

BOOK 1137 PAGE 141

000412

After recording return to:
BARNES, NeSMITH & EIDSON, P.C.
P. O. Box 1043
Americus, GA 31709
File No. 9847B

GEORGIA, SUMTER COUNTY	
FILED FOR RECORD ON	
February 16, 2009	
TIME 4pm	BOOK 1137 PAGE 140-183
RECORDED 2-16-09	
<i>Jo. Marchbanks</i>	
DEPUTY CLERK OF SUPERIOR COURT	

CONSOLIDATION AND RESTATEMENT OF
PROTECTIVE COVENANTS
STATHAM LAKEFRONT PROPERTIES

STATE OF GEORGIA

COUNTY OF SUMTER

WHEREAS, R. Spencer Pryor and R. S. Pryor, Jr., have filed for record those certain Protective Covenants dated July 17, 1981, and recorded in Deed Book 192, Page 819, Sumter County Deed Records (the "Original Covenants"), applicable to Lots 1-82 of Statham Lakefront Properties ; and that certain First Amendment to Protective Covenants dated August 13, 1993, and recorded in Deed Book 349, Page 241, Sumter County Deed Records, and that certain roadway in connection therewith in Sumter County, Georgia, and which said real estate is particularly described as follows:

ALL those tracts or parcels of land lying and being in Land Lots 17, 307, 308 and 309 of the 15th Land District of Sumter County, Georgia, and beings Lots 1 through 82 of Statham Lakefront Properties together with all property embraced within the bounds or right-of-way of Statham Lakefront Road and Statham Way, and together with all of the irregular shaped parcel lying easterly

of Lots 80, 81 and 82 and being bordered by Statham Lakefront Road, all as per plat of survey recorded in Plat Cabinet B, Slide 121J, of the records of the Clerk of Superior Court of Sumter County, Georgia, and said plat by reference is incorporated herein and by reference made a part of this description for a more complete description of the above-described property.

TOGETHER WITH: ALL that tract or parcel of land lying and being in Land Lots 273, 306, 307, and 309 of the 15th Land District of Sumter County, Georgia and being the properly delineated as the 50-foot road easement area as more particularly set forth on that certain plat of survey recorded in Plat Book 13, Page 3, of the records of the Clerk of Superior Court of Sumter County, Georgia, which plat is incorporated herein and by reference is made a part hereof for a more complete description of the above-described property.

WHEREAS, it is to the best interest, benefit and advantage of the current lot owners and to each and every person who shall hereinafter purchase a portion of said property to amend, consolidate, restate and enforce the covenants of Statham Lakefront Properties, and to regulate the use and occupancy of the same as hereinafter provided and to establish an association of all present and future owners.

NOW, THEREFORE, for and in consideration of the premises and the benefits to be derived by the present and future owners of all or any part of the property affected by the Original Covenants, First Amendment to Protective Covenants, as hereby and hereafter amended, consolidated and restated, it is hereby agreed as follows:

1.

NO lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted on any lot other than the one detached single family dwelling not to exceed three stores in height and a private garage.

2.

BOOK 1137 PAGE 142

NO fence or walls shall be erected, placed or altered on any lot nearer to any street than the minimum building setback line as established in Paragraph Number Three hereof. Approval shall be as provided in Paragraph Sixteen hereof.

3.

NO building shall be located on any lot nearer than ten feet from the front line of said premises (on the road), or within ten feet to the side line of any adjoining lot owner. This does not pertain to any building such as boat house or dock house, which may be located in the water or on the water line of said lot, so long as such location is in compliance with applicable federal and state laws and regulations.

4.

NO lot shall be reduced in size from the original as per the recorded plat of survey referred to above. A lot may be divided only when added to adjoining lot. In addition, only single family residences may be placed on said lots and no duplexes or apartments or anything of such a nature shall be permitted at any time.

5.

NO noxious or offensive activity shall be carried on upon any lot nor shall anything be done therein which may be or may become an annoyance or nuisance to the neighborhood.

6.

NO structures of a temporary character such as tents, shacks or barns shall be used on any Lot at any time as a residence. either temporarily or permanently. No trailer, garage or

other outbuilding or basement shall be used on any Lot at any time as a residence, either temporarily or permanently. All permanent residences shall be constructed of wood, stucco, stone or brick or other permanent materials as may from time to time be approved by the Architectural Control Committee, and no residence shall have any concrete blocks visible on the exterior thereof. All permanent residences must contain a minimum of 1600 square feet of heated and cooled area of such structure, exclusive of open porches, storage rooms, carports and garages. Manufactured homes will not be allowed on a Lot. No well, septic tank or dwelling shall be constructed on any Lot without the prior written consent of the Sumter County Health Department as to the Location thereof.

7.

NO oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any lot. Nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon or in any lot. No derrick or other structure designated for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot.

8.

NO animals, livestock or poultry of any kind shall be raised, bred or kept on any lot except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes.

9.

NO lot shall be used or maintained as a dumping ground for rubbish, trash and

garbage or other waste. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. In addition, all lots will be maintained in a presentable manner at all times and shall be mowed and kept clear of underbrush in the winter and summer months, and all trash shall be picked up and all lots shall be kept free of trash at all times.

10.

NO tractor trailer rigs or truck vehicles shall be allowed to remain upon any lot in the subdivision for more than three hours at a time, unless such vehicle is housed in a suitable garage. However, this covenant shall not apply to pickup trucks.

11.

NO commercial enterprises of any kind shall be carried on from any home or other building located in the subdivision.

12.

NO drilling, boring or excavating under, on or over the roadways will be permitted.

13.

THE covenants are to run with the land shall be binding to all parties and all persons claiming under them for a period of thirty-nine (39) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

14.

