

Return to:
Jason Whinghter
672 Industrial Park Dr #200
Evans, GA 30809

**COVENANTS, CONDITIONS AND RESTRICTIONS
MASTER DECLARATION
OF
ANDERSON FARMS PHASE I**

CLERK OF SUPERIOR COURT
COLUMBIA COUNTY, GEORGIA
FILED IN OFFICE
2020 MAY 28 AM 10:01
12597
PAGE 47-89
CINDY MASON, CLERK

THIS MASTER DECLARATION is made by Anderson Farms Development, LLC, a Georgia limited liability company, hereinafter referred to as "**Declarant**".

WHEREAS, Declarant is the developer of the **Anderson Farms** neighborhood, hereinafter referred to as "Anderson Farms", located in Columbia County, Georgia; and

WHEREAS, Anderson Farms will be comprised of various residential properties; and

WHEREAS, Declarant desires to provide for the preservation and enhancement of the property values and quality of life in Anderson Farms, and the health, safety and general welfare of the properties therein; and

WHEREAS, this document is the Master Declaration for Anderson Farms Phase I;

NOW, THEREFORE, Declarant hereby declares that the real property described on Exhibit "A" attached hereto shall be held, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements and other provisions of this Master Declaration which shall run with the title to the land in Anderson Farms. This Master Declaration is binding upon and shall inure to the benefit of Declarant, its successors and assigns, and all persons and entities who may hereafter acquire any right, title or interest in said real property or any portion thereof.

ARTICLE I

DEFINITIONS

Unless the context clearly requires otherwise, the following definitions shall control the interpretation of this Master Declaration:

Section 1. Declarant "Declarant" means **Anderson Farms Development, LLC**, a Georgia limited liability company. No successor or assignee of Declarant shall have any rights or obligations of Declarant hereunder unless they are specifically set forth in the instrument of succession or assignment or pass by operation of law.

Section 2 "Anderson Farms" shall mean all real property which is subject to this Master Declaration, including the real property described on Exhibit "A" attached hereto, and all Additional Property. "**Additional Property**" means real property which hereafter is made subject to this Master Declaration. "**Neighborhood**" means each separate

Recorded 05/28/2020 10:01AM

Deed 1
Doc: COV

CINDY MASON
Clerk Superior Court, Columbia County
B 12597 P 0047-0089

residential area in Anderson Farms comprised of distinct types or densities of Residences and having separate Neighborhood status. Declarant may designate in any Master Declaration that the real property described therein constitutes a separate Neighborhood or that it is being added to an existing Neighborhood.

Section 3. Development Plan and Period. "**Development Plan**" means the non-binding, general scheme of intended uses of the land proposed for inclusion in Anderson Farms as shown on the Anderson Farms Section I plat placed of record in the real estate records of the Clerk of Superior Court of Columbia County, Georgia, The Development Plan may be amended by Declarant at any time during the Development Period. "**Development Period**" means that period commencing on the date hereof and ending when Declarant has sold or committed to a separate scheme of development all land in the Development Plan.

Section 4. Association and Boards. "**Association**" means the **Anderson Farms Neighborhood Association, Inc.**, to become a Georgia nonprofit corporation. The Association will be the property owners' association for Anderson Farms. "**Board**" means the Board of Directors of the Association, the governing body having charge of the affairs of the Association. "**ARB**" means the Anderson Farms Architectural Review Board, the governing body having exclusive jurisdiction over all construction in Anderson Farms. "**Neighborhood Association**" means a nonprofit corporation established as the property owners' association for Anderson Farms.

Section 5. Documents. "**Master Declaration**" means this Anderson Farms Master Declaration of Covenants, Conditions and Restrictions. "**Master Documents**" means this Master Declaration. "**Articles**" means the Articles of Incorporation of the Association. "**Bylaws**" mean the Bylaws of the Association.

Section 6. Rules and Regulations. "**Board Rules**" means all rules and regulations promulgated or adopted by the Board which govern the Association or the use and enjoyment of the properties in Anderson Farms. "**Planning Criteria**" means the Anderson Farms Planning, Construction and Development Criteria promulgated by the ARB. "**Master Rules**" means the Board Rules, all decisions of the Board, the Planning Criteria, and all decisions of the ARB, collectively.

Section 7. Parcels and Residences. "**Parcel**" means a parcel of land or other recognized real property interest capable of separate ownership shown on any recorded plat or plan of Anderson Farms and which is subject to this Master Declaration, excluding Common Property and property owned by governmental agencies and utility companies. "**Residence**" means a dwelling in Anderson Farms designed for single family residential occupancy, including a house, patio home, townhouse, zero lot line dwelling, condominium unit, cooperative unit, apartment unit and any other form of single family residential occupancy or ownership now or hereafter created.

Section 8. Owners and Members. "**Owner**" means the owner, whether one or more persons or entities, of a Parcel in Anderson Farms. "**Member**" means a member of the Association. The Owner of a Parcel in Anderson Farms (all phases) shall be, by virtue of such ownership, a Member of the Association. "**Owner**" and "**Member**" are

synonymous and are used interchangeably herein. When a Parcel is owned by more than one person or entity, all such persons and entities, collectively, are deemed to be one Owner and one Member. The owner of a life estate in a Parcel is deemed to be the Owner as long as the life estate exists. Declarant is an Owner as long as Declarant owns one or more Parcels in Anderson Farms. A Mortgagee is not an Owner. Unless the Association has satisfactory proof to the contrary, ownership of a Parcel is deemed to be vested in accordance with the real estate records of the Clerk of Superior Court of Columbia County, Georgia.

Section 9. Common Property and Maintenance Areas. "**Common Property**" means all real property designated as Common Property and owned by the Neighborhood Association. "**Neighborhood Property**" means Common Property devoted exclusively or substantially, as determined by the Board, to the use and enjoyment of the Owners in the Neighborhood. "**Maintenance Area**" means an area of land, other than Common Property, maintained by the Association. "Neighborhood Maintenance Area" means a Maintenance Area devoted exclusively or substantially, as determined by the Board, to the use and enjoyment of the Owners in the Neighborhood. Maintenance Areas may be established by the Master Document or any other recorded document executed by Declarant, any recorded plat of Anderson Farms (all phases), a contract to which the Association is a party, or a decision of the Board.

Section 10. Common Expenses. "**Common Expenses**" means the expenses of operating the Association in the performance of its duties, including the costs incurred for the maintenance of Common Property and Maintenance Areas, operational expenses, insurance, utilities, taxes, repairs, payment of deficits from prior years, and reasonable reserves, all as may be deemed necessary and appropriate by the Board.

Section 11. Miscellaneous Definitions. "**Mortgage**" means a mortgage, deed to secure debt, deed of trust, or other instrument which secures an obligation and which conveys a lien upon or security title to real property. "**Mortgagee**" means the holder of a Mortgage. "**Real property**" and "**land**" each include all improvements located thereon or therein. To "**maintain**" and the "**maintenance**" of real property each include the operation, management, maintenance, repair, improvement, beautification and landscaping of the same. "**Laws**" includes laws, ordinances, rules and regulations of federal, state and local governments and their agencies. "**Real estate records**" the real estate records of the Clerk of Superior Court of Columbia County, Georgia.

ARTICLE II

PROPERTY SUBJECT TO MASTER DECLARATION

Section 1. Property Subject to Master Declaration. The real property described on Exhibit "A" attached hereto shall be held, sold, conveyed and occupied subject to the provisions of this Master Declaration.

Section 2. Annexation of Additional Property. Declarant shall have the right, but not the obligation to annex to Anderson Farms, as Additional Property, other real property within the Development Plan without the approval of any person, Owner, or entity.

Section 3. Method of Annexation. Annexation of Additional Property shall be accomplished by recording a Master Declaration for any additional phases which subjects the Additional Property to the operation of this Master Declaration and the jurisdiction of the Association for common property owned by the Association (pool, club house, and other recreational facilities). The Declaration for any future phases may contain provisions to reflect the different character of the Additional Property or the various style characteristics and development approaches being implemented, all of which may be significantly different from the development of the real property described on Exhibit "A" attached hereto and other Additional Property. Pursuant to Article II Section 3 of the Master Declaration, Declarant has the right to impose differing conditions and style characteristics on the property annexed to the subdivision. Pursuant to such Power, the Additional Property shall be subject to such varying restrictions and Covenants as may be hereafter recorded in writing by the current owner of such property. To the extent not changed by such recordation, the Additional property shall be subject to the provisions of the Master Declaration as recorded. Pursuant to such Power, architectural control of said Additional Property and the buildings on the lots therein, shall be vested in the current owner of such property or future owners.

Section 4. Non-Binding General Plan of Development. The community contemplated by this Master Declaration including land subject to annexation, is a mixed use planned development and includes a variety of development types and values. The Development Plan is the dynamic design for the development of Anderson Farms and may be amended by Declarant at any time during the Development Period. The Development Plan shall not bind Declarant to annex any land to Anderson Farms, to annex land in any particular sequence or configuration, or to improve any land in accordance therewith. The Master Documents do not bind or encumber any land in the Development Plan prior to annexation thereof. Land not annexed may be subjected to another independent declaration or scheme of development, even though such land is encompassed by the Development Plan. No person or entity shall have any rights to or jurisdiction over any unannexed land, unless expressly granted to them.

Section 5. Merger or Consolidation. Upon a merger or consolidation of the Neighborhood Association with another association, the properties, rights and obligations of the Association may be transferred to the surviving or consolidated association, or alternatively, the properties, rights and obligations of another association may be added to the properties, rights and obligations of the Association as the surviving association. The surviving or consolidated association may administer the provisions of the Master Documents, together with the covenants, conditions and restrictions established upon any other properties, as one scheme. No merger or consolidation, however, shall revoke or change any provisions of the Master Document.

Section 6. Commercial Properties. This Master Declaration relates primarily to the development of Anderson Farms for residential purposes. This Master Declaration may be amended to include uses other than residential for land not within the Neighborhood.

ARTICLE III

THE ASSOCIATION

Section 1. Powers. The Neighborhood Association or "Association" shall have all the powers of a nonprofit corporation organized under the laws of the State of Georgia, subject only to the limitations expressly set forth in the Master Document, the Articles and the Bylaws. The Association may acquire, hold and dispose of real and personal property of every nature. The Association shall accept the Common Property and any other real or personal property conveyed to it by Declarant. The Association shall have the power to do any and all lawful things which may be authorized, assigned, required or permitted to be done by the Master Documents, the Articles and the Bylaws, and to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the duties or powers of the Association for the benefit of the Owners, and for the maintenance of the Common Property and the Maintenance Areas.

Section 2. Board of Directors. The Board shall manage the affairs of the Association. Unless otherwise provided, any right, power or authority granted to the Association may be exercised by the Board, and any duty or obligation of the Association shall be performed by the Board. Subject to the rights of Declarant and the Owners set forth herein, the Association is responsible for the exclusive management and control of the Common Property and the Maintenance Areas, except as otherwise provided herein. The Board shall have the authority to adopt and the power to enforce reasonable rules and regulations to govern the common properties (pool, club house and other common recreational areas) of the Association and the use and enjoyment of the properties in Anderson Farms (the "Board Rules"), to include all phases. The Board Rules may impose standards not contained in or stricter than the Master Documents, if consistent with the general intent thereof and not in conflict with the Master Documents, the Articles, the Bylaws or the Planning Criteria. Any specific authority herein granted to the Board to adopt rules for specific purposes shall not limit its general authority hereunder to adopt rules. The Board Rules shall be observed by all Owners and their tenants, occupants and guests. The Board may waive a violation of the Board Rules, if Board determines such violation to be minor or insubstantial.

