

**DECLARATION OF
COVENANTS, CONDITIONS AND
RESTRICTIONS
OF
SERENITY POINTE SUBDIVISION**

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**DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
OF
SERENITY POINTE SUBDIVISION**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF SERENITY POINTE SUBDIVISION is made this 27th day of July, 2007, by SERENITY POINTE, LLC, a Georgia limited liability company (hereinafter referred to as "Declarant"), and any and all Persons, firms, or corporations hereinafter acquiring any of the within described property or any of the property hereinafter made subject to this Declaration of Covenants, Conditions and Restrictions of Serenity Pointe Subdivision (hereinafter the "Declaration").

WHEREAS, Declarant is the owner of certain property in Lincoln County, Georgia known as SERENITY POINTE SUBDIVISION; and

WHEREAS, SERENITY POINTE SUBDIVISION is more particularly described by plat(s) thereof recorded in Plat Book 1 at Page 313 in the Clerk's Office for the Lincoln County, Georgia Superior Court, to which reference is hereby made for a more complete description, together with future plan(s) for additional sections to be made a part of SERENITY POINTE SUBDIVISION, as provided for herein, with said additional plat(s) to be recorded at a later date; and

WHEREAS, the Lots in SERENITY POINTE SUBDIVISION are so situated as to comprise a neighborhood unit, and the same have been, and are to be, conveyed to Persons who will erect thereon residences to be used for single family purposes, subject to the provisions hereinafter set forth; and

WHEREAS, Declarant has agreed to establish a general plan of development as herein set out to restrict the use and occupancy of the property made subject to the restrictions set forth in this Declaration for the benefit and protection of the property and for the mutual protection, welfare and benefit of the owners thereof; and

WHEREAS, the Declarant desires to provide for the preservation of the values of Serenity Pointe Subdivision, together with the preservation and maintenance of the Common Area established by this Declaration and by the supplements thereto.

NOW, THEREFORE, in accordance with the recitals which by this reference are made a substantive part hereof, Declarant declares that all of the property described herein on the plat(s), referred to above (the "Property"), is made subject to this Declaration and 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 Serenity Pointe Subdivision as it now exists and is hereafter expanded and that such easements, restrictions, covenants and conditions shall burden and run with said property and be binding on all parties now or hereafter owning said real property and their respective heirs, successors and assigns, having any right, title or interest in the properties now or hereafter subjected to this Declaration, or any part thereof, and

shall inure to the benefit of each Owner thereof and their respective heirs, successors and assigns.

ARTICLE I

DEFINITIONS

1.1 Definitions. When used in this Declaration, unless the context shall prohibit or otherwise require, the following words shall have all the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

(a) "Association" shall mean and refer to Serenity Pointe Homeowners Association, Inc., a non-profit Georgia corporation, its successors and assigns.

(b) "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

(c) "Committee" shall mean the Architectural Review Committee established by the Declarant or the Board of Directors of the Association for the purpose of administering control over architectural, landscaping and related matters, as provided in Article VII of this Declaration.

(d) "Common Area(s)" shall mean all property owned by the Association for the common use and enjoyment of all or a designated class of Members. Common Area includes, without limitation, all greenways, park areas, median strips, cul-de-sac centers, planting areas, and recreational areas and facilities, open space, walking trails, easements, lakes, the community boat dock, and community boat storage area that are developed on the Common Area (it being understood that this enumeration is by way of description of the type of facilities that may be developed and in no way shall bind or obligate the Declarant to provide any of the described facilities) and all entry way, directional and informational signs (and the areas set aside for their location) and any other property as may be purchased or provided for the common use and benefit of the Declarant, the Owners, and any Member in the Association, including without limitation such Common Area as may be shown on the recorded plat(s) of the Property. Except by the Declarant, the Common Area shall not be used for public commercial purposes, but may be used for enjoyment of the Association's Members and for fund-raising activities to support the purposes of the Association.

(e) "Declarant" shall mean Serenity Pointe, LLC, a Georgia limited liability company, and its successors and assigns if such successors and assigns acquire two or more undeveloped Lots from the Declarant for the purpose of development and if the rights and obligations of the Declarant thereunder are expressly assigned to and assumed by such successors and assigns.

(f) "Declarant Control Period" shall mean and refer to that period during which the Declarant shall appoint all members of the Board of Directors which shall continue until the first to occur of the following: (i) when one hundred (100%) percent of the total number of Dwellings have certificates of occupancy thereon and have been

conveyed to Owners or (ii) when, in its discretion, the Declarant so determines and voluntarily relinquishes such right in writing by the filing of an amendment to this Declaration.

(g) "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions of Serenity Pointe Subdivision and all amendments thereof filed for record in the Clerk's Office for the Lincoln County, Georgia Superior Court.

(h) "Dwelling" shall mean and refer to any improved property located within the Property intended for use as a single family residence.

(i) "Lot" shall mean and refer to any unimproved portion of the Property upon which it is intended that a Dwelling shall be constructed thereon. Upon completion, such Lot and the improvements thereon shall collectively be considered a Dwelling for purposes of this Declaration.

(j) "Member" shall refer to the members of Serenity Pointe Homeowners Association, Inc. and shall mean the Person, or if more than one, all Persons collectively who constitute the Owner of a Lot or Dwelling.

(k) "Owner" shall mean and refer to any contract buyer and/or the record owner, whether one or more Persons or entities, of a fee simple title to any Lot which is a part of any of the Property made subject to this Declaration, but excluding those having such interest merely as security for the performance of an obligation, provided, however, the Declarant shall not be deemed an Owner.

(l) "Person" shall mean and refer to a natural person, corporation, partnership, association, trust or other legal entity.

(m) "Property" shall mean and refer to that certain property shown on those plats recorded in Plat Book 1 at Pages 313 in the Clerk's Office for the Lincoln County, Georgia Superior Court and any additional property which Declarant may make a part of this Subdivision, as provided for in the Declaration, recorded separately. The terms "Property", "Subdivision" and "Serenity Pointe" are interchangeable.

(n) "Rules and Regulations" shall mean and refer to the Rules and Regulations of Serenity Pointe Homeowners Association, Inc.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

2.1 Existing Property. The real property which is, and shall be, held, transferred, sold, conveyed and occupied subject to this Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in Lincoln County, Georgia, and is shown on a Plat recorded in Plat Book 1, Page 313 in the Clerk's Office for the Lincoln County, Georgia Superior Court.

