

DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by DANNY OTTER, MARVIN NEAL ANDERSON, CLARK J. ANDERSON and MARK F. ANDERSON, d/b/a RIVER ROAD ASSOCIATES, a partnership, hereinafter referred to as "Declarants".

WITNESSETH:

WHEREAS, Declarants are the owners of certain property in the County of Banks, State of Georgia, which is more particularly described as follows:

All that tract or parcel of land lying and being in the 912th G.M.D., of Banks County, Georgia, consisting of 121.78 acres, all as more fully shown by plat of survey prepared of "Phase 1, Hudson Falls" by Russell N. Bartlett, dated October 24, 1986, recorded in Plat Book 12, Folio 47, in the office of the Clerk of Superior Court, Banks County, Georgia, said plat being referred to and incorporated herein for a more complete description.

NOW THEREFORE, Declarants hereby declare that all of the properties described above shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

1.01 "Association" shall mean and refer to the association created hereby which shall be known as "Hudson Falls Owners Association", its successors, and assigns.

1.02 "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple

title to any lot which is part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

1.03 "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association. Said term shall initially mean only the Property shown on the Hudson Falls Plat dated October 24, 1986, mentioned hereinabove. No part of the Remaining Property shall be included within the term unless expressly so declared by later written instrument.

1.04 "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

1.05 "Lot" shall mean and refer to any plot of land or parcel shown on any recorded subdivision map of the properties with the exception of the Common Area.

1.06 "Declarants" shall mean and refer to DANNY OTTER, MARVIN NEAL ANDERSON, CLARK J. ANDERSON and MARK F. ANDERSON, d/b/a RIVER ROAD ASSOCIATES, a partnership, their successors and assigns.

ARTICLE II

PROPERTY RIGHTS

Owners' Easements of Enjoyment and Ingress and Egress

2.01 Every Owner shall have a right and easement of enjoyment in and to the Common Areas and right of passage across the Roads which rights shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

(a) The right of the Association to dedicate or transfer all or any part of the Common Area or Roads to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of Owners agreeing to such dedication or transfer has been recorded.

Delegation of Use

2.02 Any owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities and rights of ingress and egress across the Roads to the members of his family, his tenants, or contract purchasers who reside on a lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

3.01 Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

3.02 The Association shall allow voting privileges for one vote for each Lot owned, Declarants included. When more than one person holds an interest in any lot, the vote of such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

3.03 The members of the Association shall create and maintain a Board of Directors to govern its affairs, the number, term, and composition of which shall be determined from time to time by the majority of the members.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Creation of the Lien and Personal Obligations of Assessments

4.01 Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and

collected as hereinafter provided. Declarants herein are expressly not included for payment of any annual or special assessment. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

The Roads will be maintained by Declarants until fifty percent (50%) of the initial voting shares or Lots are sold. After fifty percent (50%) is sold, the Association herein shall be responsible for all of the maintenance and repairs on the Roads.

Purpose of Assessments

4.02 The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area, the Roads and of the homes situated upon the Properties.

Maximum Annual Assessment

4.03 Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be One Hundred and No/100 Dollars (¹⁵⁰/~~\$100~~.00) per Lot. The Board of Directors of the Association shall have the authority to increase or decrease any assessments with proper notice hereinafter stated having been given.

Special Assessments for Capital Improvements

4.04 In addition to the annual assessments

authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of the Roads or any capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the owners voting either in person or by proxy at a meeting duly called for this purpose.

Notice and Quorum for Any Action Authorized under Paragraphs
4.03, 4.04

4.05 Any action authorized under Paragraphs 4.03 or 4.04 for the increase or decrease of the annual assessment or special assessment shall be taken at a meeting called for that purpose, written notice of which shall be sent to all members not less than thirty (30) nor more than sixty (60) days in advance of the meeting. Votes may be cast in person or by proxy.

Uniform Rate of Assessment

4.06 Both annual and special assessments must be fixed at a uniform rate for all Lots and must be collected on a yearly basis and on January 1 of each year.