Section 3. Election of Board. Declarant shall have the right to elect and remove members of the Board, unless Declarant sooner waives this right. If so waived, the Board shall be elected and removed by the Members in accordance with the Bylaws.

Section 4. Membership. The Owner of each Parcel in Anderson Farms shall be a Member of the Association. When a Parcel is owned by more than one person or entity, all such persons and entities, collectively, are deemed to be one Member. Membership in the Association is appurtenant to the Parcel giving rise to such membership and shall automatically be transferred to the new Owner upon transfer of title to a Parcel. Transfer of membership by any other means shall be void.

Section 5. Voting Rights. Members shall be entitled to one vote in the Association for each Parcel owned in Anderson Farms, including all phases. When a Parcel is owned by more than one person or entity, all such persons and entities shall, collectively, cast only one vote. Fractional votes shall not be allowed. If only one of such persons or entities is present or represented by proxy at a meeting of the membership, that person or entity is

entitled to cast the vote relating to such Parcel. If more than one of such persons or entities are present or represented by proxy, the vote relating to such Parcel shall be cast only in accordance with their unanimous agreement; otherwise, they shall lose their right to vote on the matter in question. Unanimous agreement is conclusively presumed if any one of them purports to cast the vote relating to such Parcel without protest being made prior to the conclusion of the voting by any of the others to the person presiding over the meeting.

Section 6. Declarant's Veto Power. Declarant shall have the power to veto all actions of the Association and the Board, unless Declarant sooner waives this right. As long as Declarant has veto power under this section, no action authorized by the Association or the Board shall become effective, nor shall any action, policy program be implemented, unless and until:

- (a) Declarant shall have been given notice of each meeting of the Members and the Board by certified mail return receipt requested or by personal delivery, at the address it has registered from time to time with the Secretary of the Association, which notice otherwise complies with the provisions of the Bylaws relating to regular and special meetings of the Members and the Board, and which notice shall set forth with reasonable particularity the agenda to be followed at said meeting; and
- (b) Declarant shall have power to veto any action, policy or program authorized or to be taken by the Association, the Board, or any of the Members. Except as set forth in Subsection (c), Declarant's veto must be exercised by Declarant at or before the meeting to consider the proposed action or within ten days thereafter. Declarant's veto power shall not include the authority to require any affirmative action of the Association or the Board; and
- (c) Declarant shall have been given notice by certified mail return receipt requested or by personal delivery of any action, policy or program to be implemented without the formality of a meeting at least ten days prior to its implementation. Declarant shall have ten days after receipt of such notice to exercise its veto.

ARTICLE IV

COMMON PROPERTY

Section 1. Title. Title to all Common Property shall be conveyed to and held by the Association. Declarant may convey certain portions of the Common Property and retain others until the improvements thereon are completed, and until, in the opinion of Declarant, the Association is able to maintain the same. Unless the Board approves otherwise, all Common Property shall be free and clear of any Mortgages or other monetary obligations at the time of conveyance. If any Common Property is conveyed subject to a Mortgage or other monetary obligation, such Mortgage or monetary obligation shall relate directly to improvements made to such Common Property.

Section 2. Maintenance. The Association shall maintain the Common Property and the Maintenance Areas, and all stormwater improvements and facilities in Anderson Farms, including all phases, and the Maintenance Areas which are not the responsibility of a governmental agency, in a clean and attractive condition, and in good order and repair.

Section 3. Use and Enjoyment. The Owners and the Association shall have a nonexclusive right, privilege and easement of use and enjoyment in and to the Common Property which are appurtenant to and shall pass with the title to every Parcel in Anderson Farms, including all phases. Said rights shall include: (a) a right-of-way for ingress and egress vehicular and pedestrian traffic, as appropriate, in, through, over, under and across the streets, roads, trails and walks therein for all lawful purposes; and (b) rights and easements of drainage across or through stormwater improvements, and to connect with, maintain and make use of utilities therein or located in or along the adjacent roads and streets.

Section 4. Extent of Rights. The right to use and enjoy the Common Property, including the Neighborhood Property, is subject to the following:

(a) The provisions of the Master Documents, the right of the Association having jurisdiction thereof to reasonably limit access thereto and the use and enjoyment thereof, and all applicable laws.

(b) The right of Declarant prior to its conveyance, and the Association after its conveyance, to grant or dedicate to any Owner, governmental agency or utility company, and to reserve, easements and rights-of-way, in, through, under, over and across any portion of the Common Property for the maintenance of utilities and drainage facilities, and for the completion of the development.

(c) The right of Declarant prior to its conveyance, and the Association after its conveyance, to grant nonexclusive, permanent rights of use and enjoyment in the Common Property to the owners and occupants of land encompassed by the Development Plan, but not located within Anderson Farms, including all phases, in exchange for services, payments or other consideration, which may include the granting of reciprocal easements to use and enjoy other land within the Development Plan.

Section 5. Easements Reserved to Declarant. Declarant hereby reserves the following easements, rights and privileges in, through, over, upon and under the Common Property during the Development Period: (a) easements to connect with, make use of, construct and maintain utilities, drainage facilities, services and materials within the Common Property, or within or along the adjacent roads and streets, which are beneficial for the completion, marketing, use and enjoyment of Anderson Farms, and to grant the right of use thereof to others; (b) the right to grade, landscape, cut and remove trees, bushes and shrubbery, and take any other action reasonably necessary to provide economical and safe installation of utilities, drainage facilities and services, and to maintain reasonable standards of health convenience, safety and appearance; (c) the right to locate thereon wells, pumping stations, and irrigation systems and lines; (d) the right and easement of ingress and egress for purposes of development construction and marketing of Anderson Farms; and (e) such other easements and rights as may be reasonably necessary to develop

Anderson Farms in an orderly and economical manner; provided; however, that this section shall not obligate Declarant to provide or maintain any such utility, facility or service. The easements and rights herein reserved shall continue in existence in favor of Declarant after conveyance of the Common Property to the Association.

ARTICLE V

EASEMENTS.

Section 1. Recorded Plats. The properties in Anderson Farms are subject to the drainage and utility easements and other matters shown and noted on the recorded plats of Anderson Farms, including all phases. No person, entity or activity shall interfere with the proper use or function of any easement or damage or interfere with the installation, maintenance and operation of utilities, or change the direction or affect the flow of storm water.

Section 2. Emergency Entry. The Association may enter upon a Parcel and the Residence thereon in an emergency for the protection of persons and property in Anderson Farms, including all phases. This right of entry may be exercised by the Association and policemen, firemen, emergency medical technicians and similar emergency personnel in the performance of their duties. This right of entry shall only include the right of the Association to enter upon a Parcel and the Residence thereon to inspect or cure any condition which may increase the possibility of a fire or other hazard in the absence of the Owner or occupant thereof, or in the event such Owner or occupant fails or refuses to cure the hazardous condition.

Section 3. Encroachments. If any portion of a Residence, building, fence, party wall, roadway, walkway, parking area driveway, utility, water line, sewer line, sprinkler system, or other structure or improvement as originally constructed encroaches on a Parcel or the Common Property, a perpetual nonexclusive easement shall exist for the continuing use and maintenance of such encroachment, and any repair or replacement thereof if constructed in substantial conformity with the original encroachment. No person or entity shall maintain any action for the removal of the encroachment or for damages resulting there from.

Section 4. Beneficiaries of Easements. The benefit of any easement, license, right or privilege granted to an Owner hereunder may be granted to the Owner's tenants, occupants and guests for the duration of their tenancies or visits, but the same are not intended nor shall they be construed as creating any rights in or for the benefit of the general public.

Section 5. Stormwater Easements. The Parcels contained within Anderson Farms have been designed to allow for stormwater flow across other Parcels in the development. As such a blanket, perpetual easement is hereby retained over and across each Parcel for the benefit of each adjacent Parcel for stormwater runoff as necessitated by said design.

ARTICLE VI

COVENANT FOR ASSESSMENTS

Section 1. Lien; Personal Obligation; Exemptions. Each Owner as to all phases in Anderson Farms agrees to pay to the Association the annual assessments, special assessments and individual assessments established herein and levied by the Association against the Owner's Parcel. The Common Property and Parcels owned by Declarant which have been made subject to this Master Declaration shall be exempt from assessments. No other land in Anderson Farms shall be exempt from assessments, although the commencement of assessments may be postponed as provided in Section 3(e). Each assessment, together with all other charges authorized pursuant to Article XIV, Section 4, which are deemed a part of the assessment, shall be a charge and a continuing lien upon the Parcel against which the assessment is made from the date the assessment became due, and shall be the personal obligation of the Owner of the Parcel at the time the assessment became due. Such lien shall be prior to all other liens and encumbrances hereafter created except taxes and assessments levied by a governmental agency, and Mortgages described in Section 8. The personal obligation for delinquent assessments shall not pass to the Owner's successors-in-title unless expressly assumed by them, but no such assumption shall relieve the Owner's personal liability therefore. The obligations of this article shall bind each Parcel and each Owner regardless of whether ownership was acquired by conveyance or operation of law, and regardless of whether so expressed in the conveyance or other document of title. No Owner may avoid liability for assessments by abandonment, nonuse or waiver of the use or enjoyment of the Owner's Parcel, the Common Property or any portions thereof or otherwise. Parcel developers and builders are not liable for dues or assessments unless they rent or sell a house on any given Parcel.

Section 2. Purpose of Assessments. Assessments levied by the Association may be used to promote the health, safety and general welfare of Anderson Farms and the Owners and occupants thereof, to perform the duties and exercise the powers conferred upon the Association and for such other purposes deemed necessary or appropriate by the Association or the Board, including: (a) operating expenses of the Association; (b) maintenance and lighting of entry features, project identification signs, access ways, and easement areas (whether dedicated to the public or private); (c) traffic control if not performed by a governmental agency, traffic control devices, and directional markers; (d) real and personal property taxes and assessments levied or assessed against the Association or the Common Property; (e) maintenance of the Common Property and the Maintenance Areas, and all streets and roadways thereon which are not maintained by a governmental agency; (f) recreational and social activities; (g) deficits previously incurred by the Association, if any, in making capital improvements to or upon the Common Property or the Maintenance Areas, or in furnishing services to or for the Members; (h) reasonable reserves for future repairs and replacements; and (i) any other thing deemed necessary or appropriate to keep Anderson Farms safe and attractive, to preserve or enhance the value of the properties therein, or which may be of benefit to the Owners and occupants thereof.

Section 3. Annual Assessments.

(a) Operating Budget. The Board shall, at least forty-five (45) days prior to the end of the Association's fiscal year, prepare and approve an operating budget for the next year which reflects the estimated gross receipts and the estimated Common Expenses and

Limited Common Expenses of the Association, including any capital budget items pursuant to Subsection (b).

(b) Capital Budget. The Board shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required annual capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect to both amount and timing. The annual capital contribution required shall be fixed by the Board and included in the operating budget.

(c) Allocation of Assessments. Those portions of the operating budget reflecting Limited Common Expenses shall only be assessed against the nonexempt Parcels in the Neighborhoods to which such expenses are applicable. The remainder of the operating budget shall be assessed against all nonexempt Parcels in Anderson Farms (all phases). Assessments to pay for Common Expenses in Anderson Farms and assessments to pay for Limited Common Expenses within the Neighborhood shall each be levied at a uniform rate for each Parcel, unless a reasonable basis exists to deviate there from.

