owned by the Declarant or the Golf Club for purposes of entry onto any lake, pond, or water course, are not implied or created under the terms hereof nor are any such rights expressly granted. Access to any lake, pond or water course shall only be by permission of owners of property fronting on any such lake, pond or water course or across Common Area accessways as may be provided.

(h) The Club Operator reserves the right to lower the water level of any lake, pond or water course, at any time, for any action deemed by the Club Operator necessary including restocking of any such lake, pond, or water course or irrigation.

(i) No fishing shall be permitted on any portions of the lakes, ponds or water courses which abut any greens on the Golf Club from and after the time that the first players of the day reach such green. All persons fishing in any lake, pond or water course shall yield at that time to the playing of golf and, at all times, any and all persons fishing on any lake, pond or watercourse shall thereafter remain removed from in any way interfering with the playing of golf on the Golf Club.

(j) Each Owner shall defend and hold harmless the Club Operator, its lawful successors and assigns from and against any and all damages to any property within the Golf Club, including, but not limited to, the lakes, ponds or water courses, arising out of or in connection with the Owner's use or any use incident thereto, and in respect to any of Owner's rights hereunder, except for any such damage arising from the sole negligence of the Club Operator, its lawful successors and assigns. Each Owner shall protect, indemnify, defend and hold harmless the Club Operator its successors and assigns, from and against any and all damage or injury (including death) to any person including Owners and their family members arising out of or in connection with the Owner's use of the Golf Club, including the lakes, ponds or water courses within the Golf Club or any use incident thereto, and in respect to any of the Owner's rights hereunder, except for any such damage or injury arising from the sole negligence of the Club Operator.

ARTICLE VI Condemnation

Whenever all or any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, the award made for such taking shall be payable to the Association, as Trustee for all Owners, to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking the Declarant, for so long as Declarant owns a Lot for the primary purpose of sale or has the unexpired option to add the

Additional Property or portion or portions thereof to the Properties, and at least seventy-five (75%) percent of the Class "A" members of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area, to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be repaired or restored, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction which is to be repaired shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award of funds or remaining net funds shall be disbursed to the Association and used for such purposes as the Board of Directors of the Association shall determine.

If the taking or conveyance in lieu thereof includes all or any portion of a Lot or Inn Space and also includes any part of the Common Area, then a Court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the Association and the Owner so affected so as to give just compensation to the Owners of any Lot and Inn Space; providing, however, such apportionment may instead be resolved by the agreement of (i) the Board of Directors, (ii) the Owners of all Lots or Inn Space, wholly or partially taken or sold, together with the Mortgagees for each such Lot or Inn Space, and (iii) Declarant, for so long as Declarant owns a Lot for the primary purpose of sale or has the unexpired portion to add the Additional Property or any portion or portions thereof to the Development.

In the event that all or any part of a Lot, or Inn Space is taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, and in further event that the Owner of such Lot or Inn Space responsible for the maintenance and repair of such Lot and Inn Space, as the case may be, elects not to restore the remainder of the Lot or Inn Space, then such Owner or Owner of the Inn Space making such election shall promptly clear away any remaining improvements damaged or destroyed by such taking or conveyance and shall leave such Lot or Inn Space and any remaining undamaged improvements thereon in a dean, orderly, safe, and sightly condition. In addition, if the size or configuration of such Lot or Inn Space remaining after such taking or conveyance is insufficient to permit the restoration of the remaining improvements thereon or therein to their condition prior to such taking or conveyance in compliance with all applicable standards, restrictions and provisions of this Declaration and all applicable zoning, subdivision, building, and other governmental regulations, then such Owner or Owner of Inn Space shall have the option, after clearing away all remaining improvements or portions thereof and placing the remainder in a clean, orderly, safe, and sightly condition referred to above, of deeding their remaining portion of the Lot or Inn Space as part of the Common Area, and thereafter any such Owner shall not have any further voting rights or membership rights or privileges in the Association or with respect to the Properties and shall not be subject to any further assessments imposed by the Association and payable after the date of such conveyance. Further, in the event that any part of a Lot or Inn Space is taken (or in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, and if the Owner of such

Lot or Inn Space responsibility for the maintenance and repair of such or Inn Space, as the case may be, elects to restore the remainder of the Lot or Inn Space, such Owner making such election shall restore such remainder of such Lot, or Inn Space as nearly as practicable to the same condition it was in prior to such taking or conveyance and in accordance with all applicable standards, restrictions, and provisions of this Declaration, including Article IX hereof, and all applicable zoning, subdivision, building and other governmental regulations. All such work or restoration shall be commenced promptly following such taking or conveyance and shall be carried through diligently to conclusion within a reasonable time.

ARTICLE VII

Annexation of Additional Property

Section 1. Annexation Without Approval of Class "A" Membership. As the owner thereof, or if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option (but not the obligation), from time to time at any time until twenty (20) years from the date this Declaration is recorded in the Forsyth County, Georgia, Official Records, to subject to the provisions of this Declaration and the jurisdiction of the Association, pursuant to the terms and conditions contained within this Declaration, all or any portion of the Additional Property, whether in fee simple or leasehold, by filing in the Forsyth County, Georgia, Real Property Records, an amendment or Supplemental Declaration annexing such property. Such amendment to this Declaration or Supplemental Declaration shall not require the vote of Members. Any such annexation shall be effective upon the filing for record of such amendment or Supplemental Declaration, unless otherwise provided therein. Such amendment or Supplemental Declaration may specify such specific use restrictions and other covenants, conditions, and restrictions to be applicable to the annexed property as Declarant may, in its own discretion, determine.

Declarant shall have the unilateral right to transfer to one or more other persons the right, privilege, and option to annex the Additional Property which is herein reserved to Declarant, provided that such transferee or assignee shall be the developer of at least that part of said Additional Property to which such right, privilege, and option is assigned; and provided, further, such assignment shall not remove or alter Declarant's further right, option and privilege to annex.

Section 2. Annexation With Approval of Class "A" Membership. Subject to the written consent of the owner thereof, upon the written consent or affirmative vote of a majority of the Class "A" members present or represented by proxy at a meeting duly called for such purpose, and of the Declarant, the Association may annex real property other than the Additional Property, and following the expiration of the right in this Article, Section 1, the Additional Property, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Forsyth County, Georgia, Official Records, an amendment in respect to the property being annexed. Any such supplemental amendment shall be signed by the President and the Secretary of the Association, and any such annexation shall be effective upon filing, unless otherwise provided therein. The time within which and the manner in which notice of any such

meeting of the Class "A" members of the Association, called for the purpose of determining whether additional property pursuant to this section shall be annexed, and the quorum required for the transaction of business at any such meeting, shall be as specified in the By-Laws of the Association for regular or special meetings, as the case may be.

Section 3. No Restrictions. The Additional Property, by initial recordation of this Declaration, is not restricted by the terms of such Declaration, in any manner other than for the express benefits as might be granted to the Additional Property under the terms of this Declaration. Following the date of initial recordation of this Declaration, the Declarant may, but shall not be required to, annex any portion or portions of such Additional Property. This Declaration shall only be applicable, except for the benefits as might be expressly bestowed upon the Additional Property under the terms of this Declaration as initially recorded, to those portions of the Additional Property as expressly made subject hereto by the Declarant or its successor and assigns in interest to the Additional Property. Until such time as a portion or portions of the Additional Property are made subject by express amendment to the terms of this Declaration or by Supplemental Declaration, no other portion of the Additional Property shall be, by implication, innuendo, or otherwise, subject to the terms of this Declaration other than for the benefits as expressly might be bestowed upon the Additional Property under the terms of this Declaration.

(a) The legal description of the Additional Property as of the date of recording of this Declaration is set forth on Exhibit "B;" portions of the Additional Property (together with additions thereto) may be added, as provided herein, to the Properties at different times, and there are no limitations fixing the boundaries of those portions or regulating the order, sequence, or location in which any of such portions may be added to the Properties. The exercise of the option to submit a portion or portions of the Additional Property to this Declaration shall not bar the further exercise of this option as to other portions or the balance of the Additional Property.

(b) If the Additional Property or any portion or portions thereof are added to the Properties, Declarant reserves the right to designate the boundaries of the Lots, as well as the Common Area, if any, to be added to the Properties in connection therewith.

(c) Should the options to add the Additional Property, or any portion or portions thereof, not be exercised within the term specified herein or be terminated by Declarant, such option shall in all respects expire and be of no further force and effect. In the event that such option expires or is terminated, as aforesaid, Declarant shall not be obligated to impose on the Additional Property or any portion thereof any covenants, conditions, or restrictions whatsoever.

(d) The option hereby reserved by Declarant to cause all or any portion or portions of the Additional Property to become part of the Properties shall in no way be construed to impose upon Declarant any commitment or obligation to add all or any portion or

portions of the Additional Property to the Properties or to construct thereon any improvements of any nature whatsoever.

(e) If the Additional Property or any portion or portions thereof is added to the Properties, then from and after the addition to the Properties of the Additional Property or such portion or portions by such amendment to this Declaration or by Supplemental Declaration, the number of votes in the Association shall be increased by the number of Lots to be located on the Additional Property or such portion or portions thereof as are added so that there shall continue to be, subject to the provisions hereof, one vote in the Association per Lot in the Community; provided, Inn Space shall have such votes as may be allocated within the Supplemental Declaration or amendment adding such to the Properties.

Section 4. Wetlands Preservation. Any area of the Properties which is designated as a wetlands by any state or governmental authority or pursuant to any federal or state statute, or any other area of the Properties which is designated as an area to be undisturbed or preserved in any particular by any state or federal authority or pursuant to any state or federal statute, rule or regulation, shall be left and continued in such condition as complies with the preexisting condition and neither the Association, the Club Operator or any Owner shall take any action contrary to such preserved status.

ARTICLE VIII

Assessments

Section 1. Creation of General Assessment. There are hereby created General Assessments for Common Expenses as may from time to time be authorized by the Board of Directors. General Assessments shall, from and after the respective Commencement Date relating to a respective Lot, be levied against such respective Lot and shall be used to pay expenses determined by the Board to be for the benefit of the Association, its Members, and the Properties as a whole, including, but not limited to, maintenance and insurance of the Common Area and expenses otherwise incurred by the Association in accordance with its rights, powers, and privileges for the purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of the Properties, and maintaining the Properties and improvements therein. The General Assessment levied against and payable by a Lot other than any Lot which may be designated by Declarant as Inn Space shall be equal to the General Assessment which is levied against and payable by each such other Lot. The Owner of Inn Space, if such Inn Space is submitted and subject to this Declaration, shall pay a General Assessment equal to the General Assessment as might be applicable to each other Lot for each two thousand (2000) square feet of Inn Space not to exceed, however, Ten Thousand Dollars (\$10,000.00) per calendar year for the entirety of such Inn Space. Despite anything contained herein to the contrary, the assessments against a respective Lot shall not commence until the Commencement Date as respects such Lot as set forth in Section 7 of this Article.

Section 2. Creation of Parcel Assessment. There are hereby created Parcel Assessments for Common Expenses as may from time to time be authorized by the Board of

Directors. Parcel Assessments shall, from and after the respective Commencement Date relating to a respective Lot, be levied against such Lots within particular Parcels of the Properties for whose benefit expenses are incurred, such as maintaining and operating facilities and amenities within a Parcel reserved for use of the residents within that Parcel, expenses of enforcing all assessments, covenants, and conditions relating to a respective Parcel, and expenses determined by the Board to be for the benefit of a respective Parcel. Each Lot within a Parcel shall pay a Parcel Assessment equal to each other such Lot within such Parcel. Parcel Assessments established in one Parcel do not need to be equal to Parcel Assessments established in another Parcel. Despite anything contained herein to the contrary, the assessments against a respective Lot shall not commence until the Commencement Date as respects such Lot as set forth in Section 7 of this Article.

Section 3. Creation of the Lien and Personal Obligation of Assessments. Each Owner of a Lot and each owner of Inn Space subject to this Declaration, if any, by acceptance of a deed or contract for deed, whether or not it shall be so expressed in such instrument, is deemed to covenant and agree to pay to the Association, in accordance with the provisions hereof, from and after the Commencement Date respecting such respective Lots:

- (a) annual assessments or charges, including General and Parcel Assessments (subject to the limitations, as set forth herein);
- (b) special assessments, such assessments to be established and collected as hereinafter provided (subject, however, to no such special assessment causing the assessment obligation, if any, of the Inn Space to exceed the limitation set forth in Section 1 of this Article); and
- (c) individual or specific assessments against any particular Lot (or, if applicable, any Inn Space) which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with this Declaration.

All such assessments, together with late charges, simple interest at the rate of eighteen percent (18%) per annum, costs and reasonable attorney's fees actually incurred to enforce or collect such assessments, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made regardless of conveyance thereof. The Association's lien shall be prior and superior to all other liens except the lien for ad valorem taxes on the Lot, the lien of any First Mortgage covering the Lot, the lien of any Mortgage recorded prior to the recording of the Declaration and the lien of any secondary purchase money Mortgage covering the Lot, provided neither the grantee nor any successor grantee on the Mortgage is the seller of the Lot. The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien for assessments shall be required; provided, however, the Association may record a memorandum of lien in the land records of Forsyth County to evidence its claim of lien. Each such assessment, together with late fees, interest, costs, and reasonable attorney's fees actually incurred, shall also be the

personal obligation of the person who was the owner of such Lot or Inn Space at the time the assessment came due, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, any First Mortgagee or holder of a secondary purchase money Mortgage covering the Lot, provided that neither the grantee nor any successor grantee on the secondary purchase money Mortgage is the seller of the Lot who obtains title to a Lot or Inn Space subject to this Declaration pursuant to the remedies provided in such Mortgage or Foreclosure of the Mortgage, will not be liable for such Lot's (or Inn Space's) unpaid assessments which accrued prior to the acquisition of title to such Lot or Inn Space by the Mortgagee. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration of the annual assessment for Owners who are delinquent in the payment of the their assessments. The assessments shall be paid annually in advance, unless otherwise provided by the Board.

Section 4. Computation of General and Parcel Assessments.