2.2 Additions to Existing Property. Additional property may be brought within the scheme of this Declaration and the jurisdiction of the Association, as follows:

2.2.1 Declarant reserves the right to subject to this Declaration certain contiguous property that it or its assigns owns or may acquire, which may be developed into tracts and roadways and may later be made a part of Serenity Pointe Subdivision. Declarant shall have and hereby reserves the right and option, from time to time and for so long as the Declarant owns any contiguous property, to subdivide all or any portion of the same into additional tracts by the filing of a plat designating such tracts on the public land records of Lincoln County, Georgia, and upon any such filing, the number of tracts located in Serenity Pointe Subdivision shall be increased to include additional tracts.

2.2.2 The additions authorized under subsection (a) shall also be made by recording in the Clerk's Office for the Lincoln County, Georgia Superior Court, Supplementary Declarations of Covenants, Conditions and Restrictions of Serenity Pointe Subdivision with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to assessments for their just share of the Association's expenses. Said Supplementary Declarations may contain such complementary additions and modification of this Declaration as may be necessary.

ARTICLE III

PROPERTY RIGHTS

3.1 Owners of Lots or Dwellings. Each Lot and Dwelling shall for all purposes constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his Lot or Dwelling including any walls located thereon, subject to the provisions of this Declaration. If any chutes, flues, ducts, conduits, wires, pipes, plumbing, or any other apparatus or facilities for the furnishing of utilities or other services or for the provision of support to a Lot or Dwelling lie partially within and partially outside of the designated boundaries of the Lot or Dwelling, any portions thereof which serve only such Lot or Dwelling shall be deemed to be a part of such Lot or Dwelling and any portions thereof which serve more than one Lot or Dwelling or any portion of the Common Areas, shall be deemed a part of the Common Areas. The ownership of each Lot and Dwelling shall include membership in the Association. Each Owner shall automatically become a Member of the Association and shall remain a Member until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically pass to the successor-in-title to his Lot or Dwelling.

3.2 Owner's Easements of Enjoyment. Subject to the provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Board of Directors in accordance with the By-Laws and the terms hereof, every Owner, his family, tenants, and guests shall have a non-exclusive right, privilege, and easement of use and enjoyment in and to the Common Areas, and such easement to be appurtenant to and pass with title to each Lot and Dwelling, subject to the following provisions:

3.2.1 The right of the Association to borrow money (i) for the purpose of improving the Property, or any portion thereof, (ii) for acquiring additional Common Areas, (iii) for constructing, repairing, maintaining or improving any facilities located or to be located within the Property, or (iv) for providing the services authorized herein, to give as security for the payment of any such loan a mortgage or other security instrument conveying all or any portion of the Common Areas; provided, however, that the lien and encumbrance of any such security instrument given by the Association shall be subject and subordinate to any and all rights, interest, options, licenses, easements, and privileges herein reserved or established for the benefit of Declarant, any Owner, or the holder of any mortgage, irrespective of when such mortgage is executed or given.

3.2.2 The rights and easements reserved to Declarant in Sections 3.3, 3.4, 3.5, 3.7, 3.8, 3.9, 3.10, 3.11 and 3.12 hereof.

3.2.3 The right of the Association to grant and accept easements as provided in Section 3.5 hereof and to dedicate or transfer fee simple title to all or any portion of the Common Areas to any public agency or authority, governmental authority, body politic, public service district, public or private utility, or other Person, provided that any such transfer of 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 or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Subdivision.

3.2.4 The rights and easements reserved in Section 3.6 hereof for the benefit of the Association, its Directors, officers, agents, and employees.

3.2.5 The rights and easements reserved in Section 3.8 hereof for the benefit of the Additional Property.

3.3 Easements for Declarant. During the period that Declarant owns any Common Area, or owns any Lot or Dwelling primarily for the purpose of sale or has the option to add Additional Property or any portion thereof to the Subdivision, Declarant shall have an alienable and transferable right and easement on, over, through, under, and across the Common Areas for the purpose of constructing or improving Lots or Dwellings, any improvements to the Common areas, and the Additional Property, and for installing, maintaining, repairing, and replacing such other improvements to the Subdivision as are contemplated by this Declaration or as Declarant desires, in its sole discretion, including, without limitation, any improvements or changes permitted and described in this Declaration, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event shall Declarant have the obligation to do any of the foregoing.

3.4 Changes in Boundaries: Additions to Common Areas. Declarant expressly reserves for itself and its affiliates, successors and assigns, the right to change and realign the boundaries of any Lots or Dwellings owned by Declarant, including the realignment of boundaries between adjacent Lots and/or Dwellings and Common Areas and the subdivision of Lots, owned by Declarant. In addition, Declarant reserves the right, but shall not have the obligation, to convey to the Association at any time, and from time to time, any portion of the

Additional Property, such real property to be conveyed to the Association as an addition to the Common Areas and subject to the other provisions set forth in this Declaration. Furthermore, Declarant reserves for itself, its affiliates, successors, and assigns the right, but not the obligation, to convey by quit-claim deed to the Association at any time and from time to time, as an addition to the Common Areas, any easements, streets, roads or rights-of-way located within the Subdivision and not contained within a Lot or Lots.

3.5 Easements for Utilities. There is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the alienable, transferable, and perpetual right and easement, as well as the power to grant and accept easements to and from any private or public authority to any agency, public service district, public or private utility, or other Person, upon, over, under, and across: (1) all of the Common Areas and (2) all land within Lots located within the set back lines as established by Declarant for the purpose of installing, replacing, repairing, maintaining and using master television antenna, and/or cable systems, security and similar systems, and all utilities, including, but not limited to sewage treatment facilities, drain fields, storm sewers, drainage systems and electrical, gas, telephone, water and sewer equipment, apparatus, and lines. Such easements shall also be for the benefit of Owners should such systems and lines serving a Lot be outside the boundaries of such Lots. Such easements may be granted or accepted by Declarant, its successors and assigns or by the Board of Directors; provided, however, that for so long as Declarant owns any portion of the Common Areas, owns any Lot or Dwelling primarily for the purpose of sale or has the option to add the Additional Property, or any portion thereof to the Subdivision, the Board of Directors must obtain the written consent of Declarant prior to granting or accepting any such easements. To the extent possible, all utility lines and cables serving the Subdivision and located therein shall be located underground though some transformers and switchboxes may be located above ground. 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 Subdivision so encumbered: (1) to erect and maintain pipes, lines, manholes, pumps and other necessary equipment and facilities; (2) to cut and remove any trees, bushes or shrubbery; (3) to grade, excavate or fill; or (4) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and systems.

3.6 Easements for Association. There is hereby reserved a general right and easement for the benefit of the Association, its Board of Directors, officers, agents and employees, including, but not limited to, any property manager employed by the Association and any employees of such manager, to enter upon any Lot or Dwelling in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner, occupant or Owner(s) directly affected thereby.