(d) Adoption of Budget. The Board shall cause a copy of the proposed operating and capital budgets and the proposed annual assessment to be levied for the following year, broken down if necessary according to type of Parcel, to be sent to each Owner at least forty-five (45) days prior to the end of the Association's fiscal year. The budget and the assessment shall become effective unless and until disapproved by a majority of the total membership (not just those present and voting) at a special meeting of the Members held within thirty (30) days after the proposed budget and assessment are sent. Until such time as a new budget is adopted, the budget in effect for the preceding year shall continue in effect, subject to the same notice and disapproval provisions, until a new budget is approved. A budget approved after the beginning of the fiscal year shall not be retroactive unless the notice to the Owners provides therefore.

(e) Commencement and Payment of Annual Assessments. Annual assessments for the Parcels shown on Exhibit "A" attached hereto shall commence on the first day of the first full calendar month following the recording of this Master Declaration. The annual assessment for parcels in any Additional Property shall commence upon the first day of the first full calendar month after the recording of the applicable Declaration. The annual assessment for Parcels which become subject to annual assessments during an assessment year shall be prorated and paid based on the number of whole months remaining in the assessment year. Notwithstanding the foregoing, the Board may postpone the commencement of annual assessments levied against a Parcel for a reasonable time after the sale thereof by Declarant to permit the construction of the Residence thereon. Developers or builders in all phases of Anderson Farms shall not be responsible for any annual dues. Dues will only be applicable when the house is sold or rented, or a Parcel is sold to an Owner other than a builder.

(f) Payment. Annual assessments shall be paid in full prior to the beginning of the assessment year, unless the Board allows installments to be paid during the assessment year. In the event of installment payments, the Board may charge a uniform rate of interest

upon the amounts remaining unpaid at a rate deemed appropriate by the Board, but not greater than the interest rate on judgments then in effect in the State of Georgia. The Board may accelerate the unpaid balance of any assessment upon default in the payment of any installment thereon.

Section 4. Special Assessments. In addition to the annual assessments established hereunder, the Board may levy at any time a special assessment for the purpose of defraying, in whole or in part, the cost of any unexpected construction, reconstruction, repair or replacement of a capital improvement upon the Common Property or the Maintenance Areas, including the necessary fixtures and personal property related thereto, for the purpose of covering any insufficiency of assessments to fund the actual monetary needs of the Association over and above the budgeted annual assessments, or for any other use or purpose deemed appropriate by the Board; provided that any such special assessment is approved by a majority of the votes of the Members present and voting in person or by proxy at a meeting called for said purpose. Developers or builders in all phases of Anderson Farms shall not be responsible for any assessments unless the houses are sold or rented.

Section 5. Individual Assessments. The Association may levy an individual assessment against a Parcel and its Owner for costs incurred by the Association resulting from an Owner's failure to maintain the Owner's Parcel in accordance with the Master Document or the Master Rules as defined for all phases, or to reimburse the Association for any damage to any Common Property or Maintenance Area caused by an Owner or the Owner's tenants, occupants or guests, or for any other purpose permitted by the Master Document for all phases. An individual assessment shall be paid within thirty (30) days after notice thereof is sent to the Owner.

Section 6. Initiation Fees. An initiation fee for a Parcel may be established by the Developer and collected by same for each Parcel in each phase at the time the Residence thereon is first occupied, or at the closing of the first sale of the Parcel subsequent to issuance of a certificate of occupancy or a satisfactory final inspection from the appropriate governmental agency, whichever occurs first, or at the closing of any subsequent sale of the Parcel after the first such sale. This initiation fee is for membership in the Association and is paid as a one-time fee collected only upon the sale of a Parcel.

Section 7. Status Certificates. The Association, or a professional management agent if so hired by the Board, shall, upon request and for a reasonable charge, furnish a certificate signed by an authorized representative of the Association setting forth the payment status of assessments on a specific Parcel. A certificate of the Association as to the status of assessments on a Parcel is binding upon the Association as of the date of its issuance.

Section 8. Subordination of Lien to Certain Mortgages. The lien of the assessments shall be subordinate to the lien of any Mortgage or Mortgages now or hereafter placed upon any Parcel in Anderson Farms originated by any lender regularly engaged in financing the purchase, construction or improvement of real estate, including but not limited to any commercial or savings bank, savings and loan association, trust company, credit union, industrial loan association, insurance company, pension fund, or business

trust, including a real estate investment trust, as well as any assignee of loans made by any such lender, any private or governmental institution or agency which has insured the loan of any such lender, or any combination of any of the foregoing entities; provided, however, that a sale or transfer of any Parcel pursuant to a decree of foreclosure, nonjudicial foreclosure, or proceeding in lieu of foreclosure, shall not relieve such Parcel from liability or from the lien for assessments thereafter levied. No Mortgagee shall be responsible for the collection of assessments from an Owner.

ARTICLE VII

ARCHITECTURAL CONTROL

Section 1. Architectural Control. Anderson Farms is subject to architectural and environmental review by the Anderson Farms Architectural Review Board (the "ARB") in accordance with this article. The ARB shall have exclusive jurisdiction over all original construction in Anderson Farms, including site work, landscaping, utility extensions, drainage improvements, paving, the construction of Residences, buildings, fences, walls, driveways, parking areas and all other physical or structural construction and improvements, and all subsequent reconstruction, modifications, additions, alterations and repairs, including the alteration of the exterior of any structure or improvement, and existing landscaping. No such construction, reconstruction, modification, addition, alteration or repair may be commenced or performed until the plans and specifications therefore (the "proposed plans") have been submitted to and approved in writing by the ARB. Nothing in this article shall be construed to limit the right of an Owner to finish or alter the interior of the Owner's improvements without approval of the ARB.

Section 2. Architectural Review Board. The ARB shall consist of no less than three members who are not required to be Owners or occupants of Anderson Farms. A majority vote of the members of the ARB is required for a decision of the ARB, provided that a majority of the ARB may appoint one of its members to act on behalf of the entire ARB and the decisions of such appointee shall bind the ARB. The ARB may delegate (retaining the right to withdraw) some or all of the powers and duties of the ARB to separate committees of the Neighborhood Association, particularly when all or substantially all of the Residences have been constructed in the Neighborhood. Declarant shall have the right to appoint and remove members of the ARB until all Parcels are sold unless Declarant sooner waives this right. Thereafter, members of the ARB shall be elected and removed by the Board. Declarant may assign its power of appointment and removal to any person or entity, subject to such terms and conditions as Declarant may impose. Members of the ARR appointed by Declarant shall receive no compensation from the Association. Unless the Board determines otherwise, members of the ARB elected by the Board shall serve without compensation.

Section 3. The Planning Criteria. The ARB shall promulgate the Planning Criteria which may include any matters deemed appropriate by the ARB, including the size and location of various types of Residences and buildings, the installation of utilities and drainage facilities, landscaping, fence design, and recreational improvements. The Planning Criteria may impose standards not contained in or more strict than the Master Documents, if consistent with the general intent thereof and not in conflict therewith.

Different Planning Criteria may be adopted and enforced for improvements in different portions of Anderson Farms. The burden shall be on the applicant to know and comply with the Planning Criteria.

Section 4. Approval of Plans. Proposed plans shall show the nature, size, workmanship, design, signs, shape, finished grade elevation, height, materials and color of the proposed construction, and shall contain a detailed landscape plan and a plot plan showing the location of the proposed construction in relation to boundaries and adjacent improvements. Two sets of the proposed plans shall be submitted to the ARB by the Builder or Owner prior to applying for a building permit. One copy of the plans shall become the property of the Association. Proposed plans shall be approved or disapproved within forty- five (45) days after receipt by the ARB. Approval or disapproval shall be in writing and shall be sent to the Owner, together with the other copy of the plans. Whenever the ARB disapproves proposed plans, the disapproval shall state the reasons for such disapproval. The decision of the ARB shall be final and binding.

Section 5. Disapproval. Approval of the proposed plans may be withheld because of noncompliance with the Master Document or the Planning Criteria, or the reasonable dissatisfaction of the ARB with any of the following: the location of the proposed improvements; the elevation, color scheme, finish, design, proportions, architecture, drainage plan, shape, height, style or appropriateness of the proposed structures or altered structures, or the materials to be used therein; the topography or landscaping, including the planting, size, height and location of vegetation on the property; proposed fences or enclosures; or because of its reasonable dissatisfaction with any other matters or things which, in the judgment of the ARB, including purely aesthetic reasons, would render the proposed improvements inconsistent with the general intent of the Development Plan or the Planning Criteria or inharmonious with the existing or proposed development of Anderson Farms.

Section 6. Adherence to Plans. All construction shall adhere strictly to the plans submitted to and approved by the ARB. It shall be conclusively presumed that the location and exterior configuration of any Residence, building, structure or other improvement placed or constructed in accordance with the approved plans do not violate the Master Document or the Planning Criteria. If after plans have been approved, the improvements are altered, erected or maintained other than as approved by the ARB, such alteration, erection and maintenance shall be deemed to have been undertaken without the approval of the ARB. After the expiration of one year from the date of completion of any improvement, addition or alteration, the same shall, in favor of purchasers and encumbrances in good faith and for value, be deemed to comply with the Master Document and the Planning Criteria, unless a notice of noncompliance executed by any member of the ARB is recorded in the real estate records, or legal proceedings shall have been instituted to compel compliance. The approval by the ARB of any plans shall not be deemed a waiver of its right to object to any of the features embodied therein which may be embodied in any subsequent plans submitted to it, nor shall its approval be construed to signify that the plans are structurally safe or that they conform to applicable building codes.

Section 7. Variances. The ARB may authorize variances from strict compliance with the architectural provisions of the Master Document and the Planning Criteria,

including restrictions upon height, size or placement of structures, when circumstances such as topography, natural obstructions, or environmental considerations may require. If such variance is granted, no violation of the Master Document shall be deemed to have occurred with respect to the matter for which the variance is granted. The granting of a variance shall not operate to waive any of the provisions of the Master Document or the Planning Criteria for any purposes except with respect to the particular Parcel and the particular provision addressed by the variance, nor shall it affect in any way the Owner's obligation to comply with all laws affecting the use of the Owner's Parcel.

Section 8. Waiver of Liability. Declarant, the Association, and the ARB shall not be liable in damages to anyone submitting plans to the ARB, or to any Owner or occupant of Anderson Farms by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval of any plans or the failure to approve any plans, nor shall they be liable for any defects in any plans approved by the ARB, or for any structural or other defect in any work done according to such plans. Every person who submits plans for approval agrees, by submission of such plans, and every Owner and occupant of a Parcel agree, by acquiring title thereto or an interest therein, not to bring any action, proceeding or suit to recover any such damaged. Approval of any proposed plans shall not be deemed a warranty, representation or covenant that such plans, or any action taken pursuant thereto or in reliance thereof comply will applicable laws.

Section 9. Term of Approval. Approval of plans by the ARB shall be effective for a period of one year from the date the approval is granted. If construction has not commenced within said one year period, the approval shall expire and no construction shall thereafter commence without further approval from the ARB.