ENFORCEMENT shall be by proceedings at law or in equity to restrain violation or to recover from any person or persons violating or attempting to violate any covenant herein.

15.

INVALIDATION of any one of these covenants by judgment or court order shall in no way effect any of the other provisions which shall remain in full force and effect.

16.

DEFINITIONS

The following words when used in this Declaration or in any supplemental declaration (unless the context shall prohibit) shall have the following meanings:

(a) **Architectural Control Committee** shall mean, as follows: The Architectural Control Committee shall mean the Board of Directors of the Association, or three or more persons appointed by the Board of Directors of the Association to perform the functions of the Architectural Control Committee. Persons appointed to the Architectural Control Committee shall be Lot Owners and shall serve at the pleasure of the Board of Directors of the Association, as the case may be.

(b) **Association** shall mean and refer to the Statham Lakefront Properties Homeowners Association, Inc., a non-profit Georgia Corporation, its successors and assigns.

(c) **Common Property** shall mean all real and personal property or any interest therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.

(d) **Declarant** shall mean and refer to (I) Statham Lakefront Properties Homeowners Association, Inc., or (ii) any successor-in-title to the said person to all or some portion of the property then subjected to this Declaration, provided in the instrument of conveyance to any such successor-in-title, such successor-in-title is expressly designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance.

(e) **Declaration** shall mean and refer to the Original Covenants, as modified by First Amendment to Protective Covenants and any other amendments thereto.

(f) **Development** shall mean and refer to: (I) that certain real property described herein and (ii) such additions thereto as may be made by Declarant by supplementary declaration of all or any part of the real property as described in Exhibit " " attached hereto, and (iii) such additions thereto as may be made by the Association by supplementary declaration of other real property.

(g) **Lot** shall mean and refer to any plat of land comprising a single dwelling site designated on a plat of survey recorded in the Office of the Clerk of the Superior Court of the County in which the Development is located which is subject to this Declaration.

(h) **Mortgage** means any mortgage, deed to secure debt, security deed and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

(i) **Original Covenants** shall mean and refer to those certain Protective Covenants dated July 17, 1981, and recorded in Deed Book 192, Page 819, Sumter County, Georgia

records and that certain First Amendment to Protective Covenants dated August 13, 1993, and recorded in Deed Book 349, Page 241, Sumter County, Georgia records.

(j) **Owner** shall mean and refer to the record owner, whether one or more persons, of the fee simple title to any Lot located within the Development, excluding, however, any person holding such interest merely as security for the performance or satisfaction of an obligation.

(k) **Person** means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trustee or other legal entity.

17.

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. **Property Hereby Subjected to this Declaration.** The real property which is, by the recording of this Declaration, subjected to the covenants, conditions, restrictions, easements, assessments and liens set forth in this Declaration, and which by the recording of this Declaration shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Declaration is the real property described herein.

Section 2. **Other Property.** Only the real property described in Section 1 of this Paragraph is hereby made subject to this Declaration; provided, however, by one or more supplementary declarations, Declarant and the Association shall have the right to subject other real property to this Declaration as hereinafter provided.

PROPERTY RIGHTS, EASEMENTS AND USE RESTRICTIONS

Section 1. Easements of Use and Enjoyment. Every Owner of a Lot shall have a right and easement of use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to his Lot, subject to the following provisions:

(a) the right of the Association to suspend the voting rights and right to use of the recreational facilities, if any, now or hereafter situated upon the Common Property title to which is vested in the Association by a Lot Owner for any period during which any assessment against such Lot which is herein provided for remains unpaid and for a reasonable period of time for violation of the Association's published rules and regulations;

(b) the right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for constructing, repairing or improving any facilities located or to be located thereon, or for constructing, maintaining, repairing or replacing utility systems and facilities, and upon the assent of Declarant (if Declarant then has the unexpired option to annex additional property to the terms of this Declaration and/or the right to control the Association as herein elsewhere provided), give as security for the payment of any such loan a mortgage conveying all or any portion of the Common Property title to which is vested in the Association; provided, however, the lien an encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interest, options, easements and privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any mortgage, irrespective of when

BOOK 1137 ... 149

executed, given by Declarant or any Lot Owner encumbering any Lot or other property located with the Development;

(c) the right of the Association to limit the use and enjoyment of any recreational facilities now or hereafter situated upon the common Property to the Owners of Lots and their respective families, tenants and guests;

(d) the right of the Association to dedicate or transfer all or any portion of the Common Property to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed to by the Owners of record of a majority of the Property Owners within the Development which are subject to this Declaration. No such dedication or transfer shall be effective unless an instrument agreeing to such declaration or transfer has been approved by the Statham Lakefront Properties Homeowners Association, Inc. if Declarant then has the unexpired option to annex additional property to the terms of this Declaration and/or has the right to control the Association as herein elsewhere provided;

(e) the rights and obligations of the Association to maintain, repair and replace the Common Property; and

(f) the rights reserved to Declarant and the Association in this Declaration.