3.7 Sales and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant, its affiliates, successors and assigns, the perpetual, alienable and transferable right and easement in and to the Property for the maintenance of signs, sales offices, construction offices, business offices and model or sample Lots or Dwellings, together with such other facilities as in the sole opinion of Declarant reasonably may be required, convenient or incidental to the completion, improvement,

sale of Lots, Common Areas or the Additional Property for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add Additional Property or any portion thereof to the Subdivision. Declarant shall have the right to locate the sales and construction offices within the Subdivision without the additional consent of any Owners.

3.8 Easements for Additional Property. There is hereby reserved by the Declarant, its successors, assigns and successors-in-title to the Additional Property, for the benefit of and appurtenant to the Additional Property and as a burden upon the Subdivision, the perpetual, non-exclusive rights and easements for: (1) pedestrian and vehicular access, ingress, egress and parking over, across, within and on all roads, sidewalks, trails, parking facilities, lakes, community dock and boat storage from time to time located on or within the Common Areas or within easements serving the Common Areas; (2) the installation, maintenance, repair, replacement 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 antenna and cable system lines; and (3) drainage and discharge of surface water onto and across the Subdivision, provided that such drainage and discharge shall not materially damage or affect the Subdivision or any improvements from time to time located thereon.

3.9 Maintenance Easement. Subject to the terms of this Declaration, there is hereby reserved for the benefit of Declarant, the Association and their respective agents, employees, successors and assigns an alienable, transferable and perpetual right and easement to enter upon any unimproved portion of any Lot for the purpose of mowing, removing, clearing, cutting, or pruning any vegetation, weeds, stumps or other unsightly growth, removing trash and maintaining sidewalks, and any walls not excluded above, so as to maintain reasonable standards of health, fire safety and appearance within the Subdivision.

3.10 Environmental Easement. 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 on, over and across all unimproved portions of the Common Areas, Lots and Dwellings for the purposes of taking any action necessary to effect compliance with environmental rules, regulations and procedures from time to time promulgated or instituted by the Board of Directors or by any governmental entity, such easement to include, without limitation, the right to implement erosion control procedures and practices, the right to drain standing water and the right to dispense pesticides.

3.11 Easements for Walking Trails. Declarant hereby reserves for Declarant, the Association and their respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over and across portions of Lots 38, 39, 43, 80, 81 and 89 for the installation, maintenance and use of twenty (20') foot walking trails providing access from the public roads in the Subdivision to the Common Areas, as shown on the Subdivision plats.

3.12 Easements for Riding Trails. Declarant hereby reserves for Declarant, the Association and their respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over and across portions of Lots 96, 97, 98 and 99 for the installation, maintenance and use of horseback riding trails, as shown on the Subdivision plats.

3.13 Easements for Access to Subdivision Lakes. Declarant hereby reserves for Declarant, the Association and their respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over and across the Common Areas for the installation, maintenance and use of walking trails providing access to the lakes within the Subdivision, known as Lake Nancy, Lake Sally Ann and Hidden Lakes.

3.14 Easements for the U.S. Army Corps of Engineers. Certain Lots within the Subdivision and the roads located within the Subdivision are subject to easements in favor of the U.S. Army Corps of Engineers. Such easements shall be depicted on the Subdivision plats and are effective until such time as they are abandoned by the U.S. Army Corps of Engineers.

3.15 No Partition. There shall be no judicial partition of the Subdivision or any part thereof, nor shall any Person acquiring any interest in the Subdivision or any part thereof seek any such judicial partition unless the Subdivision has been removed from the provisions of the Declaration.

ARTICLE IV

GENERAL USE RESTRICTIONS

4.1 Residential Use. All Dwellings in the Subdivision shall be used for residential and related purposes only and no structure shall be erected, placed, altered or permitted to remain on any Lot other than one Dwelling and related structures incidental to the residential use of the Lot, such as guest suites, garages and boat houses. A business activity shall be considered "related" to a residential use and thus permitted under this section only if conducted by a Person or Persons residing in the Dwelling and only if the business activity: (i) is not apparent or detectable by sight, sound or smell from outside of a permitted structure; (ii) complies with applicable zoning requirements; (iii) does not involve regular visitation of the Dwelling by employees who do not reside in the Dwelling, clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Property; and (iv) is consistent with the Property's character and does not constitute a nuisance or a hazardous or offensive use, or threaten or endanger others, as the Board determines in its discretion. Notwithstanding anything to the contrary contained herein, regular visitation of a Dwelling by an administrative assistant is permitted. The term "business" shall have its ordinary, generally accepted meaning and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves providing goods or services to Persons other than the family of the producer and for which the producer receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required.

4.2 Ranchettes. Lot 21 and Lots 90-99 are designated as "Ranchettes." Notwithstanding anything to the contrary contained herein, a Lot designated as a Ranchette may contain not only the improvements allowed on a Lot as set forth in Section 4.1, but may also contain pasture land and a barn for boarding up to a total of three (3) horses owned by the Owner of the Ranchette. However, a barn shall not be constructed on the Ranchette unless a Dwelling is also constructed thereon either prior to or simultaneously with the construction of the barn. The subdivision plats recorded for the Ranchettes will depict designated areas for the construction of

the Dwelling, the pasture lands and the barn. In order to board horses on a Ranchette, the Lot must be fenced and such fencing must be approved by the Committee prior to construction. The Owner of a Ranchette containing fencing shall be responsible for the maintenance and repair of such fencing. Regardless of a Lot's designation as a Ranchette, such Lot, including any pasture lands and barn, shall be considered a Lot and the Dwelling and any related structures located thereon shall be considered a Dwelling for the purposes of this Declaration and the Rules and Regulations.

4.3 Improvements.

4.3.1 All Dwellings and related, incidental structures must be "stick-built". No manufactured or modular homes and no metal sheds, carports or outbuildings (except those outbuildings approved in advance by the Committee) will be permitted on any Lot or tract. Each Dwelling shall have an enclosed, heated living area (exclusive of open porches, garages, and other unheated spaces) not less than 1800 sq. ft. on one level and 2000 sq. ft. on a story and a half and 2200 sq. ft. on a two-story. Notwithstanding the foregoing, each Dwelling situated on a dockable waterfront Lot shall have an enclosed, heated living area (exclusive of open porches, garages, and other unheated spaces) not less than 2400 sq. ft. All improvements to the Lot must comply with setback requirements of Lincoln County and any other regulatory agencies, any requirements of the Association or Committee rules, regulations or home construction guidelines as well as those set out in the recorded plat.