(a) It shall be the duty of the Board at least forty-five (45) days prior to the commencement of a fiscal year to prepare a budget covering the estimated costs of operating the Association and the Properties during the coming year. The budget shall separately list General and Parcel Assessments, if any. The Board shall cause a copy of the budget and the assessments to be levied therefrom to be (i) available to all Members at a central location on the Properties or (ii) to be mailed to each Member, at least thirty (30) days prior to the date at which such budget will become effective. The budget and assessment established therefrom shall become and be effective unless objected to in a written statement of disapproval executed by at least a majority of the total Association eligible vote and delivered to the Board or Manager no later than seven (7) days prior to the effective date of the proposed budget. Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein or by the procedure herein described repeated as need be, the budget and assessments in effect for the current year shall continue for the succeeding year.

(b) Despite anything else contained herein, the amount of the budgeted assessment in any particular year may be increased by the Board of Directors of the Association in a succeeding year without membership consideration or without being subject to membership disapproval so long as the proposed assessment, in total, does not exceed the current "Computed Assessment." The current "Computed Assessment" amount shall be determined as follows:

Take the difference between the consumer price index, as established by the Consumer Price Index for Urban Wage Earners and Clerical Workers, Atlanta, Georgia, all Items, ("Index"), for June of the year under consideration and the consumer price index as established by the Index for June of the year in which this Declaration is recorded and divide such difference by the consumer price index as established by the Index for June of the year in which this Declaration is recorded. Thereafter, the resulting quotient is to be multiplied by one

hundred. This resulting quotient expressed as a percentage, multiplied by the assessment existing in June of the year in which this Declaration is recorded is the amount by which the assessment in existence may be increased without membership consideration or availability for disapproval, such increased amount being the Computed Assessment.

Section 5. Special Assessments. In addition to the assessments authorized elsewhere herein, the Association may levy a special assessment in any year. The Board, by majority vote, may impose any special assessment without a membership vote; provided that so long as Declarant owns a Lot in the Community, no special assessment may be adopted without the consent of the Declarant.

Section 6. Effect of Non-payment of Assessments: Additional Fee. Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days shall incur a late fee in an amount of Ten (\$10.00) Dollars or ten (10%) percent of the initial assessment amount owed, whichever is greater.

Section 7. Commencement, of Assessments. Notwithstanding anything herein to the contrary, any and all assessments provided for in or otherwise assessed pursuant to this Declaration shall commence against a respective Lot as in this section provided. Any and all assessments shall commence in respect to each respective Lot at the time of conveyance of the respective Lot by the Declarant to an Owner or Builder/Owner other than the Declarant. Notwithstanding anything contained herein to the contrary, Declarant shall not be responsible or liable for the payment of annual or special assessments in respect to Lots for which Declarant holds record title and which do not contain occupied Residential Units (except as hereinafter provided), provided that Declarant covenants and agrees to pay annual and special assessments (i) in the same manner as Lots conveyed to Owners for each Lot owned by Declarant containing an occupied Residential Unit and (ii) for Inn Space as provided in Section One (1) of this Article from and after the time such Inn Space is subjected and submitted to this Declaration and the first paying invitee of such space pays for use thereof or service therefrom. The date of commencement of the assessment as to any particular Lot, as determined aforesaid, is herein sometimes referred to as the "Commencement Date." The first annual assessment for a Lot payable to the Association in respect to such Lot shall be adjusted according to the number of months remaining in the calendar year as of the Commencement Date. Such prorated assessment shall be paid on the Commencement Date or such later date as provided by the Board.

ARTICLE IX Architectural Standards

Section 1. General. In order to preserve the natural setting and beauty of the Properties, to establish and preserve a harmonious and aesthetically pleasing design for the Properties, and to protect and promote the value of the Properties, the Lots, the Residential Units and the Common Area and all improvements, structures, landscaping and items located thereon, all Lots, Residential Units and all improvements, structures, landscaping and items located thereon shall be subject to the restrictions set forth in this Article IX. Every grantee of an

interest in the Properties, by acceptance by a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article IX.

Section 2. Design Review Board. No construction, improvements, landscaping, buildings, structures or development of any kind whatsoever, shall be commenced, carried out on, constructed, altered, added to or maintained upon any portion of the Properties, including Lots, unless (a) approved in writing by the Design Review Board (b) developed, constructed or altered by Declarant (c) developed, constructed or altered by the Association in respect to the Common Area or (d) if a Modifications Committee is established pursuant to the terms hereof, approved by the Design Review Board after recommendation from the Modifications Committee. Approval of the Design Review Board shall be subject to such regulations, architectural standards and application procedures as may be promulgated by the Design Review Board and as set forth herein. The Design Review Board may charge a reasonable fee as determined by the Design Review Board, from time to time, to cover the administrative expense of its review and comment, such fee to be payable to the Design Review Board. The Design Review Board may require placement of a bond by an applicant to assure compliance with this Declaration and to cover any expenses of damages caused by construction or improvement activities required to be approved by it.

(a) For so long as Declarant has the right to annex property to the Community pursuant to Article VII hereof or the Declarant owns any Lot upon which no Residential Unit has been constructed, whichever is later, unless sooner waived in writing by the Declarant, the Declarant, in its sole discretion, shall appoint the members of the Design Review Board. For such time, the Design Review Board shall consist of at least three (3) and no more than five (5) members, none of whom shall be required to be residents of St Mario or own property at St Mario and all of whom shall serve at the pleasure of the Declarant. The Design Review Board shall act on behalf of the Declarant and the Association until such time as the Declarant no longer has the right to annex property to the Community pursuant to Article VII hereof or the Declarant no longer owns any Lot upon which no Residential Unit has been constructed, whichever is later, unless sooner waived in writing by the Declarant. From and after the later of these events, the Design Review Board shall be appointed by the Board and function in the same manner as committees of the Association under the authority of the Board.

(b) At such time as the Declarant no longer has the right to annex property to the community pursuant to Article VII hereof or the Declarant no longer owns any Lot upon which no Residential Unit has been constructed, whichever occurs later, unless sooner waived in writing by the Declarant, members of the Design Review Board shall be appointed by the Board of Directors and the Design Review Board members shall be required to be Owners or their spouses. Members of the Design Review Board as are appointed by the Board shall serve at the pleasure of the Board. During the time that the Design Review Board members are appointed by the Board, the Design Review Board shall be comprised of not less than three (3) nor more than five (5) members.

(c) The Design Review Board shall elect a chairperson and the chairperson or in his absence, the vice-chairperson, shall be the presiding officer at its meetings. The Design Review Board shall meet as often as they so determine and shall be required to meet upon call of the chairperson, and all meetings shall be held at such places as may be designated by the chairperson. A majority of the Design Review Board members serving shall constitute a quorum for the transaction of business, and the affirmative vote of a majority of those present in person at a meeting of the Design Review Board shall constitute the action of the Design Review Board on any matter before it. The Design Review Board may, from its members, appoint one (1) such member to execute approval of plans as might be proposed by an applicant. The Design Review Board shall not be required to maintain minutes of its meetings and any approval of the Design Review Board may be evidenced by the members of the Design Review Board, or the designate appointed by such members, certifying to the approval of such plans by entry of an approval on the face thereof. Approvals of the Design Review Board may occur at meetings thereof or based upon communications by and between the members thereof, without call of a meeting, but with polling of each member thereof by the chairperson or his or her designate.

(d) The Design Review Board is authorized to retain services of consulting architects, landscape architects, urban designers, engineers, inspectors, and/or attorneys in order to advise and assist the Design Review Board in performing its functions set forth herein and all such expenses shall be at the expense of the Association.

(e) Any member of the Design Review Board appointed by the Declarant may be removed with or without cause by the Declarant at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy. Any member of the Design Review Board appointed by the Board may be removed with or without cause by the Board at any time by written notice to such appointee and its successor or successors appointed to fill such vacancies shall serve at the pleasure of the Board.

(f) The Design Review Board is hereby authorized to promulgate from time to time written architectural standards, regulations, policies, procedures and guidelines (hereinafter referred to as the "Design Standards") governing the construction, location, landscaping, material and design of improvements, structures, the contents of submission of plans and specifications, and other information as may be required in order to evidence compliance with and obtain approval pursuant to this Article IX. The Design Review Board shall make its standards, regulations, policies, procedures and guidelines available to Owners, Builder/Owners, and developers who seek to engage in development or improvement of construction upon all or any portion of the Properties and shall conduct its operations in accordance therewith. Decisions of the Design Review Board shall take into account and be founded upon the nature, kind, shape, color, size, material and location of any construction, improvements, buildings, structures or development and the quality of workmanship planned, the design and harmony of external design and relation to surrounding structures, topography and elevation of such construction, improvements, buildings, structures and development and the Community Wide Standards. The Design Standards shall be binding upon and enforceable against all Owners. The provisions hereof shall not be applicable to the Golf Club or any of the Additional Property; provided such

shall be applicable to those portions of the Additional Property annexed to this Declaration. From and after the time that the Board appoints the members of the Design Review Board, any Design Standards proposed by the Design Review Board and any approvals or denials by the Design Review Board shall first be approved by the Board before their being effective.

Section 3. Submissions to Design Review Board.

(a) No construction, improvements, buildings, structures or development of any kind whatsoever, shall be commenced, carried out on, constructed, altered, added to or maintained on any Lot or Residential Unit, other than as developed, constructed or altered by Declarant unless and until three (3) copies of the plans and specifications and related data (including, if required by the Design Standards, shall have been submitted to and approved in writing by the Design Review Board or if a Modifications Committee is established pursuant to the terms hereof, approved by the Design Review Board after recommendation from the Modifications Committee.

(b) For purposes of this Article IX and specifically Section 3(a), above, "construction, improvements, buildings, structures or development" shall include by way of example and not limitation the construction, installation or alteration of Residential Units, sidewalks, driveways, parking areas, mailboxes, basketball goals, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses, play equipment, awnings, walls, steps, stoops, yard equipment, fences, exterior lights, garages, landscaping, hardscaping, lawns, guests or servants quarters, or other outbuildings. Plans, specifications and related data as submitted for any such construction, improvements, buildings, structures or development requested for approval shall show the nature,, color, type, shape, height, materials and location of the same. One (1) copy of such plans, specifications and related data so submitted shall be retained in the records of the Design Review Board and the other copy shall be returned to the Owner marked "approved by the Design Review Board," or "approved as noted by the Design Review Board," or "disapproved by the Design Review Board." Until the members of the Design Review Board are appointed by the Board, the Design Review Board shall have the sole discretion to determine whether the plans and specification submitted for approval are acceptable to the Design Review Board in connection with the approval rights. Any disapproval by the Design Review Board may be based upon any ground whatsoever so long as such disapproval is consistent with the objectives and purposes of this Declaration, including, but not limited to, purely aesthetic considerations, provided that such disapproval is not arbitrary or capricious.

(c) Any and all plans submitted for the construction of a Residential Unit on a Lot, shall depict thereon the proposed Residential Unit in such detail as requested by the Design Review Board, including all driveways, parking areas, mailboxes, basketball goals, decks, patios, courtyards, swimming pools, tennis courts, greenhouses, playhouses or equipment, walls or fences, awnings, steps, stoops, yard equipment, lighting, garages, out buildings, landscaping, hardscaping, lawns, guest or servants quarters and such other structures, out buildings and items as determined by the Design Review Board or as contemplated by the applicant to be a part of the improvement of the Lot. Any and all requests for alterations or

additions to a Lot or Residential Unit, including alterations or additions to existing structures or improvements or the addition of additional structures, items or improvements shall depict thereon the proposed addition or alteration in its proposed location with all height, material, location and other specifics as may be requested by the Design Review Board.

(e) The Design Review Board shall have the right to establish a maximum percentage of a Lot which can be cleared or graded and a maximum percentage of a Lot which may be covered by Residential Units, buildings, structures or other improvements, which standard shall be promulgated on the basis of topography, percolation data, soil types and conditions, vegetation cover and other environmental factors taken into account by the Design Review Board. Following approval of any plans and specifications by the Design Review Board, representatives of the Design Review Board shall have the right, without notice, during reasonable hours to enter upon and inspect any Lot, Residential Unit or other improvements or structures with respect to which construction is underway to determine whether or not the plans and specifications thereof have been approved and are complied with. In the event that Design Review Board shall determine that such plans and specifications have not been approved or are not being complied with, the Design Review Board, acting in the name and at the expense of the Association, shall be entitled to enjoin further construction and to require the removal or correction of any work, improvement or structure in place which does not comply with the approved plans and specifications.

(e) In the event that the Design Review Board fails to approve or disapprove in writing any proposed plans and specifications within thirty (30) days after such plans and specifications have been submitted, such plans and specifications will be deemed to have been expressly approved, provided the proposed improvements are generally in harmony with the Community Wide Standard. Upon the approval of plans and specifications by the Design Review Board, no further approval under this Article IX shall be required with respect thereto, unless construction has not substantially commenced within sixty (60) days of approval of such plans and specifications or unless such plans and specifications are materially altered or changed. For purposes of this section, "substantially commenced" shall mean any clearing, grading, pouring of footing or any other type of affirmative action to commence with the construction of a Residential Unit.

(f) No landscaping, grading, excavation or filling of any nature whatsoever shall be implemented and installed on a Lot, other than by Declarant, unless and until the plans therefor have been submitted to and improved in writing by the Design Review Board. The provisions of this Article IX regarding the time for approval of plans, the right to inspect, the right to enjoin and/or require removal, etc. shall also be applicable to any proposed landscaping, clearing, grading, excavation or filling. The Design Review Board shall be permitted to promulgate Design Standards with regard to any such landscaping, grading, excavation or filling.

(g) Before construction of any Residential Unit on any Lot begins and is part of the approved plan regarding such Residential Unit as submitted to the Design Review

Board, the Design Review Board shall be provided a general landscape design which shall be reviewed and approved by it before commencement of the installation of landscape in respect to such Residential Unit. The landscaping as shown on such landscape design plan shall be installed and in place as part of the construction of the Residential Unit.

Section 4. The Modifications Committee.

(a) By way of example and not limitation of the terms of this Article IX, the Design Review Board shall have the right to approve upon submission of a request pursuant to the terms of this Article any and all modifications, additions or alterations made on or to a Lot. Notwithstanding this authority of the Design Review Board, the Design Review Board, including any modifications, additions or alterations to a Lot affecting the exterior portion of the Residential Unit thereon (or after the time that the members of the Design Review Board are appointed by the Board of Directors, the Board) may authorize, continue and discontinue a Modifications Committee to review any and all proposed modifications, additions or alterations to a Lot or affecting the exterior portion of the Residential Unit thereon.