Notice of Annual Assessments: Due Dates

4.07 The Board of Directors shall fix the amount of the annual assessment against each Lot at least sixty (60) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due date shall be January 1 of each year, beginning with the first year a Lot is sold.

Effect of Nonpayment of Assessments:

Remedies of the Association

4.08 Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the

76-1800
ARTH & VANDERT
ATTORNEYS AT LAW
P. BOX 688
ELMA, GA. 30531

4.08 Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of (25%) per annum. The Association may begin an action at law against the owner personally obligated to pay same, or foreclose the lien against the property of that owner. No owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Roads or Common Area or abandonment of their Lot. It being to the mutual advantage of Declarants herein and any subsequent owners or purchasers of any of the above described property to further allow and authorize collection of said amounts. Declarants and subsequent owners hereby authorize and agree that a lien shall be placed among the deed records of Banks County, Georgia, against the offending property or owners until said sum shall be paid in full.

ARTICLE V

RESTRICTIVE COVENANTS

1. No commercial business establishment of any nature is to be built, nor shall any commercial operation be conducted on any lot nor shall any commercial signs be erected or maintained on any lot.

2. Only one dwelling or residential structure can be erected per lot except with express written permission of Declarants. Each dwelling or residential structure is hereby required to contain a minimum of eight hundred (800) completed square feet heated space, exclusive of carport and/or unfinished basement. The EXTERIOR of any dwelling or residential structure must be completed within one year after the commencing of construction.

3. A minimum of ten (10) feet shall be maintained between any line of any lot and the location of any structure.

4. There shall not be maintained upon any lot any noxious or offensive activity, including, but not limited to, the keeping or maintaining of swine and/or poultry.

5. Owners shall provide space for parking at least two (2) automobiles off the road prior to occupancy of any dwelling on any of said lots.

6. The Owner shall provide receptacles for garbage, in a screened area from the road, or provide underground garbage receptacles.

7. Structures of a temporary character shall not be dwelling on any of said lots.

6. The Owner shall provide receptacles for garbage, in a screened area from the road, or provide underground garbage receptacles.

7. Structures of a temporary character shall not be placed upon any tract at any time, except for shelters used by a contractor during the time of construction.

8. Trailers, mobile homes, or any similar units or structures shall not be placed on any lot at any time.

9. No lot or tract shall be further subdivided without the written consent of Declarants.

ARTICLE VI

6.01 The annual assessment and any special assessment necessary under the above mentioned provisions shall be expressly authorized to be used for the maintaining of the Roads. Declarants herein shall be required to maintain the Roads until fifty percent (50%) of the lots (and consequent voting shares) are sold. After fifty percent (50%) of these lots are sold, the association herein shall be fully responsible for all of the maintenance and repairs on said Roads from the fund herein created. In such case, Declarants shall have no further obligation to maintain the Roads.

ARTICLE VII

GENERAL PROVISIONS

Enforcement

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

Severability

ALABAMA TO STATE

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

7.03 The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than seventy-five (75) percent of the Lot Owners, and thereafter by an instrument signed by not less than sixty (60) percent of the Lot Owners. Any amendment must be recorded.

Annexation

7.04 Additional residential property and Common Area may be annexed to the Properties described herein and made subject to all terms and conditions of this Declaration by the dedication of Declarants. In the event Declarants subdivide any of the Remaining Property for residential purposes, Declarants shall assure that such property shall be subject an obligation to share in the maintenance of the Roads.

IN WITNESS WHEREOF, the undersigned, being the
Declarants herein, has hereunto set his hand and seal this 31st
day of October, 1986.

Danny Otter
Danny Otter, Declarant

Marvin Neal Anderson
Marvin Neal Anderson, Declarant

Clark J. Anderson
Clark J. Anderson, Declarant

Mark F. Anderson
Mark F. Anderson, Declarant

WITNESS:

Rhonda L. Davis

Allison C. Roland
Notary Public

My commission expires: 10/29/89

Patricia L...

ERDERT
LAW
10
30351