4.3.2 Construction of new residential buildings only shall be permitted, it being the intent of this covenant to prohibit the moving of any existing building or portion thereof to a Lot and remodeling to converting the same into a Dwelling, excepting however, Declarant's offices provided for below. This restriction shall not, however, be deemed to prohibit the remodeling of, or construction or additions to, buildings new when built on any Lot.

4.3.3 With the exception of construction which is interrupted or delayed due to physical damage to the work in progress (such as damage due to fire, lightning, windstorm, hail, riot or civil commotion, explosion or theft), any Dwelling constructed upon a Lot must be completed within one (1) year subsequent to commencement of construction, except with the written consent of Declarant, its successors or assigns, or, if the Declarant so designates, by the Committee. The normal period of completion time for outbuildings or their improvements shall be presumed to be four (4) months from the issue date of the building permit. In the event that completion of the Dwelling, outbuildings, or other improvements is unlikely within the respective time periods above, the Association shall then have the right to give notice to the Owner to cease construction and to remove all structures or improvements, including without limitation, the foundation and all building improvements and all stored building materials on the Lot and to fill and grade the Lot so that it is restored to its normal grade level. The Association shall have the right to undertake this work upon Owner's failure to do so and charge all costs thereof to the Owner and place a lien upon the Lot upon Owner's failure to pay these charges.

4.3.4 Exposed exterior walls composed of the following materials shall be prohibited from Serenity Pointe Subdivision: concrete block, imitation asphalt brick siding, imitation asphalt stone siding and tar paper.

4.3.5 No trees of any kind in excess of six (6) inches in diameter at ground level may be cut or removed from any Lot without prior approval of the Committee.

4.4 Combination and Subdivision of Lots. More than one Lot as shown on said plat(s) or portions thereof, may be combined to form one or more Lots by (or with the written consent of) Declarant, its successors and assigns. In the event of a combination of Lots, the combined Lot will be assessed for each original Lot of which it is comprised, for purposes of the assessments set forth in Article VI herein. No Lot may be subdivided by sale or otherwise, except by (or with the written consent of) Declarant, its successors and assigns. Upon combination or subdivision of Lots, the building line requirements prescribed herein shall apply and the easements reserved herein shall be applicable to the rear, side and front Lot line of such Lot as combined or subdivided. The resulting building site and structure erected thereon must otherwise comply with this Declaration and the new property line of the resulting building site shall be used to compute the set-back lines as set forth herein.

4.5 Road System. All connections of private driveways to the Serenity Pointe road system, and all connections of private easements and right-of-ways to that road system shall be constructed and maintained in accordance with the rules, regulations and specifications as approved by the Committee and all requirements of Lincoln County, Georgia. There shall be no signs, fencing or parking permitted within the road rights-of-way.

4.6 Trailers, Motor Homes, Barns, Etc. Unless located within enclosed garages, no boat and/or boat trailer, travel trailer, motor home, or any other such vehicle shall be kept or maintained or located upon any Lot unless and except with prior approval of the Committee. Boat and boat trailer parking will be permitted in the designated boat storage area located within the Common Area. Large trucks shall not be parked on a regular basis within this Subdivision. "Large trucks" shall be defined as non-passenger vehicles larger than a pick-up truck. No trailer, truck, van, mobile home, motor home, tent, camper, barn or other outbuilding or temporary structure parked or erected on Lots in the Serenity Pointe Subdivision shall at any time be used as a residence, temporarily or permanently, nor shall any structure of a temporary character be used as a residence; provided, however, that this prohibition shall not apply to shelters used by the contractors during the construction of the Dwelling, it being clearly understood that these temporary shelters shall not be used as residential housing and will not be permitted to remain on any Lots after completion of construction. The Committee shall have the right to approve or disapprove construction shelters or construction vehicles. The Committee will also have the right to issue a letter stating the length of time such shelter or vehicle will be allowed to remain upon such Lot and where such shelter or vehicle is to be located upon such Lot.

4.7 Water and Sewer. All homes constructed in Serenity Pointe Subdivision will be supplied with water and sewer for normal domestic use. Owners will be required to pay to Lincoln County certain charges associated with availability, connection and usage. No drilling of wells shall be permitted by Owners, nor shall Owners be allowed to install septic tanks or similar sewer facilities on any Lot.

4.8 Nuisances.

4.8.1 No noxious or offensive trade or activity shall be carried out upon any Lot, nor shall anything be done thereon, which may become an annoyance or nuisance to the Subdivision.

4.8.2 Except as provided for in Section 4.2 regarding horses that may be boarded on Ranchettes, no animals, reptiles or poultry of any kind, except domestic dogs and cats, maintained and kept in a suitable fenced area, and indoor household pets may be kept on any Lot. Fencing must be constructed only of materials approved by the ARB and such fenced area must be located at least ten (10') feet from the rear property line of each Lot. Each Owner must see to it that all of the Owner's dogs are kept on the Owner's property unless leashed. No dogs shall be permitted to roam the Subdivision. The Association may have stray dogs that are not leashed and found off the Owner's Lot picked up by governmental authorities.

4.8.3 The interference of any streams or natural drainage areas or any ponding of water is prohibited.

4.8.4 Bottled propane gas containers and oil tanks shall be screened from public view.

4.8.5 There shall be no above-ground swimming pools, unless approved by the Committee.

4.8.6 No portion or part of any Lot shall be used or maintained as a dumping ground for rubbish or other refuse. Trash, garbage, or other waste shall not be kept, except in sanitary containers screened from view from all roads, all other Lots, and from the Common Area, provided that Declarant, prior to the sale of such Lot, may use portions of such Lot as a burial pit for debris in accordance with governmental regulations.

4.8.7 No outside clothes lines shall be permitted. No satellite dishes shall be permitted unless concealed from view from all Lots and Common Areas. The design of such enclosures must be approved prior to erection by the Committee. Mailboxes shall be of a design, color and choice of materials as designated by the Declarant or, if the Declarant so designates, by the Committee, and may not violate Georgia Department of Transportation or U.S. Postal Service standards.

4.8.8 There shall be no junk automobiles, junk of any sort, unserviceable vehicles, or salvage stored or placed or allowed to remain on or in any portion of this Subdivision or Lot. No vehicles that are disabled or under repair shall be kept upon any Lot unless located within enclosed garages. Unlicensed automobiles, including antique cars, must be stored out of sight in a garage. No Lot shall be used for storage of building materials prior to the issuance of the building permit for the primary residence.