Section 2. Access to Lots. The ownership of any Lot located within the Development shall include, as an appurtenance thereto, a non-exclusive easement and right of pedestrian and motor vehicular access, ingress and egress between the Lot and Lamar Road over, across and upon any road (including without limitation the road referred to in Paragraph 12 of the Original Covenants) and other access way with the Development which

serves the Lot and provides access thereto to the extent that such roads and/or access ways are not dedicated to or owned by a governmental agency; provided, however, the Association shall have the authority to impose reasonable rules and regulations regarding the use of such roads and access ways, as herein elsewhere set forth. Said easement and right of access, ingress and egress shall be appurtenant to and shall pass with the title to each and every Lot which is made subject to this Declaration; and, irrespective of whether any other term, condition or provision of this Declaration is altered, amended, modified, rescinded or terminated, said easement and right of access, ingress and egress shall be perpetual and shall run with and bind the land and shall not be altered, amended, abrogated, modified, rescinded or terminated with respect to any Lot unless the Owner thereof, as well as the holder of any mortgage affected thereby, specifically consents thereto by an instrument duly recorded in the Office of the Clerk of Superior Court of the County in which the Development is located. Notwithstanding anything to the contrary in the Original Covenants, all responsibility for maintenance and repair of any such roads and access roads shall be the responsibility of the Association. Nothing herein contained shall prohibit or impair in any manner the right of Declarant to grant at any time and from time to time non-exclusive easements for pedestrian and motor vehicular access, ingress and egress over, across and upon any road (including without limitation said road referred to in Paragraph 12 of the Original Covenants) and other access way within the Development to any other person or entity, whether or not a Lot Owner, on such terms and conditions as Declarant may deem necessary or appropriate, which right is hereby expressly reserved to Declarant.

BOOK 1137 P. 151

Section 3. Delegation of Use. Any Lot Owner may delegate, in accordance with and subject to the By-Laws and rules and regulations of the Association, his right of use and enjoyment in and to the Common Property and facilities located thereon to the members of his family, his tenants and guests.

Section 4. Utilities, etc. The Association, upon a majority vote of its Board of Directors, as to the Common Property, and Declarant, as to any Lot owned by Declarant, is hereby authorized and empowered to grant such licenses, easements and permits as either of them shall deem necessary and appropriate upon, across, above and under the Common Property or any such Lot, as the case may be, for access, ingress, egress, installation, repairing, replacing and maintaining all utilities serving the Development or any portion thereof.

Section 5. Encroachment. If any portion of the Common Property encroaches upon any Lot, as a result of construction, reconstruction, repair, renovation, restoration, shifting, settlement or movement of any portion of the Development, a valid easement for the encroachment and for the maintenance, repair and replacement thereof shall exist so long as the encroachment exists.

19.

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot in the Development shall be a member of the Association. If title to a Lot is held by more than one person, each of such persons shall be members. Membership shall be appurtenant to the Lot to which it appertains

and shall be transferred automatically by conveyance of that Lot. Membership in the Association may not be transferred except in connection with the transfer of title to a Lot.

Section 2. Voting. The Association shall have one class of voting membership which shall consist of all Owners of Lots located in the Development. Owners shall be entitled to one vote regardless if the same owner owns more than one Lot. When more than one person owns a Lot, the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot. In the event of disagreement among such persons and an attempt by two or more of them to cast such vote or votes, such persons shall not be recognized and such vote or votes shall not counted. All voting rights shall be subject to the restrictions and limitations provided herein and in the Articles of Incorporation and By-Laws of the Association.

Section 3. Meetings. Except as herein otherwise specifically provided, all matters concerning meetings of members of the Association, including the time within which and the manner in which notice of any meeting shall be given to said members, and the quorum required for the transaction of business at any of such meetings shall be as specified in the Articles of Incorporation or By-Laws of the Association, as amended from time to time, and by Law.

Section 4. Casting of Votes. Subject to the provisions of this Declaration and the Articles of Incorporation, the votes of the members shall be cast under the rules and procedures as may be prescribed in the By-Laws of the Association, as amended from time to time, or by law.

MAINTENANCE, REPAIR AND REPLACEMENT

Section 1. Lot Owner's Responsibility. All Lots, together with all improvements, facilities and systems located thereon, shall be maintained in a neat, attractive and safe condition by their respective Owners in compliance with all applicable governmental rules and regulations and all rules and regulations set or prescribed from time to time by the Board of Directors of the Association or the Architectural Control Committee, as herein elsewhere more fully provided. It shall be the responsibility of the Lot Owner to perform said maintenance in such manner so as not to unreasonably disturb other Owners.

Section 2. Association's Responsibility.

(a) The Association shall be responsible for the maintenance, repair and replacement of the Common Property including, but not limited to, all roads and access ways serving the Development.

(b) In the event that the Board of Directors of the Association determines that: (i) any owner has failed or refused to discharge properly his obligations with regard to the maintenance, repair, or replacement of items for which he is responsible hereunder; or (ii) that the need of maintenance, repair or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act or an Owner, his or her family, guests, lessees or invites, and is not covered or paid for by insurance in whole or in part, then, in that event, after approval by a two-thirds (2/3) vote of the Board of Directors, the Association, except in the event of an emergency situation, shall give an Owner written

151

01137
00154

BOOK 1137 PAGE 154

notice of the Association's intent to provide such necessary maintenance, repair or replacement, at the Owner's sole cost and expenses, and setting forth with reasonable particularity the maintenance, repairs or replacement deemed necessary. An Owner shall have thirty (30) days within which to complete said maintenance, repair or replacement, or in the event that such maintenance, repair or replacement is not capable of completion within said thirty (30) day period, to commence said maintenance, repair or replacement within said period and diligently proceed to complete same. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair or replacement at such Owner's sole cost and expense, and the Lot Owner shall be personally liable to the Association for such costs and expenses and the liability therefor shall be a permanent charge and lien against such Owner's Lot enforceable by the Association in the same manner as other liens for the improvements of real property or by any other appropriate proceeding at law or in equity.

21.