ARTICLE VIII

EXTERIOR MAINTENANCE

Section 1. Owners' Responsibility. Except as otherwise provided herein below, each Owner shall maintain all landscaping and all improvements on the Owner's Parcel, including but not limited to the exterior of all structures, all utility lines and drainage facilities, and all other improvements located outside, above ground or underground in a clean and attractive condition, and in good order and repair consistent with the approved plans and specifications therefore. The Association may provide such maintenance if the Owner fails to do so; subject, however, to the following provisions. Prior to performing any maintenance on an Owner's Parcel, the Board, or a committee appointed by the Board, shall determine that the Parcel is in need of maintenance. Except in an emergency, prior to any maintenance work, the Board shall notify the Owner that unless the specified maintenance is commenced within fifteen (15) days and thereafter diligently pursued to completion, the Association may cause the maintenance to be performed and charge the cost thereof to the Owner. Upon the failure of the Owner to act within said period of time or to thereafter diligently pursue the completion of the required maintenance, the Association may enter upon the Parcel to cause such maintenance to be performed. The Association may: paint, repair, replace and care for exterior building surfaces, roofs, gutters and downspouts; clean and resurface paved access ways and parking areas; trim and care for trees, shrubs, grass, walks and other landscaping and drainage improvements; and

provide general cleanup and removal of debris. The Association shall not be liable to the Owner or any other person for trespass or injury to person or property as a result of such actions unless caused by gross negligence or intentional wrongdoing. The cost of any maintenance incurred by the Association under this section shall constitute an individual assessment against applicable Parcel and Owner. Notwithstanding anything in this section to the contrary, an Owner shall not be required to maintain any improvements for which the Board may make specific exception.

Section 2. Access at Reasonable Hours. For the purpose of performing the maintenance authorized by this article, the Association may enter upon any Parcel and the exterior of any improvements thereon during reasonable hours on any day except Sundays and holidays, except that in an emergency, entry may be made at any time on any day.

ARTICLE IX

INSURANCE AND FIRE PROTECTION

Section 1. Association Insurance. The Association shall maintain public liability insurance covering the Common Property, Maintenance Areas, Declarant, the Association, any third party management company/agent, and the Members for all damage or injury caused by the negligence of Declarant, the Association, their agent, or any Member. The Association may maintain if reasonably available, liability insurance for its directors and officers. The Association may also maintain hazard insurance for insurable property owned or maintained by the Association and all other types of insurance coverage deemed appropriate by the Board. All insurance maintained by the Association shall be issued in such amounts and upon such terms and conditions deemed appropriate by the Board. The Association shall also have the discretion to self-insure against any risk. All insurance proceeds payable to the Association shall be used or disbursed in a manner deemed appropriate by the Board.

Section 2. Fire Protection. The Owner of each Residence in Anderson Farms shall, if required, pay the subscription fee for fire protection when due to the fire department providing service to Anderson Farms.

ARTICLE X

DESTRUCTION OF RESIDENCES

Section 1. Total Destruction. In the event of the total destruction of a Residence, the Owner thereof shall promptly eliminate any unsafe condition and clear the Parcel of debris. The Owner may leave the Parcel in a clean, orderly and safe condition or reconstruct the Residence. Reconstruction shall commence within a reasonable time, not to exceed sixty (60) days from the date of the destruction, and shall be diligently pursued until completed. The reconstruction shall be approved by the ARB, and shall be in conformity with the plans and specifications of the original structure, subject to any changes or modifications approved by the ARB.

Section 2. Partial Destruction. In the event of partial destruction of a Residence, the Owner thereof shall promptly eliminate any unsafe condition and clear the Parcel of debris. Within a reasonable time, not to exceed thirty (30) days from the date of the destruction. Repairs shall be commenced, and shall be diligently pursued until completed. The repairs shall be approved by the ARB, and shall be in conformity with the plans and specifications of the original structure, subject to any changes or modifications approved by the ARB.

Section 3. Failure to Comply. The Association may eliminate any unsafe condition and clear a Parcel of debris as required by Section 1 or Section 2, if the Owner fails to do so; subject, however, to the following provisions. Prior to any work, the Board, or a committee appointed by the Board, shall determine that the Parcel requires specific work to comply with Section 1 or Section 2. Except in an emergency, prior to any work, the Board shall notify the Owner that unless the specified work is commenced within fifteen (15) days and thereafter diligently pursued to completion, the Association may cause the same to be performed and charge the cost thereof to the Owner. Upon the failure of the Owner to act within said period of time or to thereafter diligently pursue the completion of the specified work, the Association may enter upon the Parcel to cause the specified work to be performed. The Association shall not be liable to the Owner or any other person for trespass or injury to person or property as a result of such actions unless caused by gross negligence or intentional wrongdoing. The cost of the specified work incurred by the Association under this section shall constitute an individual assessment against applicable Parcel and Owner.

ARTICLE X1

PARTY WALLS

Section 1. General Rules of Law Apply. Each wall or fence which is built as a part of the original construction of Residences, buildings, structures or other improvements in Anderson Farms, situate or intended to be situated on the dividing line between adjoining, separately owned properties shall constitute a party wall. Unless otherwise provided in this article, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Maintenance; Casualty. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use thereof in proportion to their use. If a party wall is destroyed or damaged by fire or other casualty, the Owners who have use thereof must restore it. They shall contribute to the cost of such restoration in proportion to their use, without prejudice, however, to require an Owner to contribute a larger amount under any applicable rule of law regarding liability for negligent or willful acts or omissions. An Owner who negligently or willfully causes a party wall to be exposed to the elements shall bear the whole cost of protecting the same against the elements. The right of any Owner to contribution under this article is appurtenant to the land and shall pass to such Owner's successors-in-title.

Section 3. Arbitration. If all parties agree, in the event of a dispute concerning a party wall, each party shall choose one arbitrator and such arbitrators shall choose one or

two additional arbitrators to create an uneven number of arbitrators, and the decision shall be by a majority of the arbitrators. The decision of the arbitrators shall be binding and conclusive upon the parties and no party to the arbitration shall thereafter institute any legal action or proceeding relating to such dispute, except to enforce the decision of the arbitrators.

ARTICLE XII

PROPRIETARY RECREATIONAL FACILITIES

"Proprietary Recreational Facility" means real property within the Development Plan which is developed into and operated privately or commercially as a recreational facility for golf, tennis, swimming, or other sports and leisure activities. The construction of Proprietary Recreational Facilities is not guaranteed in the development of Anderson Farms. Proprietary Recreational Facilities shall not be Common Property, and, unless otherwise provided, the Association shall have no regulatory authority over them. If constructed, Proprietary Recreational Facilities may be private, semiprivate or public recreational facilities, and may require separate membership agreements or admission fees.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Water and Sewage Facilities. No individual water supply system or individual sewage disposal system shall be permitted in Anderson Farms unless approved by the ARB, and all applicable government entities.

Section 2. Landscaping. Landscaping approved by the ARB shall be installed within thirty (30) days of occupancy or completion of the primary structure on a Parcel (as evidenced by a certificate of occupancy or satisfactory final inspection from the appropriate governmental agency), whichever occurs first. The Planning Criteria may require that all landscaped and grassed areas on a Parcel be watered by an automatic underground sprinkler system. Any such requirement shall not apply to the Common Property or the Maintenance Areas, and the ARB may waive such requirement based upon landscaping materials, water consumption or other good cause.

Section 3. Obnoxious or Offensive Activity. No obnoxious or offensive activity shall be allowed in Anderson Farms, nor shall any use or practice be allowed which is a source of annoyance, embarrassment or discomfort to the Owners or their tenants, occupants or guests, or which interferes with the peaceful possession and proper use and enjoyment of the properties in Anderson Farms, nor shall any improper, unsightly or offensive use be made of any Parcel or the Common Property, or any part thereof. Without limiting the foregoing, the use, enjoyment and occupancy of the properties in Anderson Farms shall not cause or produce any of the following effects discernible outside buildings located thereon or effect the adjoining property or any portion or portions thereof; noise or sound that is objectionable because of its volume, duration, intermittent beat, frequency or shrillness; smoke, dust, dirt or ash; unusual fire or explosive hazards; or vibrations. All applicable laws shall be observed in Anderson Farms.

Section 4. Rules and Regulations. The Board Rules may address such matters as vehicular traffic, the state of repair of vehicles, air conditioning units, signs, mailboxes, newspaper boxes, noisy mufflers, garbage and trash disposal, parking, gutters, pets, game and play structures, swimming pools, driveways, walk-ways, sight distances at intersections, and nuisances. The Board Rules may also augment or clarify the provisions of the Master Document.

Section 5. Animals. No animals, including reptiles and fowl, maybe kept in Anderson Farms unless approved by the Board, except that dogs, cats, birds and fish commonly kept as household pets, may be kept in the Neighborhoods. Animals shall not be maintained or bred for any commercial purpose in the Neighborhoods. All animals must be leashed or fenced when outside. No livestock (including chickens and roosters) shall be allowed. Any animal which causes excessive annoyance or disturbs the tranquility or safety of Anderson Farms shall not be permitted to remain. The Board may adopt strict rules governing pets in Anderson Farms, and may delegate its authority to approve pets to a committee appointed by the Board or to the Neighborhood Association.

Section 6. Garbage and Trash. Owners shall promptly remove all garbage, rubbish, and trash resulting from the use and occupancy of their Parcels. Until removed, all garbage, rubbish and trash in Anderson Farms shall be stored in covered or sealed sanitary containers. All such containers must be kept within a building or placed within an enclosed or screened area, and must be integrated into the building plan to make them as inconspicuous as possible. The Association may provide for the common removal of garbage, rubbish and trash from Anderson Farms, and include the cost thereof in the annual assessments.

Section 7. Propane Tanks. All propane storage tanks or receptacles shall be installed within an approved accessory building, within a screened area, or buried underground, and may not be visible from the street or any neighboring property.

Section 8. Vehicles, Parking and Repair. ALL trucks in excess of three-fourths (3/4) ton, commercial vehicles, campers, mobile homes, motor homes, boats, house trailers, boat trailers, and other trailers must be parked or stored in a fully enclosed garage or an area not visible from the street or any neighboring property. This prohibition shall not apply to temporary parking of trucks and commercial vehicles for pick-up, delivery and other commercial services, or to vehicles used in connection with approved construction during the Development Period or thereafter. No inoperative cars, motorcycles, trucks or other types of vehicles shall be allowed to remain either on or adjacent to a Parcel for a continuous period in excess of forty-eight (48) hours, unless kept in an enclosure and not visible from the street or any neighboring property. The Board may promulgate additional rules regulating the use, repair, storage and parking of vehicles, watercraft and equipment in Anderson Farms.

Section 9. Temporary Structures. No building, storage shed, structure, or improvement may be erected, altered, placed or permitted to remain on any Parcel, unless approved by the ARB, and in no case shall any such structure be approved unless the same are constructed with materials that match or complement the Owner's home located on the

Parcel. No house trailer, mobile home, motor home, trailer, tent, shack, temporary structure, or other similar building, structure or vehicle may be used as a permanent or temporary dwelling in Anderson Farms. This section shall not apply to Declarant or builders, contractors, real estate brokers, lenders and utility companies approved by Declarant during the Development Period.

Section 10. Signs. No sign or advertisements of any kind may be erected or displayed to public view in Anderson Farms, unless approved by the ARB, except reasonable street numbers and name signs on individual Residences and one sign of not more than six square feet of surface area per side (two sides maximum) advertising a Parcel for sale or rent. The ARB may adopt rules governing the use of signs in Anderson Farms, including their size, height, location, design, color and text. The ARB may adopt and require the use of a uniform sign to advertise a Parcel for sale or rent. This section shall not apply to Declarant or builders, contractors, real estate brokers, lenders and utility companies approved by Declarant during the Development Period.

Section 11. Air Conditioning Equipment. Air conditioning equipment which is visible on the exterior of any improvement is not permitted unless approved by the ARB. Approval shall be based upon adequacy of screening of such equipment. The ARB may prohibit window air conditioning units or impose strict standards therefore.

Section 12. Drainage Facilities. No person other than Declarant, without the prior approval of the ARB, shall obstruct, alter or in any way modify or impede the efficient operation of the drainage methods or facilities utilized by Declarant or the Association on and over any Parcel, any Common Property, or any Maintenance Area.