4.9 Signs. No billboards or signs of any description shall be displayed upon any Lot. The Declarant reserves the right to place and maintain appropriate development signs at the

entrance to this Subdivision. Declarant also reserves the right to erect and maintain signs designating streets, speed limits, traffic warnings, recreational areas, and any other sign that will aid in the development of Serenity Pointe Subdivision.

4.10 Maintenance by the Association. Declarant, or its successors and assigns, will deed a community dock area and boat storage area to the Association which will be constructed by the Declarant and maintained by the Association. Notwithstanding anything herein to the contrary, Declarant will, if permitted by Lincoln County, provide an entrance feature across the entrance road to the Serenity Pointe Subdivision to be maintained by the Association. Other amenities provided by Declarant and deeded to the Association are to be maintained by the Association. The Association will also maintain the cemetery located within the Subdivision.

4.11 Shoreline Management Plan. The Declarant and purchasers of Lots in the Subdivision understand and agree that the vesting of rights relating to proposed piers, docks, boat access ramps, floats or disturbance of the shoreline buffer is subject to the terms and conditions set out by the U.S. Army Corps of Engineers as established in the Shoreline Management Plan for J. Strom Thurmond Project dated January 2001 and any future regulations issued by the U.S. Army Corps of Engineers.

4.12 Time Sharing. No Lot or Dwelling shall be marketed, subjected to or encumbered by any program of timesharing, interval ownership or fraction ownership or a program of vacation leasing or licensing.

4.13 Short Term Leasing. No Lot or Dwelling shall be leased for a period of less than six (6) months.

ARTICLE V

MEMBERSHIP AND VOTING

5.1 Membership. Every Owner of a Lot which is subject to this Declaration shall be a Member of the Association. Membership as appurtenant to any Lot may not be assigned. If and when Declarant develops additional phases in the Subdivision, or adds additional Lots to the same, the Owners of those Lots shall be Members of the Association. The Declarant shall also be a Member so long as it owns property within this expandable Subdivision.

5.2 Class Membership Voting. The Association shall have two (2) classes of membership:

Class A

Class A Members shall be all Lot Owners with the exception of Declarant, and shall be entitled to one vote for each Lot owned. When more than one (1) Person owns an interest in a Lot, all such Persons shall be Members, but the vote for such Lot shall be exercised as they, among themselves, shall determine in writing, which writing shall be filed with the Secretary of the meeting prior to voting, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B

(a) Class B Members shall be entitled to vote fifteen (15) votes for each Lot owned. Class B membership shall consist of the Declarant, or its successors or assigns, until the happening of either of the following events whichever occurs earlier:

1. Four months after ninety percent (90%) of all the Lots in the Subdivision are sold and conveyed by the Declarant to unrelated third parties; or

2. At such time as Declarant voluntarily relinquishes majority control of the Association by a duly recorded instrument.

(b) Upon the happening of the earlier of the two above described events, Class B membership shall cease and terminate and shall be converted to Class A membership.

5.3 Suspension of Voting Rights. The Association shall have the right to:

5.3.1 Suspend the voting rights (if any) of an Owner for any period during which any assessment on his Lot remains unpaid and enforce collection of the same; and

5.3.2 Suspend the voting rights (if any) of each Owner who is a contract buyer for any period of time during which payments to the Declarant pursuant to terms of said contract are delinquent, during which period of time the Declarant shall succeed to the voting rights of said contract buyer.

ARTICLE VI

**RIGHTS AND DUTIES OF THE ASSOCIATION
AND ASSESSMENTS**

6.1 Annual Assessments.

6.1.1 The Association shall have the duty to repair, replace and maintain all recreational areas and improvements located thereon, and other Common Area. The Association shall have the right, from time to time, to establish a reasonable assessment, which assessment shall be paid by each Owner in such periodic installments as the association may determine, to be used to pay: (1) the operating and administrative expenses of the Association; (2) the costs of maintenance, upkeep, replacement and repair of all recreational areas, and improvements located thereon, and other Common Area; and (3) other expenses necessary or useful to maintain and operate the Association and the recreational facilities (including, without limitation, the procurement, maintenance and payment of costs of insurance related to the Common Area and of surety and other bonds related to the management of the Common Area and Association). It is understood that (by way of example and without limitation) the assessment funds shall be used for such matters concerning Common Area as the following: maintenance, repair and replacement of improvements within the recreational areas, the seeding and re-seeding of Common Areas, erosion control, surfacing, patching and resurfacing of parking lot, planting and maintenance of shrubs, trees and seasonal flowers.

6.1.2 The annual assessments may also be used by the Association for the purpose of adding to the recreational facilities.

6.1.3 The initial annual assessment payable by each Owner shall be an estimated \$530.00 per Lot per calendar year. The annual assessment shall be due and payable on January 31st of each year, provided the Board of Directors may elect to permit payment in such installments and at such times as it shall determine. This assessment shall be deferred as to any Lot purchased by a builder with the intent to build a house for resale to the public at large. This assessment will be payable as to any Lot purchased by a builder who purchases a Lot for the purpose of building a custom home under contract with the ultimate residents. This assessment will be prorated on a calendar year basis from the date title to each Lot, for which assessment is payable, is transferred to the Owner.

6.1.4 The annual assessment may be increased or decreased by the Board of Directors of the Association without a vote of the membership to an amount not more than twenty percent (20%) in excess of the annual assessment for the previous year. A majority vote of each class of voting Members of the Association must approve an increase and decrease in the yearly assessment if the increase or decrease exceeds the assessment for the previous year by more than twenty percent (20%).

6.1.5 Annually the Board of Directors of the Association shall have determined and shall have given written notice to each Owner of the annual assessment affixed against each Owner for the immediately succeeding calendar year.

6.2 Special Assessments. In addition to the assessments specified herein above, the Association may levy special assessments for the purpose of supplementing the annual assessment if the same are inadequate to pay the reasonable maintenance expenses and operating costs of the Association. Any Special Assessment shall become effective unless disapproved at a meeting by Owners representing at least seventy-five (75%) percent of the total Class "A" votes allocated to Lots which will be subject to such Special Assessment and, during the Declarant Control Period, by the Declarant. There shall be no obligation to call a meeting for the purpose of considering any Special Assessment except on petition for special meetings in Section 2.4 of the Bylaws of the Association, which petition must be presented to the Board within thirty (30) days after delivery of the notice of such Special Assessment. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

6.3 Removal of Obstruction and Unsightly Growth, Debris and Materials.

6.3.1 The Association may remove any obstruction of any nature located within road right-of-ways or Common Area (including, but not limited to, trees, shrubs and mailboxes, but only to the extent permitted by law or the regulations of the U.S. Postal Service with regard to mailboxes) which, in the opinion of the Association, either might produce a hazard or might interfere with the ability or willingness of Lincoln County, Georgia (or agency or department thereof) to take over the responsibility for maintenance of the roads.