INSURANCE

Section 1. Insurance for the Association. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements constructed on the Common Property against loss or damage by fire other hazards, including all risk coverage, vandalism and malicious mischief, in the maximum insurable amount to cover the full replacement cost (or such other amount, if any at all, as the Board of Directors determines to be appropriate under the circumstances) of any

BOOK 1137 PAGE 155

repair or reconstruction in the event of damage or destruction from any such hazard. The Board of Directors of the Association or its manager shall also obtain a public liability policy covering the Common Property and facilities thereon in such amounts and with such coverage as the Board of Directors shall from time to time deem prudent. Premiums for all such insurance shall be common expenses paid for by the Association.

Section 2. Insurance for the Lot Owner. Each Lot Owner shall be responsible for procuring all insurance applicable to the residence and other improvements located on such Lot and all such other insurance for the Lot Owner as such Owner deems appropriate. The obligation to obtain such insurance and all costs thereof shall be the sole responsibility of the Lot Owner and not the Association.

22.

CONDEMNATION

Section 1. General. Whenever any part of the Common Property shall be taken by any authority having the power of condemnation or eminent domain, the award made for such taking shall be payable to the Association and unless otherwise provided by law at the time of such taking, any award made therefor shall be deposited by the Association with the financial institution where the Association's accounts are maintained and disbursed for such purposes as the Board of Directors of the Association shall from time to time determine to be in the best interests of the Association.

23.

RIGHTS OF THE ASSOCIATION

Section 1. Services. The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Development, whether such personnel are furnished or employed directly by the Association or by any person or entity with who or with which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Development or the enforcement of this Declaration.

Section 2. Rules and Regulations. Reasonable rules and regulations concerning the use of the Common Property and facilities located thereon may be made and amended from time to time by the Board of Directors of the Association; provided that copies of such regulations and amendments thereto shall be furnished by the Association to all Lot Owners and, upon request, shall be made available for inspection during normal business hours or under other reasonable circumstances by the holder of any first mortgage on a Lot. Such regulations shall be binding upon the Lot Owners, their families, tenants, guests, invites and agents, until and unless such regulation, rule or requirement be specifically overruled, cancelled or modified in a regular or special meeting by the vote of members (other than Declarant) holding a majority of the total votes in the Association and by the vote of the Declarant so long as the Declarant shall have the unexpired option to annex additional

property to the terms of this Declaration and/or the right to control the Association as herein elsewhere provided. Failure to abide by an such regulation, rule or requirement shall be grounds for an action to recover damages, or obtain injunctive and equitable relief or both, in addition to any other right or remedy provided in this Declaration.

Section 3. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

24.

ASSESSMENTS

Section 1. Purpose of Assessments. The assessments provided for herein shall be used for the purpose of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of Lots in the Development and, in particular, the common fund may be assessed to cover the following: (i) management fees and expenses of administering the Association; (ii) common utility bills and charges for other common services; (iii) the cost of any policies of insurance purchased by the Association, including fire and other hazard coverage for the Common Property, public liability coverage for the Association, including its officers and directors, and such other insurance coverage as the Board of Directors determines to be in the interest of the Association and Lot Owners; (iv) acquisition, improvement, maintenance, repair, replacement and operation of properties, services and facilities devoted to such purposes and related to the Common Property,

including but not limited to the payment of taxes thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof; and (v) the establishment and maintenance of one or more reasonable reserve funds for such purposes as to cover the repair and replacement of Common Property and common systems and facilities that must be replaced on a periodic basis, unforeseen contingencies or deficiencies, or for emergency expenditures or such other matters as may be authorized from time to time by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot within the Development, by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance covenants and agrees to pay to the Association assessments which shall be fixed, established and collected from time to time as herein provided. Such assessments, together with such interest thereon and costs of collection thereof as herein provided, shall be a charge on and a continuing lien upon the Lot against which each such assessment is made. The lien for unpaid assessments shall lapse and be of no further effect as to assessments or installments thereof, together with interest applicable thereto, if a claim of lien therefor is not filed in the Office of the Clerk of the Superior Court of the County in which the Lot is located within one (1) year after the date upon which the assessment, or installment thereof, first became due and payable. Such a claim of lien shall also secure all assessments or portions thereof, together with interest applicable thereto, which come due thereafter until the claim of lien is cancelled of record. Also, irrespective of whether the lien therefor shall be valid or

enforceable, each Owner shall be personally liable for the portion of any assessment coming due while he is the Owner of the Lot and his grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, that if such grantor or grantee shall request a statement from the Association in accordance with the provisions of Section 7(c) of this Paragraph, such grantee, his successors, successors-in-title and assigns shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid assessments against such grantor in excess of the amount set forth in such written statement, if any. Any person who becomes the Owner of a Lot as purchase at a judicial or foreclosure sale conducted with respect to a first mortgage on the Lot, or pursuant to any proceeding in lieu of the foreclosure of such mortgage, shall be liable only for assessments coming due after the date such person so acquires title to the Lot. Further, it is hereby specifically provided that any first mortgagee who obtains title to a Lot pursuant to the remedies provided in the mortgage or foreclosure of the mortgage (or deed in lieu thereof) shall not be liable for such Lot's unpaid dues or charges which accrue prior to the acquisition of title to such Lot by the mortgagee.

Section 3. Regular Annual Assessments. It shall be the duty of the Board of Directors of the of the Association at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated costs of operating the Association during the coming year. Such budget (and the assessments levied to satisfy the same) shall make provision for the buildup and maintenance of an adequate reserve fund for repair and replacement of those portions of the common Property that must be repaired or replaced on

a periodic basis. The Board shall cause the budget, and the assessments to be levied against each Lot Owner for the following year, to be delivered to each Lot Owner at least fifteen (15) days prior to the annual meeting. The budget and the assessments therefore shall become effective unless (i) the proposed budget for the ensuing calendar year exceeds the immediately preceding annual budget by a percentage greater than the percentage increase in the Cost of Living during the twelve (12) month period next preceding the date upon which the Board of Directors shall so determine the budget for the ensuing calendar year and, (ii) such proposed budget is disapproved at the annual meeting by a vote of members of the Association representing at least a majority (more than 50%) of the total votes of the entire membership. In the event the proposed budget is not approved as aforesaid or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall be determined at a subsequent special meeting called pursuant to the provisions of Section 5 below, the budget in effect for the then current year shall continue for the succeeding year.