(i) If such Modifications Committee is established, such Committee's authority shall be limited to review of proposed modifications, additions or alterations made on or to a Lot or affecting the exterior portion of the Residential Unit thereon, following (a) completion of the construction of the initially proposed, Residential Unit and the improvements thereon as approved by the Design Review Board (b) occupancy of such Residential Unit and (c) issuance of a certificate of occupancy if such is issued by the local jurisdiction. The Modifications Committee shall not have authority to review modifications, additions or alterations made by the Declarant or by Builder/Owners, which modifications, additions or alterations shall be subject, at all times, only to review and approval of the Design Review Board.

(ii) The results of any and all review by the Modifications Committee shall be submitted to the Design Review Board with a recommendation, in writing, by the Modifications Committee for approval, approval as noted with comments, or disapproval. The recommendation of the Modifications Committee shall not be binding until adopted by the Design Review Board, who may accept, accept with comment or reject such recommendation. If any recommendation of the Modifications Committee is rejected by the Design Review Board, the Design Review Board may substitute its own response to any such proposed modification, addition or alteration, which shall then be binding.

(iii) Review and recommendation by the Modifications Committee shall be based upon the terms of this Declaration and the Design Standards.

(b) The Modifications Committee shall, if established, consist of at least three (3) and no more than five (5) members, all of whom shall be appointed by the Declarant until such time as the members of the Design Review Board are appointed by the Board of Directors. At such time that the members of the Design Review Board are appointed by the

Board of Directors, the Board of Directors shall also appoint the members of the Modifications Committee, if existing. If the Design Review Board determines that it has jurisdiction over and in respect to any submission to the Modifications Committee, the Design Review Board shall be authorized to review and approve such submission to the exclusion of Modifications Committee. The Modifications Committee shall, as soon as practical after receipt by it of any submission hereunder review the same and deliver its recommendation to the Design Review Board. If the Design Review Board fails to approve or disapprove, in writing, any proposed modification, addition or alteration within thirty (30) days after such have been submitted, such plans and specifications will be deemed expressly approved, provided the proposed modification, addition or alteration is in general harmony with the Community Wide Standard. The provisions hereof shall not be applicable to the Golf Club or the Additional Property; provided such shall be applicable to those portions of the Additional Property as have been annexed to this Declaration.

(c) Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his or her Residential Unit or to paint the interior of his or her Residential Unit any color desired.

Section 5. Commencement of Construction and Occupancy of Residential Units. Residential Units may not be temporarily or permanently occupied until the exteriors thereof and the landscaping of the Lot on which the Residential Unit is located have been completed and a certificate of occupancy for such Residential Unit, if issued by the local jurisdiction, has been issued. Once commenced, the construction of a Residential Unit and original improvements contemplated therewith on a Lot shall be completed within twelve (12) months from the date of commencement. During the continuation of construction of any Residential Unit, structure or improvements respecting a Lot or any modifications, additions or alterations thereto, any and all contractors in respect to the construction thereof shall maintain the Lot, the Residential Unit, and the surrounding Common Area in a reasonably clean and uncluttered condition and, to the extent possible, all construction trash and debris shall be kept within refuse containers. Upon completion of construction, the Owner of the Lot shall cause such contractors to immediately remove all equipment, tools and construction material and debris from the Lot and Residential Unit on which such construction has been completed.

Section 6. Approval of Plans. No approval of plans and specifications and no publication of Design Standards pursuant to the terms of this Declaration by the Design Review Board shall be construed as representing or implying that such plans, specifications or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Residential Unit or other improvement built in accordance therewith will be built in a good workmanlike manner. The Declarant, the Association, the Design Review Board and the Modifications Committee, if acting, shall not be responsible or liable for (i) any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Declaration, (ii) any loss or damages to any person rising out of the approval or disapproval of any plans or specifications, (iii) any loss or damage arising from the non-compliance of such plans and specifications as with

any governmental ordinances and regulations, nor (iv) any defects in construction undertaken pursuant to such plans and specifications.

Section 7. Construction Criteria and Requirement of Compliance With Law. All Residential Units and other structures and improvements shall be constructed, modified, altered or added to in compliance with any and all applicable state, county and municipal zoning and building restrictions and any applicable regulations and restrictions as might apply to the real estate. All grading, clearing, construction of impervious surfaces, building and other construction activity performed on Lots or Residential Units that are subject to the rules, regulations, guidelines and restrictions of any regulatory authority shall be performed in accordance with such rules, regulations, guidelines and restrictions.

Section 8. Land Use and Building Type. Unless otherwise set forth by Declarant in a Supplemental Declaration applicable to a Phase, the following shall be applicable to all Lots.

(a) Residential Lots. The Residential Unit shall not exceed a height as may be authorized by applicable zoning. A detached garage shall not exceed the height of the Residential Unit. The garage must be connected to the street by a driveway of concrete, asphalt or such other material as approved by the Design Review Board.

(b) Residential Unit Size. Each Residential Unit constructed on a Lot shall have at least two thousand two hundred (2,200) square feet of heated area, exclusive of open porches, garages and/or carports. The Design Review Board is expressly authorized to limit the size of a Residential Unit as may be constructed on a Lot.

(c) Type of Construction, Materials, and Landscape.

(i) A Residential Unit or other structure or improvement on any Lot shall not have any exposed concrete block surfaces, unless approved in writing by the Design Review Board. The exterior surface of a Residential Unit or any other structure or improvement shall be wood, stone, stucco, cedar shingle, brick, or Exterior Insulation Foam System (E.I.F.S.) (a generic name for "Dryvit", etc.) which must first be approved by the Design Review Board.

(ii) No external roofing material, other than architectural dimensional shingles, cedar shake, slate, concrete or tile shingles as approved by the Design Review Board and which are no lighter than three hundred forty (340) pounds per square and which are applied in accordance with the manufacturer's specifications shall be used on any building without the prior written approval of the Design Review Board.

(iii) No window or wall type air conditioners shall be permitted to be used, erected, placed, or maintained on or in any Residential Unit, building, improvement or structure within the Properties.

(e) Building Location. Unless specifically in writing reduced by the Design Review Board, no Residential Unit, building or structure shall be located on any Lot

nearer to any Lot line than a the minimum setback lines as shown on the Subdivision Plat depicting the Lot. Such building set back lines as referred to above shall be shown on the Subdivision Plat(s). For the purpose of these restrictions, eaves, steps, and open porches shall not be considered as part of the building, structure or Residential Unit; provided, however, this shall not be construed to permit any portion of a building, structure, or Residential Unit on any Lot to encroach upon another Lot or upon a utility easement dedicated by the Subdivision Plat depicting the Lot or other recorded document.

(f) Utility Location. The Owners shall ascertain the location of utility service lines and keep the area over the route, if underground, of said service drops free of excavations and clear of structures, trees and other obstructions; it being understood that the lighting and power company may install, maintain, repair, replace and remove said underground service drops, if any, and open the ground for any such purpose or purposes; and no payment will be due or made by any utility for such use or activity.

(g) Walls, Fences, and Hedges. No walls or fences shall be erected or maintained on any Lot nearer to the street¹ front than the front building line as set forth and as may be shown on the Subdivision Plat unless approved, in writing, by the Design Review Board. All fences and walls shall be approved by the Design Review Board pursuant to standards adopted by it prior to installation. The rear yards of Lots lying adjacent at any boundary to the Golf Club may not be fenced without the approval of the Design Review Board and Golf Club Operator. All walls and fences on any Lot must be no higher than as might be approved and must be of a material the same as the house (i.e. brick, stone or stucco) or as otherwise approved by the Design Review Board. No fence may be installed which will impede the natural flow of water across the Lot. All fences must be approved by the Design Review Board. Ownership of any wall, fence, or hedge erected as a protective screening on a Lot shall pass with title to the Lot. Each Owner shall be responsible for maintaining any wall, fence or hedge as may exist on his or her Lot.

(h) Golf Course Lot Landscaping. Owners of Lots adjacent to the Golf Club may not grow nor permit to grow in the area of such Lots adjacent to the Golf Club varieties of grasses or other vegetation, which, in the opinion of the Declarant or owner of the Golf Club is inimical to the Golf Club grasses or vegetation. Such Owners, may, however, with the prior approval of the Design Review Board and Club Operator install barriers which will prevent the spread of otherwise prohibited grasses and vegetation adjacent to the Golf Club.

(i) Garage Doors. All garages must have doors and each garage door must be coordinated in design and color with the Residential Unit to which it is appurtenant. Each Owner shall provide in respect to each of such Owner's Residential Units parking of at least two (2) automobiles within garages. The garage shall be constructed at the same time that the Residential Unit is constructed and occupancy of the Residential Unit shall not be authorized until the garage is complete.

(j) Parking. Each Lot shall have provided thereon adequate off street parking as determined by the Design Review Board.

(k) Storage Facilities. No exposed above ground tanks for the storage of fuel or water or any other substance shall be located on any Lot.

(1) Mailboxes. Only one (1) mailbox may be located on each Lot, which mailbox shall be consistent with the Design Standards. Each mailbox shall be located and thereafter maintained in a location approved by the Design Review Board consistent with the requirements, if any, of the United States Postal Service, its successors and assigns.

Section 9. Driveway Construction. No driveway shall be placed on any Lot nor be connected to any street or road within the Properties until the location and materials on the Lot and street access of such driveway are approved by the Design Review Board. In the event there are any concrete curbs in the Properties and such curves are chipped, cracked and/or broken on the street front side as a result of driveway installation or otherwise such shall be repaired or replaced at the expense of the Owner of the Residential Unit prior to occupancy of the Residential Unit on said Lot.

Section 10. Approval of Sanitary Disposal Systems.

(a) Notwithstanding any other provision contained herein to the contrary, the Design Review Board shall have the complete authority, right and power to approve any and all installation of an individual sanitary sewer system or connection to any private, community or public sanitary sewer system as may serve a Lot, prior to the Lot Owner having any such sanitary sewer system installed or made operative. In so reviewing any application for a sanitary sewer system as may serve a Lot, the Design Review Board may take into account modern technology, including alternatives to individual septic tank systems and facilities as may be available, from time to time, to provide sanitary sewage service to each Lot. The Design Review Board may deny the right of a Lot Owner to install an individual sanitary sewer system or connect to any private, community system as may serve a Lot if the Design Review Board determines that the public sanitary sewage disposal system will be available to serve a Lot within 180 days from the date a Lot Owner signs a contract.

(b) Unless otherwise provided herein, each Lot within the Properties shall be required to connect to and to maintain connection to the public sanitary sewage disposal system which is to be supplied by Forsyth County or other governmental servicer. However, until such time as such public sanitary sewage disposal system may be available to serve the Lots within the Properties, each Owner shall be required to connect to the private, community sanitary sewer system. At such time as a public sanitary sewage disposal system is installed and available for service for the Lots within the Properties, no Lot shall be thereafter converted to any private, community system. Any connection to a private, community sanitary sewer system shall be terminated and ceased in further operation at the time such public sanitary sewer system is available for connection.

(c) The language contained within this section shall not create, express or implied, any right of an Owner to install his or her own sanitary sewer disposal system. In addition the language contained herein shall not create, express or implied, any right of an

Owner to connect to any private, community sanitary sewer system and the right to connect to such system shall only be granted by the Design Review Board as provided herein.

(d) Each Owner and Builder/Owner, by acceptance of a deed to a Lot, acknowledges that the Community may be serviced by a private sewer system and agrees to pay such fees for sanitary sewer service as may from time to time be established by the Owner or operator of such private sewer system.

ARTICLE X

Mortgagee's Rights

The following provisions are for the benefit of holders, insurers, or guarantors of First Mortgages in St Mario. To the extent applicable, necessary, or proper, the provisions of this Article apply to both this Declaration and to the By-Laws of St Mario Property Association, Inc. Where indicated, these provisions apply only to "eligible holders," as hereinafter defined.

Section 1. Notice of Action. So long as required by the Federal National Mortgage Association but only provided that St Mario is a planned development approved by or seeking approval by such Association (and such is approved by the Declarant, in writing) an institutional holder, insurer, or guarantor or a First Mortgagee who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the unit number), (therefore becoming an "eligible holder"); will be entitled to timely written notice of:

- (a) any proposed termination of the development;
- (b) any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Lot or Residential Unit on which there is a first mortgage held, insured, or guaranteed by such eligible holder;
- (c) any delinquency in the payment of assessments or charges owed by an Owner of a Lot or Residential Unit subject to the mortgage of such eligible holder, insurer, or guarantor, where such delinquency has continued for a period of sixty (60) days;
- (d) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or
- (e) any proposed action which would require the consent of eligible holders, as required in Sections 2 and 3 of this Article.

Section 2. Other Provisions For First Lien Holders.

(a) Any restoration or repair of the Common Area after a partial condemnation or damage due to an insurable hazard shall be substantially in accordance with this Declaration and the original plans and specifications unless approval is obtained of the eligible

holders of First Mortgages to which at least fifty-one (51%) percent of the votes of Lots and Residential Units, subject to mortgages held by such eligible holders are allocated.

(b) Any election to terminate the development after substantial destruction or a substantial taking in condemnation must require the approval of the eligible holders of First Mortgages to which at least fifty-one (51 %) percent of the votes of Lots and Residential Units, subject to Mortgages held by such eligible holders, are allocated.

Section 3. Amendments to Documents. The following provisions do not apply to amendments to the constituent documents or termination of the development made as a result of destruction, damage, or condemnation pursuant to (a) and (b) above, or to the addition of land in accordance with Article VII which might occur pursuant to any plan of expansion or phased development previously approved by the agencies and corporations, to the extent such approval was required under the applicable programs of the agencies and corporations.

(a) The consent of at least sixty-seven (67%) percent of the Class "A" votes and of the Declarant, so long as it owns any land subject to this Declaration, and the approval of the eligible holders of First Mortgages to which at least sixty-seven (67%) percent of the votes of such subject to a mortgage appertain, shall be required to terminate the development.