Section 13. Antennas. Outside antennas, including television, radio, microwave or dish antennas, are not permitted in Anderson Farms, unless the ARB adopts guidelines in the Planning Criteria permitting the use and display thereof, and unless the antennas comply with such guidelines.

Section 14. Subdivision of Parcels. Declarant may alter the dimensions of a Parcel owned by the Declarant prior to the initial sale of the Parcel to a third party; otherwise, no Parcel or any of the Common Property may be subdivided without the approval of the ARB.

Section 15. Construction. After commencement of construction of any improvements in Anderson Farms, the Owner shall diligently prosecute the work so that construction is completed no later than one (1) year after said commencement. The Owner of the Parcel on which improvements are being constructed shall at all times keep all roads and streets contiguous to the Parcel free from dirt, mud, garbage, trash or other debris occasioned by such construction. Any residential home constructed upon a Parcel shall contain no less than 2,500 square feet of heated and cooled space.

Section 16. Excavation. Clearing or excavation on a Parcel may occur only in connection with approved construction or maintenance of an improvement and upon completion thereof, disturbed ground shall conform to the approved plans for landscaping of the Parcel.

Section 17. Protective Screening. Excluding Maintenance Areas, any protective screening constructed along exterior Parcel lines as a buffer to protect adjacent properties against noise, dust or other adverse conditions shall be maintained by the Owner of such Parcel, including the repair and replacement thereof as long as such buffer may be necessary to protect the adjacent properties, as determined by the ARB.

Section 18. Service Lines. No service lines may be constructed, placed or maintained in Anderson Farms unless they are contained in underground conduit or cable or concealed in buildings or other approved improvements, provided that electrical transformers may be permitted if properly screened and approved by the ARB. The term "service lines" includes lines, wires and other devices for the transmission or communication of electric power and telephone and television signals on a Parcel or other property, but shall not include transmission lines which transmit the power or signals to the Parcel or property, and from which the service lines run. This section shall not prohibit the erection and use of temporary power or telephone service poles and lines incident to the construction of approved improvements.

Section 19. Mailboxes. The ARB shall approve all mailboxes and newspaper boxes in Anderson Farms. The ARB may adopt and require the use of uniform mailboxes and newspaper boxes in Anderson Farms, or may require that all mailboxes and newspaper boxes in Anderson Farms be of a uniform design and construction.

Section 20. Changes to Development Plan. No Owner shall seek directly or indirectly to amend any aspect of the Development Plan in any manner which would affect any part of the land included in the Development Plan, including any change in permitted density of development, permitted land use, or storm water requirements, without the written approval of Declarant, unless such right is waived in writing by the Declarant. In the event of such waiver, such actions shall not be taken without the approval of the Board.

Section 21. Clotheslines. Clotheslines are not permitted in Anderson Farms.

Section 22. Play Structures and Yard Accessories. Unless otherwise approved by the ARB, all basketball backboards and other fixed sports equipment shall be located at the side or rear of the Residence and within the building set back lines, and all play structures and yard accessories shall be located to the rear of the Residence and within the building set back lines. Any such equipment, structure or accessory exceeding six feet in height shall require the approval of the ARB.

Section 23. Trees. Living trees measuring six inches or more in diameter three feet or more above ground level shall not be cut down or removed from Anderson Farms without approval of the ARR, unless the trees are located within six feet of a Residence or building or the proposed location thereof as approved by the ARB.

Section 24. Garages. The Planning Criteria may provide for different types, styles and sizes of garages in Anderson Farms, and may provide that garages are not necessary for certain portions of Anderson Farms. Garage doors which are visible from the street shall remain closed at all times except when vehicles are entering and exiting garages. .

Section 25. Fences. No fence may be erected without prior ARB approval. Chain link fences are not permitted. The ARB may include fence guidelines in the Planning Criteria.

Section 26. Swale Maintenance. As applicable, a Parcel Owner may be responsible to maintain, and keep clear of any obstructions, any swale located on any such Parcel. No building or placement of any fence or other item shall be made in any such swale area.

Section 27. Security. The Board may adopt rules governing the security and protection of Anderson Farms. The Association may provide security for Anderson Farms and include the cost thereof in the annual assessments.

Section 28. Construction Offices and Signs. Declarant and builders, contractors, real estate brokers, lenders and utility companies approved by Declarant, may maintain sales, administrative, construction and other offices, and signs and other promotional equipment and apparatus in Anderson Farms during the Development Period, and the same shall not be subject to assessment.

Section 29. Management Agreements. Any agreement for professional management of the affairs of the Association, or any agreement providing for services to the Association by Declarant, may not exceed one year.

Section 30. No Additional Covenants. No Owner shall impose any additional covenants, conditions or restrictions on any property in Anderson Farms, without the written approval of Declarant, or if such right of approval is waived in writing by the Declarant, then by approval of the Board.

Section 31. Indemnification. The Association shall indemnify every officer and director, and professional management company, against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon an officer or director in connection with any action, suit or other proceeding (including settlement if approved by the current Board) to which the officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistakes of judgment, negligent or otherwise, but shall be liable only for their own individual willful misfeasance, malfeasance, misconduct and bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be Owners), and the Association shall indemnify' and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. My 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.

Section 32. Leasing or Rentals of a Residence. Under no circumstances shall a Residence be leased, rented, or used for short-term rentals (having an initial term of less than 12 months), short-term transient or hotel purposes, or rented through short-term

internet rental services, including, without limitation, VRBO, Airbnb, HomeAway, or such other similar uses. Notwithstanding anything contained to the contrary in this Section, during the period commencing five (5) days before the date of the first scheduled competitive round of the annual Masters Tournament (golf) and terminating two (2) days after the date of the final scheduled competitive round of said tournament, Owners may lease their Residence during such period and there shall be no minimum lease term or requirement, provided all such other provisions shall control such leasing transactions.

ARTICLE XIV

ENFORCEMENT

Section 1. Violations. The Master Document and the Master Rules shall be observed by the Owners and their tenants, occupants and guests. An Owner is responsible and liable for all violations and losses caused by the Owner's tenants, occupants and guests, notwithstanding the fact that such persons are also fully liable therefore. Declarant, the Association, any member of the ARB, or any Owner may enforce and prosecute violations of the covenants, conditions, restrictions, reservations, easements, liens, charges and other provisions now or hereafter imposed by the Master Document or the Master Rules, including proceedings at law or in equity. The failure to enforce a particular provision or prosecute a particular violation shall not be deemed a waiver of the right to do so thereafter.

Section 2. Architectural Requirements. If an Owner fails to comply with any architectural or environmental requirement of the Master Document, the Planning Criteria, or the decisions of the ARB, notice of the violation shall be sent to the Owner allowing the Owner thirty (30) days to cure the violation. If the Owner fails to cure the violation, Declarant and the Associations may each enter upon the Owner's Parcel, make such corrections or modifications as are necessary, remove anything in violation of such requirements, and charge the cost thereof to the Owner, together with an administrative fee as set by the Board. Declarant and the Association shall not be liable to the Owner or any other person or entity for trespass or damages or injury to person or property in connection with such entry unless caused by gross negligence or intentional wrongdoing. This section is in addition to, and does not limit, the general enforcement provisions of Section 1.

Section 3. Costs of Enforcement. The violator under Section 1 or Section 2 shall be liable for all costs reasonably and actually incurred by any authorized person or entity prosecuting a violation of the Master Document or the Master Rules, or correcting a violation of an architectural or environmental requirement. Such costs include writing delinquency and demand letters, court costs, and attorneys' fees, including appeals. Such costs may be recovered regardless of whether suit is filed. If approved by the Board, such costs shall constitute an individual assessment against the applicable Parcel and Owner, and may be enforced in accordance with Section 4.

Section 4. Nonpayment of Assessments. An assessment levied against a Parcel by the Association becomes delinquent if the assessment or any installment thereof is not paid on the date due. If the assessment is not paid within (30) days after the date due, it shall bear interest at the rate set by the Board, but not greater than the interest rate on judgments then in effect in the State of Georgia, and shall be subject to reasonable late charges

established by the Board. The delinquent assessment, together with interest, late charges, and all costs of collection reasonably and actually incurred by the Association, all of which shall be deemed part of the assessment, shall be secured by a continuing lien on the Parcel pursuant to Article VI, Section 1. Costs of collection include charges for filing a claim of lien, writing delinquency and demand letters, court costs, and attorneys' fees, including appeals. Such costs may be recovered regardless of whether suit is filed. The Association may institute legal action to foreclose the assessment lien against the Parcel or to collect against the Owner personally obligated to pay the assessment, or both.

Section 5. Sanctions. The Board shall suspend the voting rights in the Association of an Owner who is delinquent in the payment of assessments to the Association, and may impose other sanctions against such Owner, except that fines may not be imposed for delinquent assessments. For all other violations of the Master Document or the Master Rules, the Board may impose sanctions, including reasonable monetary fines, suspension of an Owner's right to vote in the Association, and loss of use and enjoyment of the Common Property.

Section 6. Remedies Cumulative. The remedies provided by this article and elsewhere in this Master Declaration are not exclusive remedies, but are in addition to all other rights and remedies available to Declarant, the Association, the ARB, and the Owners now or hereafter provided by the Master Document, by law, or otherwise.

Section 7. Exemptions and Immunity. When Declarant, the Association, or the ARB is granted a right or an exemption by the Master Document, or immunity from liability for exercising a right, privilege or remedy granted therein, such right, exemption and immunity shall extend to all persons and entities acting on its behalf, for its benefit, or at its direction, including its directors, officers, committees, members, managers, contractors, agents, employees, successors and assigns.

ARTICLE XV

COVENANTS AND RULES COMMITTEE

Section 1. The CRC. The Board shall appoint a Covenants and Rules Committee (the "CRC") which shall serve as the hearing tribunal of the Association for alleged violations of the Master Document and the Master Rules. The CRC shall consist of at least three and not more than seven members, and may include members of the ARB and persons who are not Owners or occupants of Anderson Farms.

Section 2. Hearing Procedure. The Board shall not levy a fine, suspend voting, or impose any other sanctions against an Owner or other person for a violation of the Master Document or the Master Rules unless and until the following procedure is followed:

- (a) **Demand.** Written demand to cease and desist from an alleged violation shall be sent to the alleged violator specifying: (i) the alleged violation; (ii) the action required to abate the violation; and (iii) a time period which, except in emergency situations, shall be not less than ten days during which the violation may be abated

without sanctions if the violation is continuing, or a statement that any further violation of the same rule may result in the imposition of sanctions if the violation is not continuing.

- (b) **Notices.** At any time within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board shall notify the alleged violator of a proposed hearing to be held by the CRC. The notice shall be sent at least ten days prior to the proposed hearing and shall contain: (i) the nature of the alleged violation; (ii) the time and place of the hearing; (iii) an invitation to attend the hearing and produce evidence and witnesses; (iv) the possible sanctions which may be imposed; (v) that the hearing may not be held unless, within seven days of receipt of the notice, the alleged violator requests that the hearing be held; (vi) that the hearing will be held in executive session unless the alleged violator requests a public hearing within the same seven-day period; and (vii) that, if a hearing is not requested, the CRC may nonetheless hold the hearing or make its recommendation to the Board based upon the information reasonably available to the CRC without a hearing.
- (c) **Hearings.** A hearing shall afford the alleged violator and any other interested person a reasonable opportunity to be heard. The alleged violator may be represented by counsel, and the hearing may be audio or video recorded subject to any applicable Board Rules. The Board may prohibit video recording. Proof of notice of the hearing shall be placed in the minutes of the hearing. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the person who delivered or sent the notice. The notice requirement shall be deemed satisfied if the alleged violator requests or attends the hearing. The minutes of the hearing shall contain a summary of the evidence.
- (d) **Decisions of CRC.** After a hearing, or if no hearing is timely requested or held, the CRC shall determine whether there is sufficient evidence of a violation. If the CRC finds insufficient evidence, it shall terminate the proceedings. If the CRC determines that there is sufficient evidence, it may recommend sanctions to the Board, which may include a fine for each violation and the amount of such fines, and any other remedy or penalty deemed appropriate by the CRC. The findings and recommendations of the CRC shall be sent to the alleged violator and recorded in the minutes of the CRC.
- (e) **Sanctions.** If the CRC recommends that the Board levy a fine or impose other sanctions, the Board may, at a regular or called meeting, receive additional evidence or arguments with regard to the

violation and the recommended sanctions, and may either approve, reduce or waive the sanctions, but may not increase the amount of any fine or impose sanctions different or more severe than recommended by the CRC, except as provided in Subsection (f).