6.3.2 The Association shall have the right, in its sole discretion, to charge back the actual cost of removing any obstruction against the Owner who directly, or through agents, contractors or invitees, caused or permitted the obstruction to be placed in the road right-of-way or Common Area, and such Owner shall indemnify and save the Association harmless from all liability, claims, damages and expense imposed upon the Association at law or in equity, caused by or resulting from the placement of the obstruction in the road right-of-ways or to Common Area. In the event the Owner responsible for such charge or liability as aforesaid fails and refuses after demand by the Association to pay said charge or liability, then the Association shall have a lien against his Lot thereon and may enforce collection of the charge or liability, together with reasonable attorney fees, by any and all remedies afforded by law or in equity, including, without limitation, the filing of a notice of lien and perfecting the same as by law provided, and that such charge or liability shall become a charge or lien against the said Lot or Dwelling.

6.3.3 If the Association, in its sole discretion, determines that any Lot has become unsightly due to grass or weeds not mown, or due to debris of any nature having accumulated on the Lot, then the Association shall have the right from time to time to enter the Lot for the purpose of mowing the grass or removing the debris. At least ten (10) days prior to entering a Lot for said purpose, the Association shall advise the Owner by letter, sent to the Owner's last known address, of the action to be taken. If the Owner does not remedy the problem within the said ten (10) day period, the Association may do so at the sole cost and expense of the Owner. The Association shall take reasonable steps to avoid damage to any trees planted on such Lot, to the extent that the Association has been put on written notice in advance by the Owner of the approximate location on a chart or map of such Lot showing the location of planted trees to be avoided.

6.3.4 The Association shall have the right in its sole discretion, to charge back the actual cost of mowing the grass or removing the debris against the Owner. In the event the Owner responsible for such charge or liability fails and refuses after demand by the Association to pay said charge or liability, then the Association shall have a lien against his Lot and may enforce collection of the charge or liability, together with reasonable attorney fees, and all remedies afforded by law or in equity, including without limitation, filing of a notice of lien and perfecting of same as by law provided to the end that such charge or liability shall become a charge against the said Lot or Dwelling.

6.4 Duty to Make Repairs

6.4.1 Until accepted for maintenance by governmental authority, the obligation for repairs, maintenance and improvements of Common Area shall be the responsibility of the Association with the Owner of each Lot, except as may be provided herein, being responsible for payment of the assessments levied by the Association, which assessments shall be the personal obligation of the Owner of each Lot and a lien upon any such Lot.

6.4.2 The decision to expend Association funds to repair and maintain Common Area shall be made by a majority of the Board of Directors of the Association. By such vote, the Board may delegate such authority to any committee of the Board. No Owner

may waive or otherwise escape liability for the assessment provided for herein by non-use or abandonment of his Lot.

6.4.3 Notwithstanding the foregoing, each Owner of a Lot shall be solely responsible for any repairs to Common Area caused by the negligent act or acts of said Owner, his or her invitees, agents, licensees, contractors or guests. For these purposes, it shall be a negligent act for any building material to be unloaded on any road or road right-of-way.

6.5 Late Charges and Interest on Unpaid Assessments. Any assessment not paid within thirty (30) days after the due date shall be subject to late charges and bear interest at a rate per annum as determined by the Board of Directors of the Association. The interest rate shall not exceed the highest rate of interest allowed by law. The initial late charge imposed for late payment of any assessment is \$25.00. The initial interest rate for a late payment is 18% per year (1.5% per month) which shall commence to accrue on any assessment or other account balance that is not paid within thirty (30) days of the date due. The initial date upon which liens may be filed for failure to make payment of assessments and other charges is thirty (30) days after the due date. The Board of Directors may change the initial late charge, interest rate, due dates and lien assessment date by majority vote of the Board of Directors.

6.6 Lien for Unpaid Assessments.

6.6.1 In the event the Owner of any Lot fails and refuses, after demand by the Association, to pay any annual or special assessment, then the Association shall have a lien against said Lot and may enforce collection of said assessment in law or in equity, including without limitation, the filing of a notice of lien and perfecting the same as by law provided. Such unpaid assessment together with costs and expenses of collection, including without limitation, reasonable attorney fees, shall be a charge and lien against the said Lot.

When a claim of lien is filed or recorded in the Clerk's Office for the Lincoln County, Georgia Superior Court, the Association may foreclose the claim of lien in the same manner as other liens for the improvements of real property. Fees, charges, late charges, fines and other charges are enforceable as assessments under this section.

6.6.2 To secure the payment of annual and special assessments levied by the Association, together with the cost of collection including attorney fees, all such charges shall be a continuing lien upon the Lot against which the assessments are made. Such charges shall also be the personal obligation of the Person(s) who was the Owner or Owners of such Lot at the time the assessment came due. Their personal obligation shall remain a lien upon the Lot upon transfer of title but shall not become the personal obligation of the purchasers thereof unless expressly assumed by them.

6.6.3 Neither the assessments nor the costs of collection shall be a lien upon any Common Area, nor shall the lien upon any Lot for such charges be senior to any first lien mortgage or first lien deed of trust regardless of the fact the lien arose prior to the date and time of recording of any such first lien mortgage or deed of trust.

6.7 Fines for Violations. After notice and an opportunity to be heard, the Association may impose reasonable fines or suspend privileges or services provided by the Association (except right of access to Lots) for reasonable periods for violations of the Declaration, Bylaws, home construction guidelines and Rules and Regulations of the Association.

6.8 Declarant's Obligation for Assessments. During the Declarant Control Period, the Declarant may annually elect to pay either (a) an amount equal to the assessments on all of its unsold Lots or (b) the difference between the amount of assessments levied on all other Lots subject to assessment or the amount of actual expenditures by the Association, exclusive of any reserves, during the fiscal year. Unless the Declarant otherwise notifies the Board, the Declarant shall be deemed to have elected to continue paying on the same basis as during the immediately preceding fiscal year. The Declarant's obligations hereunder may be satisfied in the form of cash or by "in kind" contributions of services.