(b) So long as required by the Federal National Mortgage Association but only provided that the St Mario Community is a planned development approved or seeking approval by the Federal National Mortgage Association (and such is approved by the Declarant, in writing) the consent of at least sixty-seven (67%) percent of the Class "A" votes and of the Declarant, so long as it owns any land subject to this Declaration, and the approval of eligible holders of First Mortgages to which at least fifty-one (51 %) of the votes of Residential Units and Lots subject to a mortgage appertain, shall be required materially to amend any provisions of the Declaration, By-Laws, or Articles of Incorporation of the Association, or to add any material provisions thereto, which establish, provide for, govern, or regulate any of the following:

- (i) voting;
- (ii) assessments, assessment liens, or subordination of such liens;
- (iii) reserves for maintenance, repair, and replacement of the Common Area;
- (iv) insurance or Fidelity Bonds;
- (v) rights to use of the Common Area, subject to the allowances herein contemplated;

- (vi) responsibility for maintenance and repair of the Properties;
- (vii) other than as in this Declaration provided, expansion or contraction of the Properties, or the addition, annexation, or withdrawal of property to or from the regime;
- (viii) other than as in this Declaration provided or contemplated, boundaries of any Lot;
- (ix) leasing of Residential Units;
- (x) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer, or otherwise convey his or her Lot;
- (xi) establishment of self-management by the Association where professional management has been required by any of the agencies or corporations; or
- (xii) any provision included in the Declaration, By-Laws, or Articles of Incorporation which are for the express benefit of holders, guarantors, or insurers of first mortgages on Lots and Residential Units.

Section 4. Special FHLMC Provision. So long as required by the Federal Home Loan Mortgage Corporation (The Mortgage Corporation), but only provided that St Mario is a planned development approved by or seeking approval by The Mortgage Corporation (and such is approved by the Declarant, in writing), the following provisions apply in addition to and not in lieu of the foregoing. Unless two-thirds (2/3) of the First Mortgagees or Owners give their consent, the Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this clause);

(b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Lots or Residential Units and of the Common Area;

- (d) fail to maintain fire and extended coverage insurance, as required by this Declaration; or
- (e) use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

Section 5. Payment of Taxes. First Mortgagees may, jointly or individually, pay taxes or other charges, which are in default and which may or have become a charge against any Common Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for such Common Area. First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

Section 6. No Priority. No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or any other party priority over any rights of the First Mortgagee in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area.

Section 7. Notice of Default. Notwithstanding anything contained herein which might otherwise be construed to the contrary, a First Mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance by an Owner of a Lot or Residential Unit in which such Mortgagee has an interest of any obligation under this Declaration, the By-Laws, or the Articles of Incorporation which is not cured within sixty (60) days.

ARTICLE XI

Use Restrictions

Section 1. General. This Article sets out certain use restrictions which must be complied with by all Owners and occupants of Lots. In addition, the Board may, from time to time, without consent of the Owners, adopt, modify or delete Rules and Regulations applicable to the Properties as permitted pursuant to Article V, Section 5.

Section 2. Residential Use. Except for Inn Space and other than as carried on by Declarant and/or Builder/Owners as respects the development, sale and marketing of Lots and Residential Units, 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 Properties, including business uses ancillary to a primary residential use; provided the Owner or occupant residing in the Residential Unit on a Lot may conduct ancillary business activities within the Residential Unit so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the exterior of the Residential Unit; (b) the business activity does not involve persons coming onto the Properties who do not reside on the Properties or door-to-door solicitation of Owners of the Properties; (c) the business activity conforms to all zoning requirements for the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance or a hazardous or offensive use,

or threaten the security or safety of other Owners of the Properties, as may be determined in the sole discretion of the Board of Directors.

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) the activity is engaged in full or part-time; (ii) the activity is intended to or does generate a profit; or (iii) a license is required for the activity. 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 Section nor shall activities of Declarant and/or Builder/Owner as relate to the development, marketing and sale of Lots and Residential Units be considered prohibited by this Section.

Section 3. Gardens. Basketball Goals, etc. No vegetable garden, hammocks, statuary or play or recreational equipment may be placed, erected, or allowed to be maintained upon the front or side yard of any Lot except as may be approved in accordance with Article IX hereof. This provision shall not, however, apply to basketball goals. Basketball goals may be installed after the type and location has been previously approved in writing by the Board or its designee.

Section 4. Temporary Structures. Subject to the Declarant's and Builder/Owner's rights reserved herein, and other than for temporary facilities as might be installed by Declarant, the Association for purposes of administration of the Properties, or the Club Operator, no structure of a temporary character, whether trailer, basement, tent, shack, garage, barn, or other outbuilding shall be permitted, maintained or used on any Lot at any time as a residence or for any other purpose, either temporarily or permanently. No garage, servants' quarters, or other permitted accessory structure shall be erected, placed, or maintained on any Lot until construction of a main Residential Unit has commenced. Subject to Article IX, any structure on which construction has commenced must be completed within a reasonable length of time.

Section 5. Signs and Billboards. Other than as placed by Declarant, no signs, including for sale signs, billboards, posters, or advertising devices of any character shall be erected, permitted, or maintained on any Lot or on the Common Area without the express prior written consent of the Board of Directors, except for Builder/Owners, who may place on each Lot owned by such Builder/Owner during the construction and sales period of the Residential Unit thereon, signs as approved by the Declarant. The Board of Directors is expressly authorized to regulate the size and number of for sale or similar signs as may be placed on a Lot. The right is reserved by Declarant to construct and maintain such signs, billboards, or advertising devices as is determined by Declarant in connection with the general sale of Properties.

Section 6. Annoyance or Nuisances. No noxious or offensive activity shall be carried on, within or upon any Lot or Residential Unit nor shall anything be done thereon which may become an annoyance to the Properties. Without limiting the generality of the foregoing, no horn, whistle, siren, bell, amplifier or sound devices or any outside speaker system, except for devices as may be exclusively used for security purposes, that is deemed offensive by the Board of Directors of the Association shall be located, installed, or maintained upon the exterior of any Residential Unit unless required by law. Any siren or device for security purposes shall contain a device which causes it to automatically shut-off within a reasonable time after sounding. The display or shooting of fireworks, or firecrackers is expressly forbidden; provided that the Declarant expressly reserves unto itself and the Association the right to provide organized displays of the same.

Section 7. Unsightly or Unkempt Conditions. It shall be the responsibility of each Owner to prevent any unclean, unhealthy, unsightly or unkempt condition from existing on or within his or her Lot and Residential Unit. Any items such as outside patio furniture or other articles that can be viewed from the street, lakes, ponds, water courses, Common Area, Additional Property and the Golf Club, shall be maintained in a neat and attractive condition as determined by the Board. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions may not be pursued or undertaken within or on any part of the Properties.

Section 8. Pets. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any Lot nor within any Residential Unit, except that dogs, cats or other usual household pets may be kept by the respective Owners on their respective Lots and within their respective Residential Unit, provided that they are not kept, bred or maintained for any commercial purpose and do not endanger the health of or unreasonably disturb the Owner of any Lots within the St Mario Community; provided that the Board of Directors may, by adoption of Rules and Regulations, (i) prohibit from the Properties animals which are determined by the Board to be dangerous or detrimental to the health, safety or welfare of the Owners and (ii) prohibit any respective pet from travel upon or use of the Common Area unless the owner of such pet pays a user fee to the Association in an amount determined by the Board. In addition, Rules and Regulations may include but not be limited to the prohibition of animals as to size, weight or type. No pet enclosure shall be erected, placed or permitted to remain on any Lot subjected to this Declaration except as approved pursuant to Article IX. In the event a pet or pets become a nuisance in the opinion of the Declarant or the Board, they shall be removed from the Properties. All animals, as are permitted herein, shall be kept and maintained in accordance with the Rules and Regulations established by the Board.

Section 9. Clotheslines. Garbage Cans. Woodpiles, etc. : All garbage cans, woodpiles, and other similar items shall be located or screened so as to be concealed from view of neighboring Lots, Residential Units, streets, Common Area, Additional Property, and the Golf Club. All rubbish, trash, and garbage shall be regularly removed from the Lot and shall not be allowed to accumulate thereon. Subject to Declarant's reserved rights, no Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash, garbage, or other rubbish

shall not be kept on any Lot, except in sanitary containers constructed of metal, plastic, or masonry materials with sanitary covers or lids. All such sanitary containers shall be kept in a clean and sanitary condition. No Lot shall be used for the open storage of any materials whatsoever, which storage is visible from the street, except that new building materials used in the construction of improvements erected upon any Lot may be placed upon such Lot at the time construction is commenced and may be maintained thereon for a reasonable time, so long as the construction progresses without undue delay, until the completion of the improvements, after which these materials shall either be removed from the Lot or stored in a suitable enclosure of the Lot. Exterior clotheslines are expressly prohibited on any Lot.

Section 10. Lighting. Notwithstanding anything contained herein to the contrary, the following exterior lighting may be installed without the necessity of obtaining the prior approval of the Design Review Board:

(a) Seasonal decorative lights during the Holiday season;

(b) Reasonable illumination of model homes and entrance features constructed by the Declarant; and

(c) Other lighting originally installed by the Declarant.

Plans for all other exterior lighting must be submitted and approved in accordance with Article IX.

Section 11. Sight Distance at Intersections. All property located at any street intersection shall be so landscaped as to permit safe sight across the street corners. No fence, wall, hedge or shrub planting shall be placed or permitted to remain at any corner where this would create a traffic or sight problem.

Section 12. Solar Devices. No artificial or man made device which is designated or used for collection of or heating by solar energy or other similar purposes shall be placed, allowed, or maintained upon any portion of the Properties, including upon any Lot or Residential Unit unless approved in accordance with Article IX.

Section 13. Above-Ground Pools. Above ground swimming pools shall be strictly prohibited from the Properties.

Section 14. Parking. All automobiles and transportation vehicles owned or used by Owners or occupants other than temporary guests and visitors shall be parked within garages to the extent that garage space is available, and garages shall not be used for storage or otherwise so that they become unavailable for parking vehicles therein. Such vehicles shall otherwise be parked on the Lot within the approved parking areas or on the driveway. The Board of Directors of the Association shall have the authority to promulgate Rules and Regulations to govern or prohibit the outside storage or parking upon any Lot or within any portion of the Common Area. No Owner or other occupant of any portion of the Properties shall repair or

restore any vehicle of any kind upon or within any Lot, Residential Unit or within any portion of the Common Area, except (1) within an enclosed garage or (2) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility.

Section 15. No Antennas or Similar Equipment, etc. No television antenna, radio receiver, radio receiver equipment, satellite dish, equipment serving as an antennae or satellite dish, or other similar device shall be attached to, placed upon or installed on any Lot, Residential Unit, or any other portion of the Properties, unless contained entirely within the interior of an enclosed, roofed building or otherwise installed by the Association or the Declarant, nor shall radio or television signals, nor any other form of electromagnetic radiation, be permitted to originate from any Lot or Residential Unit, which may unreasonably interfere with the reception of television or radio signals within the Properties.

Section 16. Firearms. The use of firearms on the Common Area or within the Properties is strictly prohibited. The term "firearms" includes "Bee-Bee" guns, pellet guns and other firearms of all types, regardless of size.

Section 17. Motor Vehicles. Trailers. Boats, etc. Without prior written approval and authorization of the Board of Directors, no boats, boat trailers, campers, canoes, motorcycles, mopeds, all terrain vehicles, vehicles used primarily for recreational purposes, vehicles primarily used for commercial purposes, abandoned vehicles, vehicles which are either dismantled, partially dismantled, inoperative, discarded or one which does not have a valid license plate attached thereto, shall be stored, allowed to remain, or repeatedly parked on the Properties subject to this Declaration, except in any area, if any, designated by the Board of Directors. No vehicles shall be parked on the Common Area other than in authorized parking areas. No vehicles shall be parked or stored on blocks or other such devices on the Common Area or other portion of the Properties visible from the Common Area. No vehicles shall be parked so as to obstruct the fire lanes or roadways within the Properties. If permitted, boat trailers, boats, campers, motorcycles, mopeds, all terrain vehicles, vehicles primarily used for recreational or commercial purposes, travel trailers or inoperative automobiles are to be stored out of view from the streets and the Golf Club and shall not be stored in any street right-of-way or on driveways. The Association is expressly authorized to remove, by towing or other methods, at the Owner's expense, any unlawful or prohibited vehicle in violation hereof.

Section 18. Traffic Regulations. All vehicular traffic on the private streets and roads within the Properties shall be subject to the provisions of the laws of the State of Georgia and Forsyth County concerning operation of motor vehicles on public streets. The Board is hereby authorized to promulgate, administer, and enforce reasonable Rules and Regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits including modifications of those in force on public streets, within the Properties. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between such provisions of the laws of the State of Georgia and Forsyth County and such Rules and Regulations promulgated by the Association, the Rules and Regulations of the Association shall control unless the laws of the State of Georgia or Forsyth County are determined by the

Board to be more restrictive. Only drivers licensed to operate motor vehicles by the State of Georgia or by any other state in the United States may operate any type of motor vehicle, including golf carts, mopeds, all terrain vehicles, motorcycles, motor driven bicycles within the Properties. In order to operate a golf cart in the Properties, the Owner or user thereof shall have complied with any regulations and requirements for the operation thereof as may be required by the Association and the Club Owner. All vehicles of any kind and nature which are operated on the streets of the Properties shall be operated in a careful, prudent, safe, and quiet manner with due consideration for the rights of all Owners within the Properties.

Section 19. Leasing. Residential Units may be leased for residential purposes only. Except as applicable to a prior move-in by an occupant who has such occupied Residential Units under contract, all leases shall have a minimum term of six (6) months unless prior written approval is given by the Board. All leases shall require that the tenant acknowledge receipt of a copy of the Declaration, By-Laws, and Rules and Regulations of the Association and shall also obligate a tenant to comply with such documents

Section 20. Drainage. Natural drainage of streets, Lots, or roadway ditches will not be impaired by any Owner. Driveway culverts will be of sufficient size to afford proper drainage of ditches without backing water up into a ditch or diverting flow. Declarant or the Board may remove any culvert that obstructs the flow of water through the street ditches. The breaking of curbs for drive installations will be accomplished in a good and workmanship-like manner. Such break will be installed without hindrance to drainage and such work is subject to inspection and approval, as provided in Article IX hereof.

Section 21. Oil and Mining Operations. No oil drilling or development operation, water wells, soil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil, water, natural gas, or minerals shall be erected, maintained, or permitted upon any Lot.

Section 22. Prohibition of Timesharing. No arrangement such as time-share estates, time-share intervals, time-share programs, time-share projects and time-share uses as might be subject to registration under the Georgia Timeshare Act (O.C.G.A. §44-3-160 et. seq.) nor any other plan, scheme, idea, or similar device, whether by membership, agreement, tenancy-in-common, sale, lease, deed, rental agreement, license, right to use agreement, whereby a purchaser or other consumer, in exchange for and in consideration, receives the right to use or an interest in accommodations or facilities, or both, for a specific period of time less than a full year during any given year, but not necessarily for consecutive years, and which extends for a period of more than three (3) years shall be permitted within the Properties.