- (f) **Appeals.** After a decision of the CRC, the violator may appeal the decision and recommended sanctions to the Board by notice to the Board received within ten days after notice of the decision was sent to the violator. If an appeal is filed, or if the Board wishes to consider an increase in the amount of a fine or the imposition of sanctions different or more severe than recommend by the CRC, the Board shall hold a hearing with at least ten days' notice to the violator. The notice shall contain: (i) the time and place of the hearing; (ii) an invitation to attend the hearing and produce evidence and witnesses; (iii) the possible sanctions which may be imposed; and (iv) that the hearing will be held in executive session unless the violator requests a public hearing. The hearing shall afford the alleged violator and any other interested person a reasonable opportunity to be heard. The alleged violator may be represented by counsel, and the hearing may be audio or video recorded subject to any applicable Board Rules. The Board may prohibit video recording. The decision of the Board shall be final and shall be sent to the violator.
- (g) **Fines.** The CRC may recommend and the Board may impose fines as follows: (i) for the first non-compliance or violation: a fine not in excess of One Hundred Dollars (\$100.00) for a single violation or Twenty-five Dollars (\$25.00) per day for a continuing violation; (ii) for the second noncompliance or violation: a fine not in excess of Five Hundred Dollars (\$500.00) for a single violation or Fifty Dollars (\$50.00) per day for a continuing violation; (iii) for the third and subsequent non-compliance or violation: a fine not in excess of One Thousand Dollars (\$1,000.00) for a single violation or One Hundred Dollars (\$100.00) per day for a continuing violation. The Board may increase the maximum fines authorized by this subsection in accordance with increases in a recognized index, which evaluates the cost of living, or other data deemed appropriate by the Board.
- (h) **Individual Assessment; Payment.** A fine shall constitute an individual assessment against the applicable Parcel and Owner, and shall be paid within thirty (30) days after notice to the violator of imposition or decision after appeal, whichever is later.

ARTICLE XVI

AMENDMENTS

Section 1. Amendments. This Master Declaration may be amended in accordance with this article. Declarant reserves and shall have the sole right, without vote or approval of any Owner or Mortgagee: (a) to amend Master Document (i) to cure any ambiguity or inconsistency in the Master Document (ii) to comply with the request of any Mortgagee referred to in Article VI, Section 8 within two years from the date hereof or (iii) in any other manner which does not adversely affect the substantive rights of an existing Owner or Mortgagee; (b) to annex additional land and impose additional covenants, conditions and restrictions thereon pursuant to Article II; and (c) to include in any contract, deed or other instrument any additional covenants, conditions and restrictions applicable to any Parcel which do not lower the standards of the Master Document. The Declarant may waive violations of the Master Document, if Declarant determines such violations to be minor or insubstantial.

Section 2. Declarant's Protection. Notwithstanding any other provision herein, during the Development Period, no provision of the Master Document, the Articles or the Bylaws shall be amended, and no rule, restriction or requirement shall be adopted or imposed, without the written approval of Declarant, which directly or indirectly, by its provisions or in practical application, does any of the following:

(a) Repeals or amends any of the following provisions of this Master Declaration: Article II, Property Subject to Master Declaration; Article III, Section 3, Election of Board; Article III, Section 6, Declarant's Veto Power; Article IV, Section 6, Easements Reserved to Declarant; Declarant's exemption from assessments in Article VI, Section 1; Article VII, Architectural Control; Article XIII, Section 20, Changes to Development Plan; Article XIII, Section 27, Construction Offices and Signs; Article XIII, Section 29, No Additional Covenants; this Article XVI, Amendments; or any other provision specifically applicable to the Development Period.

(b) Relates exclusively or primarily to Declarant, or which relates to Declarant in a manner different from the manner in which it relates to other Owners; repeals or amends any of the definitions herein in a manner which would alter Declarant's rights or status; repeals or amends the rights of membership in the Association, or the rights of Declarant as a Member of the Association; repeals or amends any recorded or written agreement with any public or quasi-public agency, utility company, political subdivision, public authority, or other similar agency or body, respecting zoning, streets, roads, drives, easements, utilities, facilities or services in Anderson Farms; denies the right of Declarant to convey Common Property to the Association; or repeals or amends the manner of assessment applicable to Declarant or any land owned by Declarant.

ARTICLE XVII

TERM AND SEVERABILITY

Section 1. Term. This Master Declaration shall run with and bind Anderson Farms, and shall be and remain in effect perpetually to the extent permitted by law. Without limiting the foregoing, all easements herein and all affirmative obligations of the Owners herein, including the obligation to pay assessments, shall run with and bind Anderson Farms, and shall be and remain in effect perpetually to the extent permitted by law. ALL

covenants herein restricting Anderson Farms to certain uses shall run with and bind Anderson Farms for a period of twenty (20) years from the date hereof, and shall be renewed automatically and perpetually for successive periods of twenty (20) years each, unless terminated by at least fifty-one percent (51%) of the Owners in accordance with applicable law. This Master Declaration may be terminated at any time within the initial twenty (20) year period by recording an instrument signed by Declarant and eighty percent (80%) of the Owners.

Section 2. Severability. The invalidity of any provision of this Master Declaration shall in no way affect the other provisions hereof which are hereby declared to be severable, and which shall remain in full force and effect.

Section 3. Perpetuities. If any of the provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of those persons named in the Articles as the initial directors of the Association. The purpose of this section is to prevent a violation of the rule against perpetuities and shall be construed accordingly.

ARTICLE XVIII

MISCELLANEOUS PROVISIONS

Section 1. Notices. Any notice required or permitted herein shall be in writing and may be sent to the last known address of the person or entity as shown on the records of the Association by United States first class mail. Such mailing shall be deemed adequate notice. Other reliable methods of delivery are permitted. Proof of receipt of notice is not required. In an emergency, any type or method of notice may be used which is reasonable under the circumstances. This section does not apply to the notice requirements of Article 111, Section 6 (a) and (c).

Section 2. Interpretation and Construction. All provisions of the Master Document shall be construed together and given that interpretation or construction which will best effect the intent of the general plan of development of Anderson Farms. The enumeration herein of permitted or prohibited activities or conduct (including the failure to act) is intended to explain or illustrate the application of the provisions hereof, and shall not be construed to limit or restrict their application. The Master Document shall be liberally interpreted, and if necessary, they shall be extended or enlarged by implication to make them fully effective.

Section 3. Document Conflicts. In the event of a conflict between the Master Document and the Articles, the Bylaws, the Board Rules or the Planning Criteria the Master Document of each phase shall prevail. In the event of a conflict between the Board Rules and the Planning Criteria the Planning Criteria shall prevail.

Section 4. Headings. The paragraph headings are for reference purposes only and shall not in any way affect the meaning, content or interpretation of this Master Declaration.

Section 5. Number and Gender. Reference to the singular number shall include the plural, and any reference to the plural shall include the singular, as indicated by the context. Reference to any gender shall include all genders.

IN WITNESS WHEREOF, Declarant has caused this Master Declaration to be executed and sealed by its duly authorized Operating Manager, as of the 28 day of May, 2020.

SIGNED, SEALED AND DELIVERED
In the presence of:

Anderson Farms Development, LLC

Witness: [Signature]

By: [Signature]

Name: Stephen Mark Ivey

As its: Member / Manager

Name: [Signature]
Notary Public

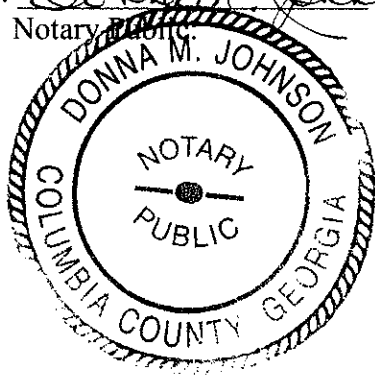


Exhibit "A"

All those lots, tracts or parcels of land, with all improvements thereon, situate, lying, and being in the 129th G.M.D. of Columbia County, Georgia, shown and designated as Lots 1-43 and Parcels 1-5, as each are shown on a Record Plat of Anderson Farms Section I, said plat being prepared by H&C Surveying, Inc., dated January 15, 2020, revised January 17, 2020, and recorded in the Office of the Clerk of Superior Court of Columbia County, Georgia, in Book E2020, Pages 155-156, reference being made to said plat for a more complete and accurate description as to the metes, bounds, courses, distances, and location of said property.

Subject to any and all easements and restrictions as shown on said plat and subject to any and all restrictions and easements of record.

ANDERSON FARMS NEIGHBORHOOD ASSOCIATION, INC.**BYLAWS****SECTION 1
GENERAL**

The following are the Bylaws of the ANDERSON FARMS NEIGHBORHOOD ASSOCIATION, INC., a Georgia nonprofit corporation (the "Association"). The Association is organized pursuant to the Georgia Non-Profit Corporation Act (the "Act") for the purpose of operating and managing ANDERSON FARMS, a planned community. Capitalized terms used in these Bylaws shall have the same meaning as they have in the Declaration of Anderson Farms (the "Declaration") and the Act. In the event of a conflict between the terms of the Declaration and these Bylaws, the terms of the Declaration shall control. The Declaration, the Associations Articles of Incorporation and these Bylaws are sometimes referred to collectively herein as the "Governing Documents".

**SECTION 2
MEMBERSHIP**

2.1 Owners Defined. All Persons described as Owners in Section 8 of the Declaration shall be members of the Association. No Person shall be a member solely by virtue of holding a security interest in a property Parcel (a Parcel is also referred to as a "Unit" hereunder). A Person shall cease to be a member at such time as that Person is no longer an Owner.

2.2 Registration of Owners and Occupants. Each Owner shall register with the Secretary of the Association, in writing, within 30 days after taking title to a Unit, (i) the name and address of the Owners and any Occupants of the Unit, (ii) the nature of such Owner's interest or estate in each Unit owned; (iii) the address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address; (iv) the name and address of the secured party holding the first mortgage on the Unit, if any; and (v) the name of the Owner, if there are multiple Owners of the Unit, who shall be authorized to cast the vote with respect to the Unit. The Owner shall have a continuing obligation to advise the Association in writing of any changes in the foregoing information.

2.3 Transfers. The interests, rights and obligations of an Owner in the Association may be assigned, pledged, encumbered or transferred, but only along with and as a part of the title to the Owner's Unit or as otherwise specifically authorized by the Governing Documents or by law.

**SECTION 3
VOTING**

3.1 Entitlement. Votes shall be allocated to each Unit as provided in the Declaration. However, no vote shall be exercised as to a Unit while the Unit is owned by the Association.