Section 4. Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year a special assessment applicable to that year only, provided that any such special assessment shall have the assent of members of the Association representing at least a majority (more than 50%) of the votes of the entire membership other than Declarant and by Declarant so long as Declarant shall have the unexpired option to annex additional property to the terms of this Declaration and/or the right to control the Association as herein elsewhere provided.

Section 5. Notice of Meetings. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be given to all members not less than fifteen (15) days or more than sixty (60) days in advance of the meeting. Such notice shall be given by personally delivering the same to any individual designated by a member to the Secretary of the Association, or by mailing a copy thereof by U. s. Certified Mail, postage prepaid, return receipt requested, to the last known place of residence or to such other address as may be furnished by such member to the Secretary of the Association. Notice shall be considered given when personally delivered to any such designated individual or when delivered by mail at such address, as the case may be. Any member may waive notice of the meeting by doing so in writing before or after the meeting. Attendance at a meeting, either in person or by proxy, shall of itself constitute a waiver of notice.

Section 6. Uniform Rate of Assessment. Except as otherwise provided, both annual and special assessments must be fixed at a uniform rate for all Lots.

Section 7. Assessment: Due Dates.

(a) The annual assessment payable to the Association, as provided in this Paragraph shall commence as to each Lot not heretofore conveyed by the Declarant to an individual Lot Owner on the date upon which the Lot is conveyed to an Owner (other than Declarant) and as to each Lot heretofore conveyed to an individual Lot Owner by a person other than Declarant on the date of recording this Declaration (such date, as applicable, being hereinafter sometimes referred to as "the commencement date"). The first annual assessment payable to the Association shall be adjusted according to the number of days remaining in

BOOK 1137 PAGE 162

the calendar year as of the commencement date. Unless otherwise provided by the Board of Directors of the Association, such prorated assessment shall be paid in equal monthly installments commencing on the commencement date. Unless otherwise provided by the Association's Board of Directors, and subject to the foregoing provisions of this Section, one-twelfth (1/12) of the annual assessment for each Lot shall become due and payable to the Association on the first day of each month during the assessment period and shall be paid to the Association when due without further notice from the Association; provided, however, that each Owner shall have the right to prepay any one or more of such installments.

(b) The special assessments payable to the Association, as provided for in this Paragraph shall be due on the date(s) specified by the Association's Board of Directors.

(c) The Association shall, upon demand at any time, furnish to any Owner liable for any such assessment a certificate in writing signed by either the President or Treasurer of the Association, or by the manager of the Association, if any, setting forth whether the same has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessments; Remedies of the Association. Any assessment, or portion thereof, not paid when due shall be delinquent. If the same is not paid within five (5) days after the due date, then a late charge equal to the greater of Five Dollars (\$5.00) or ten percent (10%) of the amount of each assessment or installment thereof not paid when due shall also be due and payable to the Association. If any assessment or portion thereof is delinquent for a period of more than five (5) days, then,

if not paid within ten (10) days after written notice is given to the Lot Owner to make such payment, the entire unpaid balance of the assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full. Any assessment or portion thereof not paid when due shall bear interest from the date of delinquency until paid at the maximum legal rate. The Board of Directors of the Association may suspend the voting rights of the Lot Owner and right to use the recreational facilities, if any, situated on the Common Property during the period in which any assessment or portion thereof remains unpaid and may bring an action at law against the Lot Owner or Owners personally obligated to pay the same or foreclose its lien against such Owner's Lot, in which event interest, costs and reasonable attorney's fees may be added to the amount of such assessment or portion thereof which is past due. All payments on account shall be applied first to interest, and then to the assessment lien first due. All interest collected shall be credited to the common expense fund. Each Lot Owner, by his acceptance of a deed or other conveyance to a Lot, vests in the Association the right and power to bring all actions against him personally for the collection of such charges as a debt and to foreclose the aforesaid lien against his Lot in the same manner as other liens for the improvement of real property. The lien provided for in this Paragraph shall be in favor of the Association and shall be for the benefit of all Lot Owners. The Association shall have the power to bid in the Lot at any judicial or foreclosure sale and to acquire, hold, lease, encumber and convey the same. No Lot Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Property and facilities located thereon or abandonment of his Lot.

164

01137
00164

BOOK 1137 PAGE 164

Section 9. **Priority of Lien.** The lien of the assessments provided for in this Paragraph shall be prior and superior to all other liens except only (a) ad valorem taxes and (b) all sums unpaid on a first mortgage, on the Lot, if any. The sale or transfer of any Lot which is subject to a first mortgage pursuant to the judicial sale or foreclosure thereof, or pursuant to any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as the payments thereof which became due prior to such sale or transfer. No sale or transfer shall relieve the acquirer of title, and the successor-in-title and assigns thereof from the liability for any assessment thereafter becoming due on the Lot or from the lien thereof.

Section 10. **Lots Owned by Declarant.** So long as Declarant has the unexpired option to annex additional property to the terms of this Declaration and/or the right to control the Association, Declarant agrees to remit to the Association each assessment year an amount equal to the difference between the actual expenses of the Association for such year and the amount of assessments payable by Lot Owners other than Declarant; provided, however, that in no event will the amount which Declarant is obligated to pay in any year pursuant to this provision exceed the amount which Declarant would pay if Declarant paid assessments in the same manner as other Lot Owners. Thereafter, Declarant will pay assessments in the same manner as other Lot Owners.