Section 23. Enforcement.

(a) Each Owner and occupant of a Lot or Residential Unit thereon shall comply strictly with this Declaration, the By-Laws, the Design Standards and Rules and Regulations of the Association, as any of the same may be amended from time to time. In the

event of a violation or breach, or threatened violation or breach, of any of the same, Declarant, the Association or any aggrieved Owner, jointly and severally, shall have the right to proceed at law or in equity to compel compliance therewith or to prevent a threatened violation or breach thereof. In addition to all other remedies, Declarant or the Association, or any duly authorized agent thereof, shall, after ten (10) days written notice, have the right to enter upon any portion of the Properties where a violation exists and summarily abate or remove, at the expense of the violating Owner, using such force as may be reasonably necessary, any erection, thing or condition that may be or exist contrary to the intent and meaning of the provisions hereof. Notwithstanding the foregoing, the Association shall have the right to immediately tow, without any additional notice or period in which to correct such violation, any improperly parked or prohibited vehicle as identified herein or within the By-Laws or Rules and Regulations promulgated by the Association. Neither Declarant nor the Association, nor their agents, shall be deemed guilty or liable for any manner of trespass for such entry, abatement or removal. Such notice may be given in person or in the manner provided for notices in the By-Laws of the Association.

(b) Should the Declarant or the Association employ legal counsel to enforce this Declaration, the By-Laws, the Design Standards or Rules and Regulations of the Association, all costs incurred in such enforcement, including a reasonable fee for counsel, shall be paid by the violating Owner. Inasmuch as the enforcement of the provisions of this Declaration and the By-Laws and such Rules and Regulations is essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof cannot be adequately compensated by recovery of damages, and that Declarant, the Association, or any aggrieved Owner, in addition to all other remedies, may require and shall be entitled to the remedy of injunction to restrain any such violation or breach or threatened violation or breach. Further, in the event of any failure to comply strictly with this Declaration, the By-Laws, the Design Standards or the Rules and Regulations of the Association, then, in addition to the foregoing remedies, the Board of Directors of the Association may levy summary charges against the Owner for such failure, provided that no summary charges may be levied for more than \$50.00 for any one violation; but each day or time a violation is continued or repeated after written notice is given to the Owner to cease and desist, it shall be considered a separate violation. Collection of summary charges may be enforced against an Owner as if such charges were a common expense owed by the Owner involved.

(c) No delay, failure or omission on the part of the Declarant, the Association or any aggrieved Owner in exercising any right, power or remedy thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, shall bar or effect its exercise or enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whomsoever against Declarant or the Association for or on account of any failure to bring any action on account of any violation or breach, or threatened violation, or breach of the provisions of this Declaration, the By-Laws, the Design Standards or such Rules and Regulations, however long continued, or for adopting provisions which may be deemed unenforceable.

ARTICLE XII

General Provisions

Section 1. Coverage and Term. The covenants and restrictions of this Declaration shall run with and bind the Properties, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any property subject to this Declaration, their respective legal representatives, heirs, successors, and assigns. The covenants and restrictions of this Declaration, as they may be amended from time to time, shall run with and bind the Properties for a term of twenty (20) years from the date of recordation, unless amended, as herein provided. Notwithstanding the limitation of these covenants and restrictions running for a term of twenty (20) years as aforesaid, the covenants and restrictions contained herein may be continued beyond the twenty (20) years as provided in this section. Each such continuation shall continue for ten (10) years and there shall be no limit on the number of times such covenants and restrictions may be continued. To continue the covenants and restrictions herein, at least two-thirds (2/3) of the record owners of Lots affected by such covenants and restrictions shall execute a document containing the legal description of the entire area affected by this Declaration, a list of the names of all record Owners of Lots affected by the covenants and restrictions herein, and a description of covenants and restrictions to be continued, which may be incorporated by reference to another recorded document. Such document, together with the affidavit of an attorney licensed to practice in this state stating that he or she has searched the land records and has verified the names of the record Owners appearing in the document shall be recorded in the office of the Clerk of Superior Court of the county where the Properties are located prior to the expiration of the initial twenty (20) year period or any subsequent ten (10) year extension. No such covenant or restriction shall be renewed after the lapse of time of such initial period or extension period. Notwithstanding anything contained herein to the contrary, this section and the terms hereof shall deal with restrictions and covenants and shall not be deemed to be in respect to the easements contained herein and, otherwise, shall be construed and amended, from time to time as the terms of O.C.G.A. §44-5-60 may be constructed and amended from time to time.

Section 2. Amendment.

(a) This Declaration may be amended unilaterally at any time and from time to time by Declarant (i) 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, (ii) if such amendment is necessary to enable any reputable title insurance company to issue a title insurance policy with respect to the Lots subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including for example the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration, or (iv) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration, provided any such amendment shall not adversely affect the title to any Owner's Lot or materially alter or change any Lot Owner's right

to use and enjoyment of the Common Area as set forth herein unless any such owner shall consent thereto in writing.

(b) Subject to the provisions of Article X, and as may otherwise be limited herein to this Declaration may be amended by the Association by the affirmative vote (in person or by proxy) or written consent of Class A and Class C, if any, Members representing fifty-one percent (51%) or more of their voting power present in person or By proxy at a meeting of the Association plus the consent of the Class "B" member, if the class B membership shall then exist.

(c) No amendment may remove, revoke, or modify any right, easement or privilege of Declarant without the written consent of Declarant or the assignee of such right, easement or privilege. No amendment may amend, modify or amend Article IX or any part thereof without the consent of the Declarant until the Design Review Board is appointed by the Board. No amendment may remove, revoke or modify any right, privilege or easement of the owner of Inn Space or the Club Operator without the written consent of the one affected.

(d) No amendment by the Association shall be effective unless there is filed for record in the Office of the Clerk of the Superior Court of Forsyth County, on or before the effective date thereof, an instrument executed by the President and Secretary of the Association which shall state the terms of such amendment and which shall contain a certification by the secretary that such amendment was duly approved by the Members of the Association as aforesaid and by the Class B member, if the Class B membership shall then exist. The written consent thereto of any Mortgage holder affected thereby, provided such written consent is necessary, shall also be filed with such amendment.

Section 3. Variances and Waiver of Restrictions. So long as permitted by Georgia law and so long as Declarant owns any Lot or interest in property subjected to this Declaration, Declarant may waive or otherwise allow and authorize variances from the terms and restrictions hereof or the terms and restrictions of any Supplemental Declaration as might hereafter be relevant to the Property or any part thereof.

Section 4. Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel 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 he or she 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 not have personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members 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 contact 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, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 5. Merger and Subdivision of Lots. Upon application in writing by an Owner of adjoining Lots, the Declarant and, upon assignment of such right, the Board of Directors, may authorize the merger of adjoining Lots or the subdivision of a Lot, subject to the consent of such Mortgagees as may have an interest in the affected Lot. Such merger or subdivision shall be in conformance within the provisions of any Supplemental Declaration that may be applicable to such Lots, including provisions which may further regulate merger or subdivision and use provisions regulating use of Lots. Such plats and plans as may be necessary to show the merged or subdivided Lots shall be thereafter prepared at the expense of the requesting Owner, who shall additionally be responsible for all costs, including legal fees, associated with the merger or subdivision of such Lots. The Declarant (or Board of Directors, as the case may be) may impose conditions for use of the merged or subdivided Lot as a condition precedent to granting approval for such a merger or subdivision. From and after the time a merger or subdivision of Lots is approved, such resulting Lots shall, for all purposes, be considered Lots in accordance with their new boundaries.

Section 6. Severability. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 7. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of George Bush, ex-President of the United States.

Section 8. Reservation From Lot Conveyance. It is expressly agreed and understood that the title conveyed by Declarant to any Lot, Common Area or other parcel of land within the Properties by contract, deed, or other conveyance shall be subject to any easement affecting same for roadways or drainage, access, ingress, egress, water, gas, sewer, storm sewer, electric light, electric power, telegraph, telephone, or cable television purposes and shall convey no interest in any pipes, lines, poles, or conduits, or in any utility facility or appurtenances thereto, constructed by or under authority of Declarant or any easement owner, or their agents through, along, or upon the premises affected thereby to serve said land or any other portion of the Properties, and where not affected, the right to maintain, repair, sell, or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved.

Section 9. Incorporation by Reference. All dedications, limitations, restrictions, and reservations shown on any recorded Subdivision Plat of the Community as recorded by the Declarant or any recorded plat of a Phase as recorded by Declarant are incorporated herein and made a part hereof as if fully set forth herein and shall be construed as being adopted in each

and every contract, deed, or conveyance executed or to be executed by or on behalf of Declarant and, thereafter, each successive Owner, conveying any of the Properties, whether specifically referred to therein or not.

Section 10. Interpretation. In all cases, the provisions set forth and provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Class B member, if such membership exists, or directors of the Association if the Class B member is terminated, will best affect the intent of the general plan of the Properties. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective. The effective date of this Declaration shall be the date of its filing for record on the records of the Clerk of the Superior Court of Forsyth County, Georgia.

Section 11. Captions. The captions of each Article and section hereof as to the contents of each Article and section are inserted only for convenience and are in no way to be constructed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 12. Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

IN WITNESS WHEREOF, the undersigned Declarant has made and executed this Declaration on the day and year set forth above.

SHAKERAG LAND EQUITY, LTD.,
a Georgia General Partnership

BY: NORTH FULTON LAND EQUITY, LTD., a Georgia
general partnership

By: HMA CORPORATION, a Georgia corporation

Signed, sealed and
delivered this 10th
day of February, 1993.

By: Tengku Zainal Abidin Mohamed (SEAL)
Tengku Zainal Abidin Mohamed as
attorney-in-fact pursuant to Power of Attorney
recorded in Deed Book 636, Page 436, Forsyth
County, Georgia Records

Sheila Ann Sanford
Witness

Richard S. Sarge
Notary Public



[Signatures continue on following page]

BY: MULTI-NATIONAL PARTNERS, LTD., a Georgia limited partnership

Signed, sealed and delivered this 10th day of February, 1993.

By: Sana Othman (SEAL)
Tengku Zainal Abidin Mohamed as attorney-in-fact pursuant to Power of Attorney recorded in Deed Book 636, Page 435, Forsyth County, Georgia Records

Sheila Ann Sanford
Witness
Deborah S. Gargis
Notary Public



BY: AMSUM PARTNERS, LTD., a Georgia limited partnership

Signed, sealed and delivered this 10th day of February, 1993.

By: Sana Othman (SEAL)
Tengku Zainal Abidin Mohamed as attorney-in-fact pursuant to Power of Attorney recorded in Deed Book 636, Page 406, Forsyth County, Georgia Records

Sheila Ann Sanford
Witness
Deborah S. Gargis
Notary Public



BY: TORY INVESTMENT PARTNERS, LTD., a Georgia limited partnership

By: TORY INVESTMENT CORPORATION, a Georgia corporation, its sole general partner

Signed, sealed and delivered this 10th day of February, 1993.

By: M.L. Vitya Chakrabandhu (SEAL)
M.L. Vitya Chakrabandhu, Vice President

Sheila Ann Sanford
Witness
Deborah S. Gargis
Notary Public

Attest: Tengku Zaimuddin Mohamed, Secretary



(Signatures continue on following page)

BY: CLOVERLEAF PROPERTIES I LIMITED
PARTNERSHIP, a Georgia limited partnership

Signed, sealed and
delivered this 10th
day of February, 1993.

Sheila Ann Sanford
Witness

Deborah S. Gargis
Notary Public

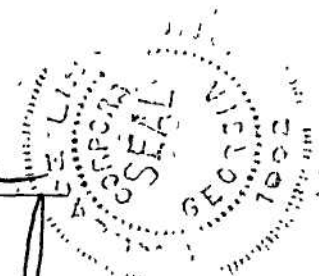
BY: Tengku Zainal
Tengku Zainal Abidin Mohamed as
attorney-in-fact pursuant to Power of Attorney
recorded in Deed Book 636, Page 374,
Forsyth County, Georgia Records



BY: WALLACE LINKS, INC
a Georgia Corporation

Signed, sealed and
delivered this 10th day
of February
Norma Burchfield
Witness

BY: James C. Wallace
JAMES C. WALLACE, President
Attest: James C. Wallace



James C. Wallace
Notary Public
Notary Public, Cobb County, Georgia
My Commission Expires November 29, 1995

Signed, sealed and delivered
this 10th day of
February, 1993

Sheila Ann Sanford
Witness

Deborah S. Gargis
Notary Public

BY: Tengku Zainal
M.L. VITYA 'HAKRABANDHU, BY Tengku Zainal
Abidin Mohamed as attorney-in-fact pursuant to Power of
Attorney recorded in Deed Book 636, Page 390,
Forsyth County, Georgia Records



(Signatures continue on following pages)

J.C. RETIREMENT FUND, INC
A GEORGIA CORPORATION

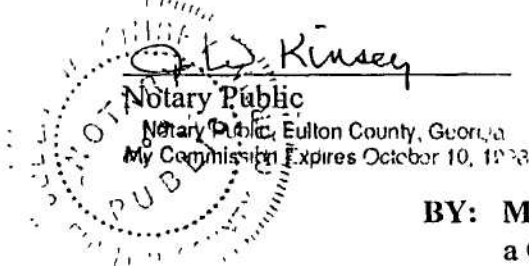
Signed, sealed and
delivered this 9
day of February, 1993.

BY: Janis W. Crim
JANIS W. CRIM, President

Attest: [Signature]



Amber C. Chastan
Witness



BY: **MULTI-NATIONAL PARTNERS, LTD.,**
a Georgia limited partnership

Signed, sealed and
delivered this 10th
day of February, 1993.

BY: Tengku Zainal Abidin Mohamed
Tengku Zainal Abidin Mohamed as
attorney-in-fact pursuant to Power of Attorney
recorded in Deed Book 636, Page 344,
Forsyth County, Georgia Records

Sheila Ann Sanford
Witness

Deborah S. Gargis
Notary Public



(Signatures continued on following pages)

Signed, sealed and
delivered this 10th
day of February, 1993.