3.2 Authority to Cast Vote. At any meeting of the Owners, an Owner included on the voting register presented by the Secretary in accordance with Section 4.6, or the holder of such Owner's proxy, shall be entitled to cast the vote which is allocated to the Unit owned by the Owner. If there is

more than one Owner of a Unit, only one of the Owners may cast the vote. If the Owners of a Unit fail to agree as to who shall cast the vote, or fail to register pursuant to Section 2.2, the vote shall not be cast.

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners by executing a written proxy naming another Person entitled to act on that Owner's behalf, and delivering the same to the Secretary before the commencement of any such meeting. All proxies granted by an Owner shall remain in effect until the earliest of the following events: (i) revocation by the granting Owner by written notice or by personally attending and voting at the meeting for which the proxy is effective, (ii) eleven months after the date of the proxy, unless otherwise provided in the proxy, or (iii) the time at which the granting Owner is no longer an Owner.

3.4 Voting by Mail Ballot. The entire vote on any issue, except the removal of directors, may be determined by mailed ballots, subject to the following requirements:

- a. The notice of the vote shall: (i) clearly state each proposed action, (ii) indicate the number of responses needed to meet the quorum requirements, (iii) state the percentage of approvals necessary to approve each matter other than election of directors, and (iv) specify the time by which a ballot must be received by the Association in order to be counted.
- b. The ballot shall: (i) set forth each proposed action, and (ii) provide an opportunity to vote for or against each proposed action.
- c. The Board of Directors shall set the time for the return of ballots, which shall not be less than 15 nor more than 30 days after the date of mailing of the ballots to the Owners. The Board of Directors shall provide notice of the results of the vote to the Owners within 10 days after the expiration of the voting period.
- d. Approval by written ballot under this Section is valid only if the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3.5 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners, or cast by mail in accordance with Section 3.4, shall decide all matters properly brought before the Owners, except where a different vote is specifically required by the Governing Documents or the Act. The term "majority" as used herein shall mean in excess of 50% of the votes cast at a meeting, in person or by proxy, or voting by mail, in accordance with the allocation of voting power set forth in the Declaration.

SECTION 4 MEETINGS OF OWNERS

4.1 Place. All meetings of the Owners shall be held at the office of the Association or at such other place in the State of Georgia reasonably accessible to the Owners as may be designated by the Board of Directors in any notice of a meeting of the Owners.

4.2 Annual Meetings. An annual meeting of the Owners shall be held in each fiscal year on a date, and at a reasonable time and place, designated by the Board of Directors. At each annual meeting of the Owners, (i) the Persons who are to constitute the Board of Directors shall be elected pursuant to Section 5, (ii) a report shall be made to the Owners on the activities and financial condition of the Association, and (iii) any other matter which is included in the notice of the annual meeting, and is a proper subject for discussion or decision by the Owners, shall be considered and acted upon at the meeting.

4.3 Special Meetings. Special meetings of the Owners may be called by the President as a matter of discretion. Special meetings of the Owners shall be called by the President or Secretary within 30 days following receipt of the written request of a majority of the members of the Board of Directors or of Owners entitled to cast at least 25% of all the votes in the Association. The meeting shall be held within 90 days following receipt of the request. The request shall state the purpose of the meeting, and the business transacted at the special meeting shall be confined to the purposes stated in the notice. The purpose for which the meeting is requested and held must be lawful and consistent with the Association's purposes and authority under the Governing Documents.

4.4 Notice of Meetings. At least 21, but no more than 30, days in advance of any annual meeting of the Owners, and at least 7, but no more than 30, days in advance of any special meeting of the Owners, the Secretary shall send, to all persons who are Owners as of the date of sending the notice, notice of the time, place and agenda of the meeting, by United States mail, or by hand delivery, at the Owner's Unit address or to such other address as the Owner may have designated in writing to the Secretary, or transmitted by facsimile, copy followed by mailed notice as above required. The notice shall also be sent to the Eligible Mortgagee, upon request, at the address provided by the Eligible Mortgagee. Any Eligible Mortgagee shall, upon request, be entitled to designate a representative to be present at any meeting. Notice of meetings to vote upon amendments to the Articles of Incorporation shall also be given separately to each officer and director of the Association.

4.5 Quorum/Adjournment. The presence of Owners in person or by proxy, who have the authority to cast in excess of thirty percent (30%) of all the votes in the Association shall be necessary to constitute a quorum at all meetings of the Owners for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. Any meeting may be adjourned from time to time, but until no longer than 15 days later, without notice other than announcement at the meeting as initially called. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the meeting as initially called had a quorum then been present. The quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting notwithstanding the departure of any Owner previously in attendance in person or by proxy. The Association may not be counted in determining a quorum as to any Unit owned by the Association.

4.6 Voting Register. The Secretary shall have available at the meeting a list of the Unit

numbers, the names of the Owners, the vote attributable to each Unit and the name of the Person (in the case of multiple Owners) authorized to cast the vote.

4.7 Agenda. The agenda for meetings of the Owners shall be established by the Board of Directors, consistent with the Governing Documents, and shall be sent to all Owners along with the notice of the meeting.

4.8 Electronic Communication. Meetings of the members may also be held as follows by electronic communication:

- a. A conference among members by means of communication through which the participants may simultaneously hear each other during the conference is a meeting of the members, if the same notice is given of the conference as would be required for a meeting and if the number of persons participating in the conference is a quorum. Participation in a meeting by this means is personal presence at the meeting.
- b. A member may participate in a meeting of the membership by any means of the communication through which the member, other persons participating, and all persons physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by this means is personal presence at the meeting.

SECTION 5 ANNUAL REPORT

The Board of Directors shall prepare an annual report on behalf of the Association to be mailed or delivered to each Owner together with the notice of the annual meeting. The report shall contain at a minimum:

- a. A statement of any capital expenditures in excess of two percent of the current budget or \$5,000.00, whichever is greater, approved by the Association for the current year or succeeding two fiscal years.
- b. A statement of the balance in any reserve or replacement fund.
- c. A copy of the statement of revenues and expenses for the Association's last fiscal year, and a balance sheet as of the end of said fiscal year.
- d. A statement of the status of any pending litigation or judgments to which the Association is a party.
- e. A statement of the insurance coverage provided by the Association.
- f. A statement of the total past due assessments on all Units, current as of not more than 60 days prior to the date of the meeting.

SECTION 6
BOARD OF DIRECTORS

6.1 Number and Qualification. The affairs of the Association shall be governed by a Board of Directors. The first Board of Directors shall consist of the persons designated as directors in the Articles of Incorporation of the Association or appointed to replace them by the Declarant, subject to the rights of the Owners to elect directors as set forth in Section 6.2. Upon the expiration of the terms of the members of the first Board of Directors, the Board of Directors shall be composed of five (5) directors, a majority of whom shall be Owners, or a duly authorized representative of the Owner if the Owner is a corporation, partnership, limited liability company, trust or other entity which has the capacity to hold title to real estate.

6.2 Term of Office. The terms of office of the members of the Board of Directors shall be as follows:

- a. Subject to Subsection b, the terms of all directors appointed by Declarant as authorized by the Declaration shall terminate upon the latest of (i) voluntary surrender of control by Declarant, or (ii) an Association meeting which shall be held within 60 days after conveyance to Owners other than a declarant of 75% of the total number of Units authorized to be included in the planned community. The term of office of any director elected to the first Board of Directors pursuant to Subsection b shall expire at the same time as those appointed by Declarant.
- b. Notwithstanding the provisions of Subsection a, the Owners other than Declarant shall have the right to nominate and elect not less than 33-1/3% of the directors at a meeting of the Owners held within 60 days following the conveyance by Declarant of 50% of the total number of Units authorized to be included in the planned community.
- c. The first terms of office of the directors elected by the Owners immediately following the expiration of the terms provided for in Subsection a shall be two years for three of the directors and three years for two of the directors. The nominee or nominees receiving the greatest numbers of votes shall fill the longer terms. Each term of office thereafter shall be two years and shall expire at the appropriate annual meeting of the Owners; provided, that a director shall continue in office until a successor is elected. A number of nominees equal to the number of vacancies, and receiving the greatest numbers of votes, shall be elected, notwithstanding that one or more of them does not receive a majority of the votes cast. A director appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with these Bylaws. There shall be no cumulative voting for directors.

6.3 Nominations. Nominations for election to the Board of Directors shall be made by a nominating committee appointed by the Board of Directors, or from the floor at the annual meeting or by "write-in" if authorized by the Board.

6.4 Powers. The Board of Directors shall have all powers necessary for the

administration of the affairs of the Association, and may exercise for the Association all powers and authority vested in or delegated to the Association (and not expressly prohibited or reserved to the owners) by law or by the Governing Documents. The powers of the Board of Directors shall include, without limitation, the power to:

- a. adopt, amend and revoke Rules and Regulations not inconsistent with the Governing Documents, as follows: (i) regulating the use of the Common Property (also referred to herein as the "Common Elements"); (ii) regulating the use of the units, and the conduct of Owners and occupants, which may jeopardize the health, safety, or welfare of other Owners and occupants, which involves noise or other disturbing activity, or which may damage the Common Elements or other units; (iii) regulating or prohibiting animals; (iv) regulating changes in the appearance of the Common Elements and conduct which may damage the Common Property; (v) regulating the exterior appearance of the Owner's property, including, for example, balconies and patios, window treatments, and signs and other displays, regardless of whether inside a Unit; (vi) implementing the Governing Documents, and exercising the powers granted by this Section; and (vii) otherwise facilitating the operation of the property;
- b. adopt and amend budgets for revenues, expenditures and reserves, and levy and collect assessments for Common Expenses from Owners;
- c. hire and discharge managing agents and other employees, agents, and independent contractors;
- d. institute, defend, or intervene in litigation or administrative proceedings (i) in its own name on behalf of itself or two or more Owners on matters affecting the Common Elements or other matters affecting the Property or the Association; or (ii) with the consent of the Owners of the affected Units on matters affecting only those Units;
- e. make contracts and incur liabilities;
- f. regulate the use, maintenance, repair, replacement and modification of the Common Elements and the Units;
- g. cause improvements to be made as a part of the Common Elements;
- h. acquire, hold, encumber, and convey in its own name any right, title, or interest to real estate or personal property, subject to the requirements of the Act for the conveyance or encumbrance of the Common Elements;
- i. grant public utility easements through, over or under the Common Elements, and, subject to approval by resolution of the Owners other than a declarant or its affiliates at a meeting duly called, grant other public or private easements, leases and licenses through, over or under the Common Elements;
- j. impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Elements, other than Limited Common Elements, and for

services provided to Owners;

k. impose charges for late payment of assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Governing Documents and the Rules and Regulations;

l. impose reasonable charges for the review, preparation and recordation of amendments to the Declaration or Bylaws, statements of unpaid assessments, or furnishing copies of Association records;

m. provide for the indemnification of its officers and directors, and maintain directors' and officers' liability insurance;

n. provide for reasonable procedures governing the conduct of meetings and the election of directors;

o. appoint, regulate and dissolve committees; and

p. exercise any other powers conferred by law or the Governing Documents, or which are necessary and proper for the governance of the Association.

6.5 Meetings and Notices. An annual meeting of the Board of Directors shall be held promptly following each annual meeting of the Owners. At each annual meeting the officers of the Association shall be elected.