Section 11. **Exempt Property.** The following property subject to this Declaration shall be exempt from the assessments, charges and liens created herein; (I) all properties dedicated to and accepted by any governmental authority; and (ii) the Common Property; and

BOOK 1137 PAGE 165

(iii) Lots owned by Declarant except as expressly provided in the immediately preceding Section.

25.

ADMINISTRATION

Section 1. Responsibility for Administration. The maintenance, repair, replacement and operation of the Common Property and facilities located thereon shall be the responsibility of the Association. Such administration shall be governed by this Declaration and the Articles of Incorporation and By-Laws of the Association, as amended from time to time. The powers and duties of the Association shall be those set forth in said documents, together with those reasonably implied to effect their respective purposes, and shall be exercised in the manner provided therein.

Section 2. Limitation of Liability; Indemnification. Notwithstanding the duty of the Association to maintain, repair and replace the Common Property and facilities thereon as herein provided, the Association shall not be liable for injury or damage caused by any latent condition of such property and facilities nor for injury or damage caused by the elements, its members or other persons, nor shall any officer or director of the Association be liable to any of its members for injury or damage caused by such officer or director in the performance of his duties due to any mistake or judgment, negligence, otherwise, except for their own willful misconduct or bad faith. Each officer or director of the Association shall be indemnified by the Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him in connection with any proceeding in

which he may be a party, or in which he may become involved, by reason of his being or having been such an officer or director, whether or not he is such an officer or director at the time such expenses and liabilities are incurred, except as otherwise provided in the Articles of Incorporation and By-Laws of the Association.

Section 3. Disclosure of Financial Records. Upon request, the Association shall be required to make available for inspection by Lot Owners and any holder of a first mortgage on a Lot during normal business hours or under other reasonable circumstances, current copies of the Declaration, Articles of Incorporation and By-Laws of the Association and any amendments thereto, and the books, records and financial statements of the Association. Any holder of a first mortgage, upon written request to the Association, will be entitled to receive a financial statement of the Association for the immediately preceding fiscal year.

26.

ARCHITECTURAL RESTRICTIONS AND USE RESTRICTIONS

Section 1. Architectural Control. To preserve the architectural appearance of the Development, after the purchase of any Lot, no structure or improvements of any kind shall be commenced, constructed, erected, placed, maintained, altered, changed, added to, modified or reconstructed on any Lot, nor shall any exterior addition to, or alteration, change or modification to an existing structure or improvement, be constructed, erected, placed, or maintained on any Lot, until the plans and specifications therefore shall have been submitted to and approved in writing by the Architectural Control Committee. "Improvement" shall

~~BOOK~~ 1137 PAGE 167

mean and include and improvement, change, alteration or modification of the appearance of a Lot from the state existing on the date of the conveyance of such Lot to a Lot Owner. No changes or deviations in or from such plans and specifications as approved shall be made without the prior written approval of the Architectural Control Committee. Approval shall be based, among other things, on adequacy of site dimensions; conformity and harmony of external design with proposed or existing neighboring structures or improvements; and relation to topography, grade and finished ground elevation of the Lot to that of neighboring property. In any event, the Architectural Control Committee shall have the right to require any Lot Owner to remove or alter any improvements which has not received approval or is built or installed other than in accordance with the plans and specifications approved by the Architectural Control Committee. In the event the Architectural Control Committee fails to approve or disapprove in writing plans or specifications within thirty (30) days after the same have been personally delivered to an individual who is then a member of the Architectural Control Committee, approval shall not be required and this Section will be deemed to have been complied with. Neither Declarant, nor any member of the Board of Directors of the Association, nor any member of the Architectural Control Committee shall be responsible or liable in any way for any defects in any plans or specifications approved by the Architectural Control Committee, nor any defects in any work done according to any plans and specifications approved by the Architectural Control Committee, or in respect to which the Architectural Control Committee failed to take any action regarding approval or disapproval. Further, Declarant, nor any member of the Board of Directors of the

Association, nor any member of the Architectural Control Committee shall be liable in damages to anyone submitting plans or specifications for approval under this Section, or to any owner of property affected by this Declaration by reason of mistake in judgment, negligence, or failure to perform arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans of specifications. Every person who submits plans or specifications to the Architectural Control Committee for approval agrees, by submission of such plans and specifications, and every Owner of any Lot agrees, that he will not bring any action or suit against Declarant, nor any member of the Board of Directors nor any member of the Architectural Control Committee, to recover for any such damage.

Section 2. Existing Improvements. To the extent that any Lot subject to this Declaration currently has any improvements located thereon which would violate any provision of this Declaration, such improvements, to the extent they remain unchanged from the date this Declaration is filed for record, will not be subject to the provisions of Section 1 of this Paragraph; provided, however, that any subsequent change or alteration will be subject to the provisions hereof.

Section 3. Governmental Regulations. all governmental building codes, health regulations, zoning restrictions, and the like applicable to the Development shall be observed. In the event of any conflict between any provision of any such governmental code, regulation or restriction and any provision of this Declaration, the more restrictive provision shall apply. without limiting the foregoing or any other provision of this Declaration, it shall be the sole

duty and responsibility of each Lot Owner or prospective Lot Owner to ascertain whether or not improvements may be constructed on a particular Lot and any and all governmental laws, ordinances, rules, regulations and restrictions applicable thereto, and Declarant makes no warranties or representations of any kind, express or implied, as to any of such matters.