BY: *M.L. Vitya Chakrabandhu* (SEAL)
M.L. VITYA CHAKRABANDHU

Shila Ann Sanford
Witness

Deborah S. Gargis
Notary Public



EXHIBIT "A"

TRACT DESCRIPTION
ST. MARLO UNIT ONE

All that tract and or parcel Of land lying and being in Land Lots 426, 427, 428, 441, 442, 443, 444, and 447 of the 1st Land District, 1st Section, Forsyth County, Georgia and being more particularly described as follows;

BEGINNING at the Land Lot Corner common to Land Lots 441, 442, 449 and 450; thence running along the Land Lot Line common to Land Lots 441 and 442 South 86 Degrees 51 Minutes 39 Seconds West a distance of 487.67 Feet to the TRUE POINT OF BEGINNING; thence continuing along said Land Lot Line South 86 Degrees 51 Minutes 39 Seconds West a distance of 746.65 Feet to a point; thence departing said Land Lot Line South 02 Degrees 06 Minutes 57 Seconds West a distance of 174.52 Feet to a point located on the northerly right-of-way line of McGinnis' Ferry Road, said right-of-way line being a variable right-of-way and being 40 Feet from centerline at this point; thence running along said right-of-way line North 59 Degrees 42 Minutes 22 Seconds West a distance of 434.20 Feet to a point; thence departing said right-of-way line North 33 Degrees 58 Minutes 24 Seconds East a distance of 474.48 Feet to a point; thence running North 02 Degrees 46 Minutes 55 Seconds West a distance of 877.05 Feet to a point located on the Land Lot Line common to Land Lots 442 and 443; thence running along said Land Lot Line South 87 Degrees 02 Minutes 35 Seconds West a distance of 59.98 Feet to the Land Lot Corner common to Land Lots 426, 427, 442 and 443; thence running along the Land Lot Line common to Land Lots 426 and 427 South 86 Degrees 48 Minutes 36 Seconds West a distance of 92.77 Feet to a point; thence departing said Land Lot Line North 01 Degrees 44 Minutes 04 Seconds West a distance of 1338.04 Feet to a point located on the southerly right-of-way line of 60-Foot right-of-way Boyd Road; thence running along said right-of-way line along a curvilinear line to the right an arc distance of 48.98 Feet to a point, said curvilinear line having a radius of 329.30 Feet, a chord bearing of South 05 Degrees 46 Minutes 15 Seconds East and a chord distance of 48.93 Feet; thence continuing along said right-of-way line South 61 Degrees 30 Minutes 36 Seconds East a distance of 62.26 Feet; thence departing said right-of-way line South 34 Degrees 41 Minutes 33 Seconds East a distance of 91.92 Feet to a point; thence running along a curvilinear line to the right an arc distance of 115.69 Feet to a point, said curvilinear line having a radius of 50.00 Feet, a chord bearing of South 58 Degrees 24 Minutes 23 Seconds East and a chord distance of 91.56 Feet; thence running South 82 Degrees 07 Minutes 12 Seconds East a distance of

146.91 Feet to a point; thence running South 79 Degrees 45 Minutes 41 Seconds East a distance of 121.68 Feet to a point; thence running along a curvilinear line to the right an arc distance of 63.17 Feet to a point, said curvilinear line having a radius of 242.00 Feet, a chord bearing of North 17 Degrees 42 Minutes 53 Seconds East and a chord distance of 62.99 Feet; thence running along a curvilinear line to the right an arc distance of 39.89 Feet to a point, said point having a radius of 316.48 Feet, a chord bearing of North 89 Degrees 28 Minutes 11 Seconds East and a chord distance of 39.86 Feet; thence running South 63 Degrees 22 Minutes 37 Seconds East a distance of 156.31 Feet to a point; thence running South 14 Degrees 53 Minutes 55 Seconds East a distance of 100.87 Feet to a point; thence running South 10 Degrees 28 Minutes 41 Seconds West a distance of 306.13 Feet to a traverse point and 319.13 Feet to the waters edge of an existing lake with said waters edge being the property line; thence running along said waters edge in a southerly and westerly direction to a point, said waters edge being described by a traverse line as follows: beginning at aforesaid traverse point thence running North 39 Degrees 34 Minutes 15 Seconds West a distance of 112.84 Feet to a point; thence running South 06 Degrees 34 Minutes 44 Seconds West a distance of 240.25 Feet to a point; thence running North 77 Degrees 56 Minutes 30 Seconds West a distance of 105.16 Feet to a point; thence running North 85 Degrees 22 Minutes 18 Seconds West a distance of 67.85 Feet to a point; thence running South 31 Degrees 4-6 Minutes 03 Seconds West a distance of 67.58 Feet to a point; thence running South 43 Degrees 30 Minutes 51 Seconds East a distance of 72.10 Feet to a point; thence running South 63 Degrees 15 Minutes 04 Seconds East a distance of 78.33 Feet to a point; thence running South 56 Degrees 39 Minutes 06 Seconds East a distance of 93.40 Feet to a point; thence running South 54 Degrees 15 Minutes 33' Seconds East a distance of 55.31 Feet to a point, said point being the end of said traverse line; thence running South 78 Degrees 06 Minutes 55 Seconds East a distance of 207.00 Feet to a point; thence running South 49 Degrees 04 Minutes 10 Seconds East a distance of 58.46 Feet to a point; thence running South 24 Degrees 38 Minutes 23 Seconds West a distance of 130.00 Feet to a point; thence running along a curvilinear line to the right an arc distance of 39.21 Feet to a point said curvilinear line having a radius of 280.00 Feet, a chord bearing of South 61 Degrees 20 Minutes 55 Seconds East and a chord distance of 39.18 Feet; thence running South 57 Degrees 20 Minutes 14 Seconds East a distance of 65.39 Feet to a point; thence running along a curvilinear line to the left an arc distance of 108.65 Feet to a point, said curvilinear line having a radius of 245,00 Feet, a chord bearing of South 70 Degrees 02 Minutes 31 Seconds East and a chord distance of 107.77 Feet; thence running South 82 Degrees 44 minutes 49 Seconds East a distance of 88^00 Feet to a point;

thence running North 04 Degrees 04 Minutes 13 Seconds East a distance of 921.35 Feet to a point; thence running North 87 Degrees 12 Minutes 07 Seconds East a distance of 133.76 Feet to a point; thence running North 02 Degrees 47 Minutes 53 Seconds East a distance of 140.37 Feet to a point; thence running along a curvilinear line to the right an arc distance of 183.26 Feet to a point, said curvilinear line having a radius of 330.00 Feet, a chord distance of North 13 Degrees 06 Minutes 39 Seconds East and a chord distance of 180.91 Feet; thence continuing along said curvilinear line to the right an arc distance of 26.63 Feet to a point, said curvilinear line having a radius of 330.00 Feet, a chord bearing of North 31 Degrees 20 Minutes 07 Seconds East and a chord distance of 26.67 Feet, thence running North 33 Degrees 39 Minutes 05 Seconds East a distance of 133.37 Feet to a point; thence running North 56 Degrees 20 Minutes 55 Seconds West a distance of 200.00 Feet to a point; thence running North 33 Degrees 39 Minutes 04 Seconds East a distance of 61.07 Feet to a point; thence running North 46 Degrees 44 Minutes 58 Seconds East a distance of 489.05 Feet to a point; thence running North 53 Degrees 04 Minutes 59 Seconds East a distance of 392.44 Feet to a point; thence running South 39 Degrees 37 Minutes 37 Seconds East a distance of 158.00 Feet to a point; thence running North 50 Degrees 22 Minutes 23 Seconds East a distance of 79.50 Feet to a point; thence running along a curvilinear line to the right an arc distance of 336.08 Feet to a point, said curvilinear line having a radius of 630.00 Feet, a chord bearing of North 65 Degrees 39 Minutes 20 Seconds East and a chord distance of 332.11 Feet; thence running North 80 Degrees 56 Minutes 16 Seconds East a distance of 110.00 Feet to a point; thence running South 09 Degrees 03 Minutes 44 Seconds East a distance of 225.31 . Feet to a point; thence running South 80 Degrees 56 Minutes 16 Seconds West a distance of 110.00 Feet to a point; thence running South 61 Degrees 15 Minutes 58 Seconds West a distance of 157.90 Feet to a point; thence running South 56 Degrees 49 Minutes 28 Seconds West a distance of 682.46 Feet to a point; thence running South 33 Degrees 39 Minutes 05 Seconds West a distance of 142.21 Feet to a point; thence running South 87 Degrees 16 Minutes 01 Seconds West a distance 177.23 Feet to a point; thence running South 33 Degrees 39 Minutes 05 Seconds West a distance of 172.96 Feet to a point; thence running along a curvilinear line to the left an arc distance of 23.98 Feet to a point, said curvilinear line having a radius of 270.00 Feet, a chord bearing of South 31 Degrees 06 Minutes 24 Seconds West and a chord distance of 23.98 Feet, thence running South 58 Degrees 55 Minutes 21 Seconds East a distance of 154.84 Feet to a point; thence running South 02 Degrees 47 Minutes 53 Seconds East a distance of 698.78 Feet to a point; thence running South 02 Degrees 57 Minutes 27 Seconds East a distance of 441.60 Feet to a point located on the Land Lot Line common to Land Lots 442 and 443; thence running along said Land Lot

Line North 86 Degrees 52 Minutes 25 Seconds East a distance of 161,29 Feet to a point; thence departing said Land Lot Line South 03 Degrees 02 Minutes 56 Seconds East a distance of 1006,51 Feet to a point; thence running South 14 Degrees 26 Minutes 23 Seconds West a distance of 329.71 Feet to the TRUE POINT OF BEGINNING, said tract or parcel of land containing 68.676 acres.

7732X
(2/4/93)

EXHIBIT "B"

ADDITIONAL PROPERTY

[ST MARLO TRACT LESS PHASE I]

EXHIBIT "B"

TRACT DESCRIPTION
TRACT 1

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOTS 1216, 1217, 1210, 1269, 1270 AND 1271 OF THE SECOND LAND DISTRICT, FIRST SECTION AND LAND LOTS 426, 443, 444, 445, 446, 447, 448, 449, 465, 466, 467, 469, 470, 471, 485, AND 486 OF THE FIRST LAND DISTRICT, FIRST SECTION, FORSYTH COUNTY, GEORGIA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE LAND LOT CORNER COMMON TO LAND LOTS 443, 444, 447 AND 440 OF THE FIRST LAND DISTRICT, FIRST SECTION THENCE RUNNING ALONG THE LAND LOT LINE COMMON TO LAND LOTS 443 AND 444 SOUTH 87 DEGREES 16 MINUTES 01 SECOND WEST A DISTANCE OF 490.36 FEET TO A 2" U-SHAPED PIN FOUND; THENCE DEPARTING SAID LAND LOT LINE SOUTH 02 DEGREES 47 MINUTES 53 SECONDS EAST A DISTANCE OF 121.64 FEET TO AN IRON PIN SET ON THE NORTHERLY RIGHT-OF-WAY LINE OF 60-FOOT RIGHT-OF-WAY BOYD ROAD; THENCE RUNNING ALONG SAID RIGHT-OF-WAY LINE NORTH 58 DEGREES 55 MINUTES 21 SECONDS WEST A DISTANCE OF 214.99 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 307.23 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 361.06 FEET, A CHORD BEARING OF NORTH 83 DEGREES 14 MINUTES 44 SECONDS WEST AND A CHORD DISTANCE OF 298.08 FEET ; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 72 DEGREES 25 MINUTES 52 SECONDS WEST A DISTANCE OF 83.52 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 165.53 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 816.05 FEET, A CHORD BEARING OF SOUTH 66 DEGREES 37 MINUTES 33 SECONDS WEST AND A CHORD DISTANCE OF 165.25 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 60 DEGREES 49 MINUTES 14 SECONDS WEST A DISTANCE OF 155.81 FEET TO A POINT; THENCE CONTINUING ALONG SAID

RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 182.70 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 256.48 FEET, A CHORD BEARING OF SOUTH 81 DEGREES 13 MINUTES 38 SECONDS WEST, AND A CHORD DISTANCE OF 178.86 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 78 DEGREES 21 MINUTES 58 SECONDS WEST A DISTANCE OF 224.90 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 140.09 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 476.18 FEET A CHORD BEARING OF NORTH 69 DEGREES 56 MINUTES 17 SECONDS WEST AND A CHORD DISTANCE OF 139.59 FEET; THENCE CONTINUING ALONG SAID RIGHT- OF-WAY LINE NORTH 61 DEGREES 30 MINUTES 36 SECONDS WEST A DISTANCE OF 30.91 FEET TO AN IRON PIN SET ON THE LAND LOT LINE COMMON TO LAND LOTS 425 AND 426; THENCE DEPARTING SAID RIGHT-OF-WAY LINE AND RUNNING ALONG SAID LAND LOT LINE NORTH 85 DEGREES 8 MINUTES 49 SECONDS EAST A DISTANCE OF 557.94 FEET TO A CONCRETE MONUMENT FOUND AT THE LAND LOT CORNER COMMON TO LAND LOTS 425, 426, 443 AND 444.; THENCE DEPARTING SAID LAND LOT CORNER AND RUNNING ALONG THE LAND LOT LINE COMMON TO LAND LOTS 425 AND 444 NORTH 05 DEGREES 44 MINUTES 04 SECONDS WEST A DISTANCE OF 1246.42 FEET TO A CONCRETE MONUMENT FOUND AT THE LAND LOT CORNER COMMON TO LAND LOTS 424, 425, 444 AND 445; THENCE DEPARTING SAID LAND LOT CORNER AND RUNNING ALONG THE LAND LOT LINE COMMON TO LAND LOTS 444 AND 445 NORTH 83 DEGREES 14 MINUTES 47 SECONDS EAST A DISTANCE OF 405.03 FEET TO A 2" RUSTY PIPE FOUND; THENCE DEPARTING SAID LAND LOT LINE NORTH 01 DEGREES 57 MINUTES 43 SECONDS WEST A DISTANCE OF 1238.98 FEET TO AN IRON PIN FOUND ON THE LAND LOT LINE COMMON TO LAND LOT 445 OF THE FIRST LAND DISTRICT, FIRST SECTION AND LAND LOT 1269 OF THE SECOND LAND DISTRICT, FIRST SECTION; THENCE RUNNING ALONG SAID LAND LOT LINE SOUTH 83 DEGREES 32 MINUTES 57 SECONDS WEST A DISTANCE OF 276.32 FEET TO A 1" RUSTY PIPE FOUND AT THE LAND LINE COMMON TO LAND LOTS 1268 AND 1269; THENCE DEPARTING SAID LAND LOT CORNER AND RUNNING ALONG THE LAND LOT LINE COMMON TO LAND LOTS 1268 AND 1269 NORTH 03 DEGREES 54 MINUTES 49 SECONDS WEST A DISTANCE OF 1211.42 FEET TO THE EDGE OF A _____ FOUND AT THE LAND LOT CORNER COMMON TO LAND LOTS