ARTICLE VII

ARCHITECTURAL CONTROL

7.1 Architectural Review Committee.

7.1.1 In order to control design and location of the Dwellings and other improvements to be constructed, erected, placed, or installed (the "Improvements") upon the Lots in the Subdivision, the Declarant hereby creates an Architectural Review Committee (the "Committee") for the purpose of reviewing, approving, suggesting changes to, and rejecting Plans and specifications for such Improvements (regardless of when such Improvements are made), and the landscaping of each Lot. This Committee is also created for the purpose of reviewing, approving, suggesting changes to, and rejecting, swimming pools, outbuildings, barns, boat houses, ramps, piers, driveways, enclosures for satellite dishes, and, if Declarant so desires, for mailbox design. This Committee will be responsible for the control of size, color, materials, and content of rental and sales signs in this Subdivision, and for the approval or disapproval of boats, boat trailers, travel trailers, motor homes, tractor trailer trucks, or any other such vehicles that are kept or maintained or located upon any Lot unless located within enclosed garages. The Committee will also be responsible for the control of temporary construction shelters or vehicles in this Subdivision. The Committee will require a fee, in an amount to be determined by the Committee, to review house plans for each Owner wishing to build. The review process may be subcontracted at the discretion of the Committee.

7.1.2 The Committee shall consist of three Persons designated or appointed from time to time by the Declarant, its successors or assigns, one of whom may be appointed from among Lot Owners. After ninety (90%) percent of the Lots in the Subdivision are sold and ninety (90%) percent of undeveloped acreage is sold by the Declarant, its successors or assigns, said Committee shall be elected by a majority vote of the Board of Directors; provided, however, Declarant, its successors or assigns, shall be entitled to at least one Committee member until all of its Lots in the Subdivision have been sold.

7.1.3 No trees of any kind in excess of six (6) inches in diameter at ground level may be removed from any Lot without prior approval of the Committee. No building, fence, wall, outbuilding, or any other accessory feature to the Dwelling or any other structure upon any Lot shall be commenced, erected, placed, maintained, or altered on any Lot or combination of contiguous Lots until the complete construction plans (hereinafter "Plans") are approved in writing by the Committee or its designated agents.

7.1.4 Before any clearing, grading or construction of any nature begins on any Lot, written approval in advance must be obtained from the Committee. The Plans shall be in a scale set by the Committee and must include the complete construction plans, the plot plan (showing proposed location and elevation of such building, fences, walks, drives, parking area, etc.) proposed building plans and specifications, exterior color, finish and materials. The areas over which the approval shall be required shall include, but shall not be limited to, the size and plan of the principal residential structure, and all accessory buildings, structures and improvements on the Lot, the size and plan of the garage or carport, location and manner of construction of each driveway, swimming pool, utility building, patio, tennis court, and other improvements for athletic, recreational, or gymnastic purposes, and all other exterior improvements, the composition and color of raw and finished materials used on the exterior of all structures, and the location and type of any landscaping, shrubbery and other plantings.

7.1.5 The Committee or its designated agents shall have thirty-five (35) days after physical receipt of the Plans to accept or reject the same in whole or in part. If no response by the Committee has been made in writing within said thirty-five (35) days, the Plans shall be deemed to be approved as submitted. After the Plans are approved and after the Committee gives written permission for construction to begin, the actual construction shall be commenced and completed in accordance with the approved Plans, together with the requirements of the Declaration, recorded separately. The Committee shall have the right to waive setback violations when the remedial costs of correcting such violation, in the Committee's opinion, would impose undue hardship upon the violator; provided however, setback requirements set by Lincoln County shall be followed.

7.1.6 The actual construction shall be the responsibility of the Owner of the Lot and his builder. Any permission granted for construction under this covenant and any designation of approved licensed contractors shall not constitute or be construed as an approval, warranty or guaranty, express or implied, by the Declarant or the Committee or its designated agent of the structural stability, design or quality of any building or other improvement or of the contractor who constructs such building or other improvements.

7.1.7 Before any clearing, grading or construction begins, a refundable road repair bond in an amount to be determined by the Committee must be posted with the Homeowners' Association. If the road shoulders and road have not been damaged during construction, the bond will be refunded. The property Owner is responsible for placing and maintaining a stone driveway to facilitate the delivery and distribution of building materials at a centralized staging area on the subject Lot. This driveway is to be used before and during construction. After completion of construction, a Homeowners'

Association representative will inspect the roads and road shoulders near and in front of the subject property. The Owner (or builder) will be responsible for any necessary repairs.

ARTICLE VIII

RULE MAKING

8.1 Rules and Regulations. The Board of Directors may establish Rules and Regulations concerning the use of Lots, Dwellings, and the Common Areas and facilities located thereon, including the community dock and boat storage area. Copies of such Rules and Regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such Rules and Regulations and amendments thereto. Such Rules and Regulations shall be binding upon the Owners, their families, tenants, guests, invitees, servants, and agents, until and unless any such rule or regulation is specifically overruled, canceled, or modified by the Board or in a special meeting of the Association by the vote of the Owners, in person or by proxy, holding a majority of the total votes in the Association, provided that in the event of such vote, such action must also be approved by Declarant, for so long as Declarant owns any Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Subdivision.

8.2 Authority and Enforcement. This Declaration and the provisions of the aforesaid Rules and Regulations may be enforced by Declarant, by Owners and by the Serenity Pointe Homeowners Association, Inc. Enforcement of this Declaration may be at law or in equity against any Person or Persons violating or attempting to violate any covenant, condition or restriction herein contained. In the event of enforcement of this Declaration, whether at law or in equity, and a violation hereof is judicially determined, then the violator shall be assessed with the costs of such action, including without limitation reasonable attorneys fees.

ARTICLE IX

GENERAL PROVISIONS

9.1 Control by Declarant. Notwithstanding any other language or provision to the contrary in this Declaration, Articles of Incorporation, or By-laws of the Association, the Declarant retains the 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 first of the following events shall occur: (i) the expiration of the Declarant Control Period; or (ii) the surrender by Declarant of the authority to appoint and remove directors and officers of the Association by an express amendment to this Declaration executed and recorded by Declarant. Each Owner, by acceptance of a deed to or other conveyance of a Lot or Dwelling, vests in Declarant such authority to appoint and remove directors and officers of the Association as provided by this Section. Every grantee of any interest in the Subdivision, 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 of Declarant's right to appoint and remove directors and officers of the Association pursuant to the provisions of this Section, such

right shall pass to the Owners, including Declarant if Declarant then owns one or more Lots or Dwellings. A special meeting of the Association shall be called within a reasonable time thereafter. At such special meeting, the Owners shall elect a new Board and Declarant shall deliver to the new Board all books, accounts, and records 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.