Section 4. Other Restrictions. In addition to the foregoing provisions of this Paragraph, the Board of Directors shall the right to adopt and impose other reasonable rules and regulations regarding the use and/or appearance of Lots in the Development provided the same are approved by the vote of members (other than Declarant) holding a majority of the total votes in the Association and by Declarant so long as the Declarant has the unexpired option to annex additional property to the terms of this Declaration and/or the right to control the Association.

Section 5. Replatting of Lots. Declarant, as Lots 58 through 82 and any additional Lots that may hereafter be subjected to the terms hereof, shall have the right to replat any one or more of said Lots which are sold in order to create a modified residential Lot or Lots, and to take such other steps as reasonably may be necessary to make such replatted on Lot or Lots suitable as a building site or sites. All of the covenants and restrictions set forth herein shall apply to each such Lot, if any, so created. Any such replatted Lot shall not be in violation of any applicable governmental rules, regulations or ordinances.

Section 1. Annexation without Membership Approval.

(a) As the owner thereof, or if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege and option from time to time and at any time until all the real property described in Exhibit "A" has been subjected by Declarant to this Declaration or until that date which is ten (10) years from the date this Declaration is filed for record in the Office of the Clerk of the Superior Court of the County in which the Development is located, whichever first occurs, to subject all or any portion of the real property described in said Exhibit "A" attached hereto or any interest therein to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of the Superior Court of the County in which the Development is located a supplementary declaration in respect to the property being annexed. Any such annexation shall be effective upon the filing for record of such supplementary declaration unless otherwise provided therein.

(b) The rights reserved to Declarant to subject additional land to this Declaration shall not, and shall not be implied or construed so as to, impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction or the Association, nor shall such rights impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

BOOK 1137 PAGE 171

Section 2. Annexation with Membership Approval. Subject to the consent of the owner thereof, upon the assent of members of the Association representing at least a majority of the paid voting membership, the Association may annex other real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of the Superior Court of the County in which the Development is located a supplementary declaration in respect to the property being annexed. Any such supplementary declaration shall be signed by the President and Secretary of the Association and any such annexation shall be effective upon the filing for record of such supplementary declaration unless otherwise provided therein. Provided, however, any of the foregoing provisions of this Section which may be construed to the contrary notwithstanding, if Declarant has the unexpired option to annex additional property to the terms of this Declaration and/or the right to control the Association, no such annexation of other real property so approved by members of the Association shall be effective unless the supplementary declaration annexing such other real property shall also be signed or consented to in writing by Declarant.

28.

GENERAL PROVISIONS

Section 1. Conveyance of Common Property. So long as the Declarant has the unexpired option to submit additional property to the terms of this Declaration and/or the right to control the Association, the Declarant shall have the absolute right to convey to the Association, at no expense to the Association for such conveyance, real and personal

BOOK 1137 PAGE 172

property for the common use and enjoyment of the Owners which shall be Common Property, including without limitation, any portion of the property described herein and on the Exhibit "A attached hereto which is unsold and owned by Declarant. The Association hereby covenants and agrees to accept from Declarant all such conveyances.

Section 2. Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration, or (iv) if such amendment is necessary to enable any governmental agency, such as the Veterans Administration, or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration, provided any such amendment shall not adversely affect the title to any Owner's Lot or materially alter or change any Lot Owner's right to use and enjoyment of the Common Property as set forth herein unless any such Lot Owner so affected thereby shall consent thereto in writing. Further, this Declaration may be amended at any time and from time to time by an agreement signed by at least a majority of the paid voting membership of the Owners of record of Lots within the Development which

BOOK 1137 PAGE 173

are subject to this Declaration; provided, however, that during such time as there shall exist an unexpired option of the Declarant to annex additional property to the terms of this Declaration and/or the Declarant has the right to control the Association, such amendment shall require the agreement of Declarant and Lot Owner to which a majority of the paid voting membership votes appertain, exclusive of any votes appertaining to any Lot or Lots then owned by Declarant. Any such amendment shall not become effective until the instrument evidencing such change has been filed for record in the Office of the Clerk of the Superior Court of the County in the Development is located. Every purchaser or grantee of any interest in any real property now or hereafter subject to this Declaration, by acceptance of a deed or other conveyance therefor, hereby agrees that this Declaration may be amended as provided in this Section.

29

BY-LAWS STATEHAM LAKEFRONT PROPERTIES HOMEOWNERS ASSOCIATION, INC.

These Consolidation and Restatement of Protective Covenants shall incorporate and by specific reference make a part hereof the By-Laws of Stateham Lakefront Properties Homeowners Association, Inc. which are attached hereto as Exhibit "B". To the extent those By-Laws conflict with any of the terms herein, those terms contained in this consolidation and restatement of protective covenants shall control. Such by-Laws shall include any previous amendments as well as any and all future amendments.

174

01137
00174

BOOK 1137 PAGE 174

IN WITNESS WHEREOF, the undersigned authorized board members of the
STATHAM LAKEFRONT PROPERTIES HOMEOWNERS ASSOCIATION, INC., have
executed this amended, consolidated and restated Protective Covenants under seal as of the
3rd day of February, 2009

STATHAM LAKEFRONT PROPERTIES
HOMEOWNERS ASSOCIATION, INC.