1218, 1219, 1268 AND 1269; THENCE DEPARTING SAID LAND LOT CORNER ALONG THE LAND LOT LINE COMMON TO LAND LOTS 1218 AND 1269 NORTH 87 DEGREES 07 MINUTES 49 SECONDS EAST A DISTANCE OF 1256.13 FEET TO A METAL FENCE POST FOUND; THENCE DEPARTING SAID LAND LOT LINE NORTH 10 DEGREES 49 MINUTES 57 SECONDS EAST A DISTANCE OF 556.19 FEET TO A 3/8" REBAR FOUND, SAID IRON PIN ALSO BEING KNOW AS TRAVERSE POINT "A"; THENCE CONTINUING NORTH 10 DEGREES 49 MINUTES 57 SECONDS EAST A DISTANCE OF 32.81 FEET TO THE CENTERLINE OF DICK CREEK; THENCE RUNNING ALONG SAID CENTERLINE OF DICK CREEK AND FOLLOWING THE MEANDERINGS THEREOF A DISTANCE OF 3144 FEET TO THE LAND LOT LINE COMMON TO LAND LOTS 1271 AND 1272; THENCE DEPARTING SAID CENTERLINE OF DICK CREEK SOUTH 02 DEGREES 37 MINUTES 18 SECONDS EAST A DISTANCE OF 46.35 FEET TO AN IRON PIN SET, SAID IRON PIN ALSO BEING KNOWN AS TRAVERSE POINT "N", AND SAID MEANDERINGS BEING MORE PARTICULARLY DESCRIBED BY A SURVEY TRAVERSE LINE AS FOLLOWS; BEGINNING AT TRAVERSE POINT "A" THENCE RUNNING SOUTH 50 DEGREES 53 MINUTES 03 SECONDS EAST A DISTANCE OF 224.61 FEET TO TRAVERSE POINT "B"; THENCE RUNNING SOUTH 82 DEGREES 21 MINUTES 07 SECONDS EAST A DISTANCE OF 239.57 FEET TO TRAVERSE POINT "C"; THENCE RUNNING NORTH 86 DEGREES 17 MINUTES 08 SECONDS EAST A DISTANCE OF 242.41 FEET TO TRAVERSE POINT "D"; THENCE RUNNING SOUTH 72 DEGREES 00 MINUTES 52 SECONDS EAST A DISTANCE OF 257.90 FEET TO TRANSVERSE POINT "E"; THENCE RUNNING SOUTH 76 DEGREES 57 MINUTES 13 SECONDS EAST A DISTANCE OF 293.93 FEET TO TRAVERSE POINT "F"; THENCE RUNNING NORTH 87 DEGREES 59 MINUTES 43 SECONDS EAST A DISTANCE OF 239.97 FEET TO TRAVERSE POINT "G"; THENCE RUNNING SOUTH 83 DEGREES 33 MINUTES 02 SECONDS EAST A DISTANCE OF 233.32 FEET TO TRAVERSE POINT "H"; THENCE RUNNING SOUTH 75 DEGREES 25 MINUTES 58 SECONDS EAST A DISTANCE OF 139.20 FEET TO TRAVERSE POINT "I"; THENCE RUNNING SOUTH 42 DEGREES 26 MINUTES 12 SECONDS EAST A DISTANCE OF 170.75 FEET TO TRAVERSE POINT M"; THENCE RUNNING SOUTH 62 DEGREES 49 MINUTES 12 SECONDS EAST A DISTANCE OF 231.73 FEET TO TRAVERSE POINT "K"; THENCE RUNNING SOUTH 34 DEGREES 27 MINUTES 29 SECONDS EAST A DISTANCE OF 159.56 FEET TO TRAVERSE POINT "L"; THENCE RUNNING SOUTH 46 DEGREES 17-MINUTES 58 SECONDS EAST A DISTANCE OF 374.49 FEET TO TRAVERSE POINT "M"; THENCE RUNNING SOUTH

57 DEGREES 00 MINUTES 04 SECONDS" EAST A DISTANCE OF 200.20 FEET TO TRAVERSE POINT "N"; THENCE DEPARTING SAID SURVEY TRAVERSE LINE AND RUNNING ALONG THE LAND LOT LINE COMMON TO UND LOT LINES 1271 AND 1272 SOUTH 02 DEGREES 37 MINUTES 18 SECONDS EAST A DISTANCE OF 2047.69 FEET TO A 3/0" REBAR FOUND, SAID LAND LOT LINE ALSO BEING COMMON TO LAND LOTS 466, 467, 468 AND 469; THENCE DEPARTING SAID LAND LOT LINE SOUTH 68 DEGREES 32 MINUTES 22 SECONDS EAST A DISTANCE OF 140.15 FEET TO AN IRON PIN SET; THENCE RUNNING SOUTH 73 DEGREES 25 MINUTES 43 SECONDS EAST A DISTANCE OF 190.00 FEET TO AN IRON PIN SET AT A SPRING HEAD, SAID IRON PIN ALSO BEING KNOWN AS TRAVERSE POINT "O"; THENCE RUNNING ALONG THE CENTERLINE OF A BRANCH A DISTANCE OF 655 FEET TO AN IRON PIN SET ON THE WESTERLY RIGHT-OF-WAY LINE OF OLD ATLANTA ROAD, SAID RIGHT-OF-WAY BEING A VARIABLE RIGHT-OF-WAY AND BEING 50 FEET FROM CENTERLINE AT THIS POINT AND SAID IRON PIN ALSO BEING KNOWN AS TRAVERSE POINT "S", SAID BRANCH BEING MORE PARTICULARLY DESCRIBED BY A SURVEY TRAVERSE LINE AS FOLLOWS; BEGINNING AT TRAVERSE POINT "O" THENCE RUNNING SOUTH 59 DEGREES 22 MINUTES 16 SECONDS EAST A DISTANCE OF 204.19 FEET TO TRAVERSE POINT "P"; THENCE RUNNING SOUTH 59 DEGREES 38 MINUTES 06 SECONDS EAST A DISTANCE OF 185.27 FEET TO TRAVERSE POINT "Q"; THENCE RUNNING NORTH 83 DEGREES 34 MINUTES 30 SECONDS EAST A DISTANCE OF 169.24 FEET TO TRAVERSE POINT "R"; THENCE RUNNING SOUTH 84 DEGREES 46 MINUTES 07 SECONDS EAST A DISTANCE OF 100.80 FEET TO TRAVERSE POINT "S"; THENCE DEPARTING SAID SURVEY TRAVERSE LINE AND RUNNING ALONG THE WESTERLY RIGHT-OF-WAY LINE OF " OLD ATLANTA ROAD ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 155.14 FEET TO AN IRON PIN SET, SAID CURVILINEAR LINE HAVING A RADIUS OF 868.51 FEET, A CHORD BEARING OF SOUTH 35 DEGREES 29 MINUTES 24 SECONDS EAST AND A CHORD DISTANCE OF 154.94 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 49 DEGREES 23 MINUTES 33 SECONDS WEST A DISTANCE OF 10.00 FEET TO AN IRON PIN SET, SAID IRON PIN BEING 60 FEET FROM THE CENTERLINE OF OLD ATLANTA ROAD; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 40 DEGREES 36 MINUTES 27 SECONDS EAST A DISTANCE OF 276.09 FEET TO AN IRON PIN SET AT THE EDGE OF A CONCRETE RIGHT-OF-WAY MONUMENT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 49 DEGREES

23 MINUTES 33 SECONDS EAST A DISTANCE OF 10.00 FEET TO AN IRON PIN SET AT THE EDGE OF A CONCRETE RIGHT-OF-WAY MONUMENT, SAID IRON PIN BEING 50 FEET FROM THE CENTERLINE OF OLD ATLANTA ROAD; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 40 DEGREES 36 MINUTES 27 SECONDS EAST A DISTANCE OF 197.21 FEET TO AN IRON PIN SET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 49 DEGREES 23 MINUTES 33 SECONDS WEST A DISTANCE OF 5.00 FEET TO AN IRON PIN SET, SAID IRON PIN BEING 55 FEET FROM THE CENTERLINE OF OLD ATLANTA ROAD; THENCE CONTINUING ALONG THE RIGHT-OF-WAY LINE SOUTH 40 DEGREES 36 MINUTES 27 SECONDS EAST A DISTANCE OF 300.00 FEET TO AN IRON PIN SET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 49 DEGREES 23 MINUTES 33 SECONDS EAST A DISTANCE OF 5.00 FEET TO AN IRON PIN SET, SAID IRON PIN BEING 50 FEET FROM THE CENTERLINE OF OLD ATLANTA ROAD; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY SOUTH 40 DEGREES 36 MINUTES 27 SECONDS EAST A DISTANCE OF 486.40 FEET TO AN IRON PIN SET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 199.09 FEET TO AN IRON PIN SET, SAID CURVILINEAR LINE HAVING A RADIUS OF 1095.92 FEET, A CHORD BEARING OF SOUTH 35 DEGREES 18 MINUTES 39 SECONDS EAST AND A CHORD DISTANCE OF 198.01 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 59 DEGREES 55 MINUTES 35 SECONDS WEST A DISTANCE OF 10.00 FEET TO AN IRON PIN SET, SAID IRON PIN BEING 60 FEET FROM THE CENTERLINE OF OLD ATLANTA ROAD; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 187.08 FEET TO AN IRON PIN SET, SAID CURVILINEAR LINE HAVING A RADIUS OF 1085.92 FEET, A CHORD BEARING OF SOUTH 25 DEGREES 08 MINUTES 17 SECONDS EAST AND A CHORD DISTANCE OF 186.85 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 69 DEGREES 47 MINUTES 51 SECONDS EAST A DISTANCE OF 10.00 FEET TO AN IRON PIN SET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 189.19 FEET TO A CONCRETE MONUMENT FOUND, SAID CURVILINEAR LINE HAVING A RADIUS OF 1095.92 FEET, A CHORD BEARING OF SOUTH 15 DEGREES 15 MINUTES 25 SECONDS EAST AND A CHORD DISTANCE OF 188.96 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 10 DEGREES 10 MINUTES 51 SECONDS EAST A DISTANCE OF

276.02 FEET TO A CONCRETE MONUMENT FOUND; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 638.16 FEET TO AN IRON PIN SET, SAID CURVILINEAR LINE HAVING A RADIUS OF 904.93 FEET, A CHORD BEARING OF SOUTH 10 DEGREES 00 MINUTES 35 SECONDS WEST AND A CHORD DISTANCE OF 625.02 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY LINE NORTH 80 DEGREES 05 MINUTES 55 SECONDS WEST A DISTANCE OF 545.26 FEET TO AN AXLE FOUND; THENCE RUNNING SOUTH 23 DEGREES 09 MINUTES 40 SECONDS WEST A DISTANCE OF 843.31 FEET TO A 1" GALVANIZED PIPE FOUND; THENCE RUNNING SOUTH 83 DEGREES 04 MINUTES 52 SECONDS WEST A DISTANCE OF 515.65 FEET TO A .5" REBAR FOUND; THENCE RUNNING SOUTH 87 DEGREES 04 MINUTES 51 SECONDS WEST A DISTANCE OF 475.39 FEET TO A 1" RUSTY PIPE FOUND ON THE LAND LOT LINE COMMON TO LAND LOTS 464 AND 471 AND SAID LAND LOT LINE ALSO BEING COMMON TO LAND LOTS 465 AND 470; THENCE RUNNING ALONG SAID LAND LOT LINE NORTH 02 DEGREES 29 MINUTES 53 SECONDS WEST A DISTANCE OF 1471.66 FEET TO A 3/8" REBAR FOUND; THENCE DEPARTING SAID LAND LOT LINE SOUTH 88 DEGREES 12 MINUTES 17 SECONDS WEST A DISTANCE OF 1323.72 FEET TO AN IRON PIN SET ON THE LAND LOT LINE COMMON TO LAND LOTS 448 AND 465 AND SAID LAND LOT LINE ALSO BEING COMMON TO LAND LOTS 449 AND 464; THENCE RUNNING ALONG SAID LAND LOT LINE SOUTH 01 DEGREE 15 MINUTES 23 SECONDS EAST A DISTANCE OF 1350.44 FEET TO 15" REBAR FOUND ON THE NORTHERLY RIGHT-OF-WAY LINE OF 60-FOOT RIGHT-OF-WAY BOYD ROAD; THENCE DEPARTING SAID LAND LOT LINE AND RUNNING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 167.28 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 134.35 FEET, A CHORD BEARING OF NORTH 70 DEGREES 49 MINUTES 26 SECONDS WEST AND A CHORD DISTANCE OF 156.68 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 96.74 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 636.46 FEET, A CHORD BEARING OF NORTH 30 DEGREES 47 MINUTES 56 SECONDS WEST AND A CHORD DISTANCE OF 96.65 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 26 DEGREES 26 MINUTES 40 SECONDS WEST A DISTANCE OF 146.22 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 86.03 FEET

TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 530.00 FEET, A CHORD BEARING OF NORTH 31 DEGREES 05 MINUTES 40 SECONDS WEST AND A CHORD DISTANCE OF 85.93 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 35 DEGREES 44 MINUTES 40 SECONDS WEST A DISTANCE OF 174.94 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 197.76 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 1056.60 FEET, A CHORD BEARING OF NORTH 30 DEGREES 22 MINUTES 57 SECONDS WEST AND A CHORD DISTANCE OF 197.47 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 25 DEGREES 01 MINUTE 15 SECONDS WEST A DISTANCE OF 38.36 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 81.17 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 2070.77 FEET, A CHORD BEARING OF NORTH 26 DEGREES 08 MINUTES 37 SECONDS WEST AND A CHORD DISTANCE OF 81.16 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 27 DEGREES 15 MINUTES 59 SECONDS WEST A DISTANCE OF 205.71 FEET TO AN IRON PIN SET IN THE CENTERLINE OF A BRANCH; THENCE DEPARTING SAID RIGHT-OF-WAY LINE AND RUNNING NORTH 62 DEGREES 23 MINUTES 26 SECONDS EAST A DISTANCE OF 214.76 FEET TO A 1" PIPE FOUND; THENCE RUNNING NORTH 33 DEGREES 00 MINUTES 49 SECONDS EAST A DISTANCE OF 67.17 FEET TO A 1" PIPE FOUND; THENCE RUNNING NORTH 74 DEGREES 12 MINUTES 11 SECONDS EAST A DISTANCE OF 61.18 FEET TO A .5" REBAR FOUND; THENCE RUNNING NORTH 42 DEGREES 11 MINUTES 58 SECONDS EAST A DISTANCE OF 54.70 FEET TO A 1" PIPE FOUND; THENCE RUNNING NORTH 82 DEGREES 38 MINUTES 51 SECONDS EAST A DISTANCE OF 70.79 FEET TO A 1" PIPE FOUND; THENCE RUNNING NORTH 38 DEGREES 17 MINUTES 59 SECONDS EAST A DISTANCE OF 69.82 FEET TO A .5" REBAR FOUND; THENCE RUNNING NORTH 23 DEGREES 49 MINUTES 02 SECONDS WEST A DISTANCE OF 73.28 FEET TO AN IRON PIN SET; THENCE RUNNING NORTH 62 DEGREES 30 MINUTES 57 SECONDS WEST A DISTANCE OF 100.04 FEET TO AN IRON PIN SET; THENCE RUNNING NORTH 18 DEGREES 04 MINUTES 50 SECONDS EAST A DISTANCE OF 357.47 FEET TO AN IRON PIN SET; THENCE RUNNING NORTH 19 DEGREES 17 MINUTES 24 SECONDS EAST A DISTANCE OF 90.09 FEET TO A 5/8" REBAR FOUND; THENCE RUNNING NORTH 59 DEGREES 40 MINUTES 35 SECONDS EAST A DISTANCE OF 165.53 FEET TO

A 5/8" REBAR FOUND ON THE LAND LOT LINE COMMON TO LAND LOTS 448 AND 465; THENCE RUNNING ALONG SAID LAND LOT LINE NORTH 00 DEGREES 48 MINUTES 35 SECONDS WEST A DISTANCE OF 49.51 FEET TO A 3/4" CRIMP ' TOP FOUND; THENCE DEPARTING SAID LAND LOT LINE AND RUNNING SOUTH 87 DEGREES 23 MINUTES 07 SECONDS WEST A DISTANCE OF 161.20 FEET TO AN IRON PIN SET, SAID IRON PIN ALSO BEING KNOWN AS TRAVERSE POINT "T"; THENCE CONTINUING SOUTH 87 DEGREES 23 MINUTES 07 SECONDS WEST A DISTANCE OF 25.00 FEET TO THE CENTERLINE OF A BRANCH; THENCE RUNNING ALONG THE CENTERLINE OF SAID BRANCH AND FOLLOWING THE M^ANDERINGS THEREOF A DISTANCE OF 1170 FEET TO AN IRON PIN SET IN THE CENTERLINE OF THE BRANCH, SAID PIN ALSO BEING KNOWN AS TRAVERSE POINT "Y" AND SAID CENTERLINE OF BRANCH BEING MORE PARTICULARLY DESCRIBED BY A SURVEY TRAVERSE LINE AS FOLLOWS: BEGINNING AT TRAVERSE POINT "T" THENCE RUNNING NORTH 03 DEGREES 58 MINUTES 58 SECONDS WEST A DISTANCE OF 166.70 FEET TO TRAVERSE POINT "U"; THENCE RUNNING NORTH 82 DEGREES 51 MINUTES 23 SECONDS WEST A DISTANCE OF 148.67 FEET TO TRAVERSE POINT "V"; THENCE RUNNING NORTH 47 DEGREES 06 MINUTES 01 SECOND WEST A DISTANCE OF 228.08 FEET TO TRAVERSE POINT "W"; THENCE RUNNING SOUTH 82 DEGREES 06 MINUTES 21 SECONDS WEST A DISTANCE OF 229.35 FEET TO TRAVERSE POINT "X"; THENCE RUNNING NORTH 69 DEGREES 00 MINUTES 56 SECONDS WEST A DISTANCE OF 267.14 FEET TO TRAVERSE POINT "Y"; THENCE DEPARTING SAID SURVEY TRAVERSE LINE NORTH 02 DEGREES 56 MINUTES 50 SECONDS WEST A DISTANCE OF 66.68 FEET TO A 3/4" CRIMP TOP FOUND ON THE LAND LOT LINE COMMON TO LAND LOTS 447 AND 448; THENCE RUNNING ALONG SAID LAND LOT LINE SOUTH 87 DEGREES 04 MINUTES 57 SECONDS WEST A DISTANCE OF 419.81 FEET TO THE TRUE POINT OF BEGINNING.

ALSO INCLUDED HEREIN IS AN EASEMENT FOR INGRESS AND EGRESS AS SET FORTH IN INSTRUMENT DATED JUNE 10, 1980, AND RECORDED IN DEED BOOK 206, PAGE 137, FORSYTH COUNTY, GEORGIA RECORDS.

LESS AND EXCEPT ALL THAT TRACT OF LAND LYING AND BEING IN LAND LOT 447 OF THE FIRST LAND DISTRICT, FIRST SECTION. FORSYTH COUNTY, GEORGIA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A .5" REBAR FOUND AT THE LAND LOT CORNER COMMON TO LAND LOTS 444, 445, 446 AND 447 THENCE RUNNING ALONG THE LAND LOT LINE COMMON TO LAND LOTS 446 AND 447 NORTH 87 DEGREES 01 MINUTE, 29 SECONDS EAST A DISTANCE OF 549.98 FEET TO A 3/8" REBAR FOUND; THENCE DEPARTING SAID LAND LOT LINE SOUTH 02 DEGREES 18 MINUTES 10 SECONDS EAST A DISTANCE OF 600.34 FEET TO A 1/4" REBAR FOUND; THENCE RUNNING SOUTH 87 DEGREES 03 MINUTES 19 SECONDS WEST A DISTANCE OF 549.49 FEET TO A 3/8" REBAR FOUND ON THE LAND LOT LINE COMMON TO LAND LOTS 444 AND 447; THENCE RUNNING ALONG SAID LAND LOT LINE NORTH 02 DEGREES 20 MINUTES 58 SECONDS WEST A DISTANCE OF 600.05 FEET TO THE POINT OF BEGINNING, SAID TRACT OR PARCEL OF LAND CONTAINING 7.574 ACRES AS SHOWN AS AN OUT PARCEL ON THE BOUNDARY SURVEY FOR SHAKERAG LAND EQUITY, LTD. PREPARED BY HAYES, JAMES & ASSOCIATES, INC. DATED JUNE 8, 1992.

SAID TRACT OR PARCEL OF LAND CONTAINING 506.384 ACRES AS SHOWN ON THE BOUNDARY SURVEY FOR SHAKERAG LAND EQUITY, LTD. PREPARED BY HAYES, JAMES AND ASSOCIATES DATED JUNE 8, 1992.

TRACT DESCRIPTION
TRACT II

ALL THAT TRACT OR PARCEL OF LAND LYING AND BEING IN LAND LOTS 426, 427, 428, 441, 442 AND 443 OF THE FIRST LAND DISTRICT, FIRST SECTION, FORSYTH COUNTY, GEORGIA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE LAND LOT CORNER COMMON TO LAND LOTS 426, 427, 442 AND 443 THENCE RUNNING ALONG THE LAND LOT LINE COMMON TO LAND LOTS 426 AND 427 SOUTH 86 DEGREES 48 MINUTES 36 SECONDS WEST A DISTANCE OF 692.77 FEET TO A 1" OPEN TOP PIPE FOUND; THENCE DEPARTING SAID LAND LOT LINE NORTH 01 DEGREE 44 MINUTES 04 SECONDS WEST A DISTANCE OF 1338.04 FEET TO AN IRON PIN SET ON THE SOUTHERLY RIGHT-OF-WAY LINE OF 60-FOOT RIGHT-OF-WAY BOYD ROAD; THENCE RUNNING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 48.98 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 329.30 FEET, A CHORD BEARING OF SOUTH 65 DEGREES 46 MINUTES 15 SECONDS EAST AND A CHORD DISTANCE OF 48.93 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 61 DEGREES 30 MINUTES 36 SECONDS EAST A DISTANCE OF 62.28 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 157.74 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 536.18 FEET, A CHORD BEARING OF SOUTH 69 DEGREES 56 MINUTES 17 SECONDS EAST AND A CHORD DISTANCE OF 157.17 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 78 DEGREES 21 MINUTES 58 SECONDS EAST A DISTANCE OF 224.90 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE LEFT AN ARC DISTANCE OF 225.44 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 316.48 FEET, A CHORD BEARING OF NORTH 81 DEGREES 13 MINUTES 38 SECONDS EAST AND A CHORD DISTANCE OF 220.70 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE NORTH 60 DEGREES

49 MINUTES 14 SECONDS EAST A DISTANCE OF 155.81 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 153.37 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 756.85 FEET, A CHORD BEARING OF NORTH 66 DEGREES 37 MINUTES 33 SECONDS EAST AND A CHORD DISTANCE OF 153.11 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE. NORTH 72 DEGREES 25 MINUTES 52 SECONDS EAST A DISTANCE OF 83.52 FEET TO A POINT; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE ALONG A CURVILINEAR LINE TO THE RIGHT AN ARC DISTANCE OF 256.29 FEET TO A POINT, SAID CURVILINEAR LINE HAVING A RADIUS OF 301.B6 FEET, A CHORD BEARING OF SOUTH 83 DEGREES 14 MINUTES 44 SECONDS EAST AND A CHORD DISTANCE OF 248.66 FEET; THENCE CONTINUING ALONG SAID RIGHT-OF-WAY LINE SOUTH 5B DEGREES 55 MINUTES 21 SECONDS EAST A DISTANCE OF 255.27 FEET TO AN IRON PIN SET; THENCE DEPARTING SAID RIGHT-OF-WAY LINE SOUTH 02 DEGREES 47 MINUTES 53 SECONDS EAST A DISTANCE OF 698.78 FEET TO AN ANGLE IRON FOUND; THENCE RUNNING SOUTH 02 DEGREES 57 MINUTES 27 SECONDS EAST A DISTANCE OF 441.60 FEET TO AN IRON PIN SET ON THE LAND LOT LINE COMMON TO LAND LOTS 442 AND 443; THENCE RUNNING ALONG SAID LAND LOT LINE NORTH 86 DEGREES 52 MINUTES 25 SECONDS EAST A DISTANCE OF 161.29 FEET TO AN IRON PIN SET; THENCE DEPARTING SAID LAND LOT LINE SOUTH 03 DEGREES 02 MINUTES 56 SECONDS EAST A DISTANCE OF 1006.51 FEET TO A V CRIMP TOP FOUND; THENCE RUNNING SOUTH 14 DEGREES 26 MINUTES 28 SECONDS WEST A DISTANCE OF 329.71 FEET TO AN IRON PIN SET ON THE LAND LOT LINE COMMON TO LAND LOTS 441 AND 442; THENCE RUNNING ALONG SAID LAND LOT LINE SOUTH 06 DEGREES 51 MINUTES 39 SECONDS WEST A DISTANCE OF 746.65 FEET TO AN IRON PIN SET; THENCE DEPARTING SAID LAND LOT LINE SOUTH 02 DEGREES 06 MINUTES 57 SECONDS WEST A DISTANCE OF 174.52 FEET TO AN IRON PIN SET ON THE NORTHERLY RIGHT-OF-WAY LINE OF 80-FOOT RIGHT-OF-WAY MCGINNIS FERRY ROAD; THENCE RUNNING ALONG SAID RIGHT-OF-WAY LINE NORTH 59 DEGREES 42 MINUTES 22 SECONDS WEST A DISTANCE OF 434.20 FEET TO A .5- REBAR FOUND; THENCE DEPARTING SAID RIGHT-OF-WAY LINE NORTH 33 DEGREES 58 MINUTES 24 SECONDS EAST A DISTANCE 474.4B FEET TO AN IRON PIN SET; THENCE RUNNING NORTH 02 DEGREES 46 MINUTES 55 SECONDS WEST A DISTANCE OF 877.23 FEET TO AN IRON PIN SET ON THE

LAND LOT LINE COMMON TO LAND LOTS 442 AND 443; THENCE RUNNING ALONG SAID LAND LOT LINE SOUTH 86 DEGREES 52 MINUTES 25 SECONDS WEST A DISTANCE OF 59.98 FEET TO THE TRUE POINT OF BEGINNING SAID TRACT OR PARCEL OF LAND CONTAINING 73.376 ACRES AS SHOWN ON THE BOUNDARY SURVEY FOR SHAKERAG LAND EQUITY, LTD. PREPARED BY HAYES, JAMES AND ASSOCIATES DATED JUNE 8,1992.

All that tract or parcel of land lying and being in Land Lot 447 of the first District, First Section, Forsyth County, Georgia, and being identified as "out Parcel- 7.574 acres" according to a plat of survey entitled "Boundary Survey for Shakerag Land Equity, Ltd. and Bangkok Bank Limited" by Hayes, James & Associates, dated June 11, 1992, and being more particularly described as Follows;

Beginning at an iron pin found at the northwest: corner of Land Lot 447, which is the corner common to Land Lots 417, 446, 445, and 444; running thence North 07 degrees, 1 minute, 29 seconds East 549.90 feet to an Iron pin found on the northern line of Land Lot 447: running thence South 2 degrees, 10 minutes, 10 seconds East 600.34 feet to an iron pin found; running thence South 07 degrees, 3 minutes, 19 seconds West 549.49 feet to an iron pin found on the west line of Land Lot 447; running thence North 2 degrees, 20 minutes, 50 seconds West 600.05 feet to an iron pin found, which is the point of beginning.

Also conveyed herein is all of Grantors' right, title, and interest in and to that certain easement described in that certain Grant of Easement between Donata Horne Cassels and William A. Horne, Jr., dated June 9, 1900, and recorded in Deed Book 202, Page 639, Forsyth County, Georgia Records.

Less and except PHASE I, EXHIBIT "A" property.