9.2 Amendments by Declarant. For so long as Declarant retains the right to appoint and remove directors and officers of the Association, Declarant may amend this Declaration by an instrument in writing filed and recorded in the Clerk's Office for the Lincoln County, Georgia Superior Court. Such amendment shall be without the approval of any Owner or mortgagee; provided, however, that, with the exception of the addition of any portion of the Additional Property to the terms of this Declaration, (i) in the event that such amendment materially and adversely alters or changes any Owner's right to the use and enjoyment of his Lot or Dwelling, or adversely affects the title to any Lot or Dwelling, such amendment shall be valid only upon the written consent thereto by a majority in number of the then existing Owners affected thereby, or (ii) in the event that such amendment would materially and adversely affect the security title and interest of any mortgagee, such amendment shall be valid only upon the written consent thereto of all such mortgagees so affected. Notwithstanding the foregoing to the contrary, the expiration or termination of the right of Declarant to appoint and remove any directors and officers of the Association shall not terminate Declarant's right to amend the Declaration for the purpose of submitting the Additional Property or any portion thereof to the provisions of this Declaration as provided in Section 2.2 hereof. Any amendment made pursuant to this Section 9.2 shall be certified by Declarant as having been duly approved by Declarant, and by such Owners and mortgagees if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot or Dwelling, agrees to be bound by such amendments as are permitted by this Section and further agrees that, if requested to do so by Declarant, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Subdivision (a) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule, or regulation or any judicial determination which shall be in conflict therewith, (b) if such amendment is necessary to enable any title insurance company to issue title insurance coverage with respect to any Lots or Dwellings, subject to this Declaration, or (c) 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 Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on a Lot or Dwelling, subject to this Declaration.

9.3 Amendments by Association. Amendments to this Declaration, other than those authorized by Section 9.2 hereof, shall be proposed and adopted in the following manner:

9.3.1 Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each Member of the Association.

9.3.2 At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by Members of the Association. Such

amendment must be approved by Owners holding at least two-thirds (2/3) of the total votes in the Association; provided, however, (i) that any amendment which materially and adversely affects the security, title and interest of any mortgagee must be approved by such mortgagee, and (ii) during any period in which Declarant owns a Lot or Dwelling primarily for the purpose of sale or has the unexpired option to add the Additional Property or any portion thereof to the Subdivision, such amendment must be approved by Declarant.

9.3.3 The agreement of the required percentage of the Owners and, where required, Declarant and any mortgagee, to any amendment of this Declaration shall be evidenced by their execution of such amendment, or, in the alternative, the sworn statement of the President of the Association attached to or incorporated in the amendment executed by the Association, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded or at such later date as may be specified in the amendment itself.

9.4 Enforcement. Each Owner shall comply strictly with the By-Laws and the published Rules and Regulations of the Association adopted pursuant to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and in the deed or other instrument of conveyance to his Lot or Dwelling, if any. Failure to comply shall be grounds for imposing fines, for suspending voting rights or rights of use in and to the Common Areas, or for instituting an action to recover sums due for damages, and/or for injunctive relief, such actions to be maintainable by Declarant, the Board of Directors on behalf of the Association, or, in a proper case, by an aggrieved Owner. Should Declarant or the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys' fees, shall be paid by the violating Owner. In as much as the enforcement of the provisions of this Declaration, the By-Laws, and the Rules and Regulations of the Association are 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 may not adequately be 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 any threatened violation or breach. No delay, failure, or omission on the part of Declarant, the Association, or any aggrieved Owner in exercising any right, power, or remedy provided herein shall be construed as an acquiescence thereto or shall be deemed a waiver of the right to enforce such right, power, or remedy thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever 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, by any Person of the provisions of this Declaration, the By-Laws, or any Rules and Regulations of the Association.

9.5 Duration. The provisions of this Declaration shall run with and bind title to the Property, shall be binding upon and inure to the benefit of all Owners and mortgagees and their respective heirs, executors, legal representatives, successors, and assigns, and shall be and

remain in effect for a period of thirty (30) years from and after the date of the recording of the Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such longer duration. Upon the expiration of the thirty (30) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited, with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration, if, during the last year of an initial thirty (30) year period or the last year of any ten (10) year renewal period, seventy-five percent (75%) of the total votes of the Association are cast in favor of terminating this Declaration at the end of the then current term.

In the event that the Association votes to terminate this Declaration, an instrument evidencing such termination shall be filed of record in the Clerk's Office for the Lincoln County, Georgia Superior Court, such instrument to contain a certificate wherein the President of the Association swears that such termination was duly adopted by the requisite number of votes. Every purchaser or grantee of any interest in any Property, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration shall run with and bind title to the Property as provided hereby.

9.6 Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant or the Board of Directors will best effect the intent of the general plan of development. 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 provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration shall be the date of its filing for record in Clerk's Office for the Lincoln County, Georgia Superior Court. The captions of each Article and Section hereof as to the contents of each Article and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of Georgia.

9.7 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

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

9.9 Rights of Third Parties. This Declaration shall be recorded for the benefit of Declarant, the Owners, and their mortgagees as herein provided, and by such recording, no

adjoining property owner or third party shall have any right, title or interest whatsoever in the Subdivision, except as provided herein, or in the operation or continuation thereof or in the enforcement of any of the provisions hereof, and, subject to the rights of Declarant and mortgagees as herein provided, the Owners shall have the right to extend, modify, amend, or otherwise change the provisions of this Declaration without the consent, permission, or approval of any adjoining owner or third party.

9.10 Notice of Sale, Lease, or Mortgage. In the event an Owner sells, leases, mortgages, or otherwise disposes of any Lot or Dwelling, the Owner must promptly furnish to the Association in writing the name and address of such purchaser, lessee, mortgagee, or transferee.

9.11 No Trespass. Whenever the Association, the Declarant, the Committee, and their respective successors, assigns, agents, or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve, or do any other action within any portion of the Subdivision, the entering thereon and the taking of such action shall not be deemed to be trespass.

9.12 Notices. Notices required hereunder shall be in writing and shall be delivered by hand or sent by United States Mail, postage prepaid. All notices to Owners shall be delivered or sent to such addresses as have been designated, at the addresses of such Owners' respective Lots or Dwellings. All notices to the Association shall be delivered or sent to Association's main office or to such other address as the Association may from time to time notify the Owners. All notices to Declarant shall be delivered or sent to Declarant's main office or to such other address as Declarant may from time to time notify the Association. Notices to mortgagees shall be delivered or sent to such addresses as such mortgagees specify in writing to the Association.

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IN WITNESS WHEREOF, this Declaration of Covenants, Conditions and Restrictions of Serenity Pointe Subdivision has been properly executed on the date first set forth herein.

Signed, Sealed and Delivered
in the Presence of:

SERENITY POINTE, LLC

[Signature]

By: [Signature]
As its Manager

Witness

[Signature]

Notary Public, State of Georgia
My Commission Expires: 10/13/08