- a. Regular meetings of the Board of Directors shall be held at least on a quarterly basis, at such times as may be fixed from time to time by a majority of the members of the Board of Directors. A schedule, or any amended schedule, of the regular meetings shall be provided to the directors.
- b. Special meetings of the Board of Directors shall be held when called (i) by the President of the Association, or (ii) by the Secretary within ten (10) days following the written request of any two (2) directors. Notice of any special meeting shall be given to each director not less than three (3) days in advance thereof. Notice to a director shall be deemed to be given when deposited in the United States mail, postage prepaid, to the Unit address of such director, or when personally delivered, orally or in writing, by a representative of the Board of Directors.
- c. Any director may at any time waive notice of any meeting of the Board of Directors orally, in writing, or by attendance at the meeting. If all the directors are present at a meeting of the Board of Directors, no notice shall be required, and any business may be transacted at such meeting.

6.6 Quorum and Voting. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting thereof. A quorum, once established, shall continue to exist, regardless of the subsequent departure of any directors. Each director shall have one vote. The vote of a majority of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action. Proxies shall not be permitted.

6.7 Action Taken Without a Meeting. The Board of Directors shall have the right to take any action in the absence of a meeting which it could take at a meeting when authorized in a writing signed by the number of directors that would be required to take the same action at a meeting of the board at which all directors were present.

6.8 Electronic Communication. Meetings of the Board Directors may also be held as follows by electronic communication:

- a. A conference among directors by a means of communication through which the directors may simultaneously hear each other during the conference is a board meeting, if the same notice is given of the conference as would be required for a meeting, and if the number of directors participating in the conference is a quorum. Participation in a meeting by this means is personal presence at the meeting.
- b. A Director may participate in a Board meeting by any means of the communication through which the director, other directors participating, and all directors physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by this means is personal presence at the meeting.

6.9 Vacancies. A vacancy in the Board of Directors shall be filled by a person elected within 30 days following the occurrence of the vacancy by a majority vote of the remaining directors, regardless of their number; except for vacancies created pursuant to Sections 6.2 and 6.10 of this Section. Each person so elected shall serve out the term vacated.

6.10 Removal. A director may be removed from the Board of Directors, with or without cause, by a majority vote at any annual or special meeting of the Owners; provided (i) that the notice of the meeting at which removal is to be considered states such purpose, (ii) that the director to be removed has a right to be heard at the meeting, and (iii) that a new director is elected at the meeting by the owners to fill the vacant position caused by the removal. A director may also be removed by the Board of Directors if such director (i) has more than two unexcused absences from Board meetings and/or Owners meetings during any twelve month period, or (ii) is more than 60 days past due with respect to assessments on the director's Unit. Such vacancies shall be filled by the vote of the Owners as previously provided in this Section.

6.11 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, the directors of the Association shall receive no compensation for their services in such capacity. A director may, or other Owner or Occupant may, upon approval by the Board of Directors, be retained by the Association and reasonably compensated for goods and services furnished to the Association in an individual capacity. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

6.12 Fidelity Bond. Fidelity bonds or insurance coverage for unlawful taking of Association funds shall be obtained and maintained as provided in the Declaration on all directors and officers authorized to handle the Association's funds and other monetary assets.

SECTION 7 OFFICERS

7.1 Principal Officers. The principal officers of the Association shall be a President, a Vice President a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may from time to time elect such other officers and designate their duties as in their judgment may be necessary to manage the affairs of the Association. A person may hold more than one office simultaneously, except those of President and Vice President. Only the President and Vice President must be members of the Board of Directors.

7.2 Election. The officers of the Association shall be elected annually by the Board of Directors at its annual meeting and shall hold office at the pleasure of the Board.

7.3 Removal. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, with or without cause, and a successor elected, at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for that purpose.

7.4 President. The President shall be the chief executive officer of the Association, and shall preside at all meetings of the Board of Directors and the Association. The President shall have all of the powers and duties which are customarily vested in the office of president of a corporation, including without limitation the duty to supervise all other officers and to execute all contracts and similar obligations on behalf of the Association. The President shall have such other duties as may from time to time be prescribed by the Board of Directors.

7.5 Vice President. The Vice President shall take the place of the President and perform the duties of the office whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be prescribed by the Board of Directors.

7.6 Secretary. The Secretary shall be responsible for recording the minutes of all meetings of the Board of Directors and the Association. The Secretary shall be responsible for keeping the books and records of the Association, and shall give all notices required by the Governing Documents or the Act unless directed otherwise by the Board of Directors. The Board of Directors may delegate the Secretary's administrative functions to a managing agent; provided that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

7.7 Treasurer. The Treasurer shall have responsibility for all financial assets of the Association, and shall be covered by a bond or insurance in such sum and with such companies as the Board of Directors may require. The Treasurer shall be responsible for keeping the Association's financial books, assessment rolls and accounts. The Treasurer shall cause the books of the Association to be kept in accordance with customary and accepted accounting practices and shall submit them to the Board of Directors for its examination upon request. The Treasurer shall cause all moneys and other monetary assets of the Association to be deposited in the name of or to the credit of the Association in depositories designated by the Board of Directors, shall cause the funds of the Association to be disbursed as ordered by the Board of Directors and shall perform all other duties incident to the office of the Treasurer. The Board of Directors may delegate the Treasurer's administrative functions to a

managing agent, provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

7.8 Compensation. Except as authorized by a vote of the Owners at a meeting thereof, officers of the Association shall receive no compensation for their services in such capacity. An officer may, upon approval by the Board of Directors, be reasonably compensated for goods and services furnished to the Association in an individual capacity. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

SECTION 8 OPERATION OF THE PROPERTY

8.1 Assessment Procedures. The first Board of Directors shall annually prepare a budget of Common Expenses for the Association, but may elect not to levy a Common Expense assessment for up to 60 days after the conveyance of the first Unit, in which case Declarant shall pay all expenses of the Association until the first assessment is levied. Following the expiration of the terms of the members of the first Board of Directors, the Board of Directors shall annually prepare a budget of Common Expenses for the Association and assess such Common Expenses against the Units according to their respective Common Expense liability as set forth in the Declaration.

- a. The Board of Directors shall fix the amount of the annual assessment against each Unit, levy the assessment and advise the Owners in writing of the assessment at least thirty (30) days prior to the beginning of the Association's fiscal year when the first assessment shall be due. The failure of the Board of Directors to timely levy an annual assessment shall not relieve the Owners of their obligation to continue paying assessments in the amount currently levied, as well as any increases subsequently levied.
- b. If an annual assessment proves to be insufficient, the Board of Directors may amend the budget and levy an additional assessment, at any time. The levy shall occur upon the date specified in the resolution which fixes the assessment.
- c. The annual budget shall include a general operating reserve, and an adequate reserve fund for maintenance, repair and replacement of those Common Elements and parts of the Units that must be maintained, repaired or replaced by the Association on a periodic basis.
- d. The Association shall furnish copies of each budget on which the assessment is based to an Owner or to any Eligible Mortgagee, upon request of such persons.

8.2 Payment of Assessments. Annual assessments shall be due and payable within thirty (30) days of the Association sending out the annual dues invoice, or other such time period as determined by the Board of Directors. All Owners shall be absolutely and unconditionally obligated to pay the assessments. No Owner or Occupant shall have any right of withholding, offset or deduction against the Association with respect to any assessments, or related late charges or costs of collection, regardless of any claims alleged against the Association or its officers or directors.

8.3 Default in Payment of Assessments. If any Owner does not make payment on or

before the date when any assessment thereof is due, subject to such grace periods as may be established, the Board of Directors may assess, and such Owner shall be obligated to pay, a late charge as provided in the Declaration for each such unpaid assessment thereof, together with all expenses, including reasonable attorneys' fees, incurred by the Board in collecting any such unpaid assessment.

- a. If there is a default of more than thirty (30) days in payment of any assessment, the Board of Directors may accelerate any remaining amounts of the assessment upon ten (10) days prior written notice thereof to the Owner, and the entire unpaid balance of the assessment and late charges shall become due and payable upon the date stated in the notice unless all past due amounts, including late charges, costs of collection and fines, are paid prior to said date.
- b. The Board of Directors shall have the right and duty to attempt to recover all assessments for Common Expenses, together with any charges, attorneys' fees or expenses relating to the collection thereof.
- c. Upon written request of an Owner or an Eligible Mortgagee of such Unit, notice of a default of more than thirty (30) days in payment of any assessment for Common Expenses or any other default in the performance of obligations by the Owner shall be given in writing to such Eligible Mortgagee.
- d. The rights and remedies referred to herein shall in no way limit the remedies available to the Association under the Declaration or by law.

8.4 Foreclosure of Liens for Unpaid Assessments. The Association has the right to foreclose its assessment lien against a Unit for assessments imposed by the Association, as more fully described in the Declaration and the Act.

8.5 Records. The Board of Directors shall cause to be kept at the registered office of the Association, and at such other places the Board of Directors may determine, records of the actions of the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the Owners of the Association, names of the Owners and Eligible Mortgagees, and detailed and accurate records of the receipts and expenditures and any vouchers authorizing payments, shall be available for examination by the Owners and the Eligible Mortgagees upon reasonable notice and during normal business hours. Separate accounts shall be maintained for each Unit setting forth the amount of the assessments against the Unit, the date when due, the amount paid thereon and the balance remaining unpaid.

8.6 Enforcement of Obligations. All Owners and Occupants and their guests are obligated and bound to observe the provisions of the Governing Documents, the Rules and Regulations and the Act. The Association may impose any or all of the charges, sanctions and remedies authorized by the Governing Documents, the Rules and Regulations or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Association.

SECTION 9 AMENDMENTS

These Bylaws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

9.1 Approval. The amendment must be approved by Owners who have authority to cast in excess of fifty (50%) of the total votes in the Association, in writing or at a duly held meeting of the Owners, subject to any approval rights of the Declarant as provided in the Declaration; and

9.2 Notice. A copy of the proposed amendment and, if a meeting is to be held, notice of such meeting, shall be mailed by U.S. mail, or hand delivered, to all Owners authorized to cast votes; and

9.3 Effective Date; Recording. The amendment shall be effective on the date of approval by the required vote of the Owners and need not be recorded. If recorded, the amendment shall be recorded in the office of the recording officer for the county in which the Property is located.

SECTION 10 INDEMNIFICATION

The Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Association.

SECTION 11 MISCELLANEOUS

11.1 Notices. Unless specifically provided otherwise in the Act, the Declaration or these Bylaws, all notices required to be given by or to the Association, the Board of Directors, the Association officers or the Owners or Occupants shall be in writing and shall be effective upon hand delivery, or mailing if properly addressed with postage prepaid and deposited in the United States mail, or transmitted by facsimile, copy followed by mailed notice; except that registrations pursuant to Section 2.2 shall be effective upon receipt by the Association.

11.2 Severability. The invalidity or unenforceability of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Law.

11.3 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way limit or proscribe the scope of these Bylaws or the intent of any provision hereof.

11.4 Conflicts in Documents. In the event of any conflict among the provisions of the Act, the Declaration, the Bylaws or the Rules and Regulations, the Act shall control unless it permits the documents to control. As among the Declaration, Bylaws and Rules and Regulations, the Declaration shall control, and as between the Bylaws and the Rules and Regulations, the Bylaws shall control.

11.5 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

11.6 No Corporate Seal. The Association shall have no corporate seal.

11.7 Fiscal Year. The fiscal year of the Association shall be as determined by the Board of Directors.

SECTION 12 COMMON DEVELOPMENT STANDARDS

12.1 Mailboxes. All Owners shall use the Declarant's preferred mailbox. Owners are not allowed to use any other kind of mailbox or any additional mailbox or newspaper receptacle, other than the approved mailbox.

12.2 Sanitation Removal and Recycling. All Owners may be required to use the one Sanitation Removal and Recycling Service selected by the Anderson Farms Neighborhood Association or as designated from time to time by the Declarant.