By: [Signature]
Its: President

Signed, sealed and delivered
in the presence of:

[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

Attest: [Signature]
Its: Director

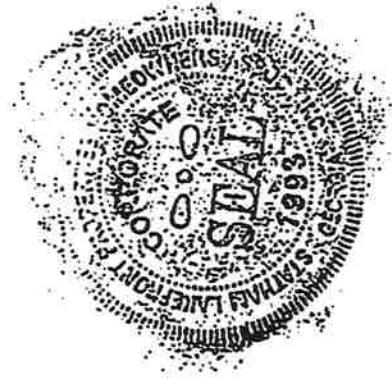


EXHIBIT "A"

ALL of Land Lots and fractional Land Lots 18, 17, 4, 2 and 1 in the 28th Land District of Sumter County, Georgia, and all of Land Lots and fractional Land Lots 311, 310, 300, 17, 305, 306, 307, 308, 274, 273, and 268 in the 15th Land District of Sumter County, Georgia, together with all improvements thereon, except: Those portion of such Land Lots lying west of the dirt public road known as the Old Stage Road, and except those portions of such land lots lying south of South of the paved public road known as the Lamar Road, and except that portion of Land Lot 274, 15th Land District, owned by Spring Creek Baptist Church and which is located in the Northeast corner of the intersection of the Lamar Road and the Old Stage Road, and except that portion of Land Lots 268 and 273, 15th Land District, lying East of the boundary line fence which separates the lands conveyed herein and the lands now or formerly owned by Milton Mize and except the land conveyed to Crisp County and/or Crisp County Power Commission by the following deeds of conveyance: Deed from Bank of Commerce to Crisp County Power Commission dated April 2, 1934, and recorded May 19, 1936, in Deed Book 19, Page 272 of the Sumter County Deed Records; Deed from G. E. Buchanan, Jr. and W. H. Entekin to County of Crisp, dated October 31, 1949, and recorded August 7, 1950, in Deed Book 39, Page 478 of the Sumter County Deed Records; Deed from The Mutual Benefit Life Insurance Company in Crisp County, dated April 4, 1939 and recorded May 22, 1939 in Deed Book 22, Page 493 of the Sumter County Deed Records; and Deed from S. E. Statham and Mrs. Zera C. Boggs to County of Crisp, dated October 25, 1947, and recorded January 14, 1948, in Deed Book 37, Page 3 of the Sumter County Deed Records.

ALSO included is all of that portion of Land Lot 19, 28th Land District of Sumter County, Georgia lying east of the Old Stage Road and South of a surveyed line traversing said Land Lot from East to West as shown by plat of survey recorded in Plat Book 2, Page 202 of Sumter County Deed Records to which reference is made and which conveyed lands is described along with other land in a deed from I. B. Small, Jr. and W. C. Bradley Company dated August 26, 1960, and recorded August 27, 1960, in Deed Book 64, Page 66 of Sumter County Deed Records.

THAT certain island consisting of 5.97 acres located in Land Lot 308 of the 15th Land District of Sumter County, Georgia, more particularly set out on that certain plat of survey dated April 4, 1990, prepared by James R. Littlefield, Georgia Registered Surveyor No. 1304, which plat of survey is entitled "Property of Harry Entekin - Harry's Island on Lake Blackshear" and recorded in Plat Cabinet B, Slide 104-A, in the Clerk of Superior Court's Office of Sumter County, Georgia, and made a part of this description by reference thereto.

THAT certain parcel of land in Land Lot 307 of the 15th Land District of Sumter County, Georgia, and being the unnumbered rectangular strip of land lying between Lots 62 and 63, as more particularly shown on that plat of survey recorded in Plat Cabinet B, Slide 121-J, Sumter County, Georgia Records, which recorded plat is incorporated herein and by reference made a part hereof for a more complete description of the above-described property.

THAT certain tract or parcel of land located in Land Lot 271 of the 15th Land District of Sumter County, Georgia, more particularly described as follows: START at the granite post located at the northwest corner of Land Lot 271 in the 15th Land District of Sumter County, Georgia, and

EXHIBIT "A" continued

run thence North 89 degrees 44 minutes east a distance of 1,615 feet to the POINT OF BEGINNING of the property described herein; thence run in a southwesterly direction along the approximate water line of Lake Blackshear a distance of 100 feet; thence run in a northerly direction parallel with the west land lot line of Land Lot 271 in the 15th Land District of Sumter County, Georgia, to the north land lot line of Land Lot 271 in the 15th Land District of Sumter County, Georgia; thence run North 90 degrees 44 minutes east along the north land lot line of Land Lot 271 to its intersection with the approximate water line of Lake Blackshear and the POINT OF BEGINNING of the property described herein. Said described property is triangular in shape and reference is made to a plat of survey dated January 17, 1990, prepared by James R. Littlefield, Georgia Registered Surveyor No. 1304, entitled "Survey for Harry Entrekin", which plat of survey is recorded in Plat Cabinet B, Slide 103-F, in the Office of the Clerk of Superior Court of Sumter County, Georgia.

THAT certain tract or parcel of land comprised of approximately 9-1/4 acres located in Land Lot 271 of the 15th Land District of Sumter County, Georgia, said property being all of the property owned by Selma Entrekin in Land Lot 271 of the 15th Land District of Sumter County, Georgia, and said property being more particularly described in that certain plat of survey dated January 17, 1990, prepared by James R. Littlefield, Georgia Registered Surveyor No. 1304, which plat of survey is recorded in Plat Cabinet B, Slide 103-F, in the Office of the Clerk of Superior Court of Sumter County, Georgia, and made a part of this description by reference thereto.

LESS AND EXCEPT the following described property: ALL those tracts or parcels of land lying and being in Land Lots 17, 307, 308 and 309 of the 15th Land District of Sumter County, Georgia, and beings Lots 1 through 82 of Statham Lakefront Properties together with all property embraced within the bounds or right-of-way of Statham Lakefront Road and Statham Way, and together with all of the irregular shaped parcel lying easterly of Lots 80, 81 and 82 and being bordered by Statham Lakefront Road, all as per plat of survey recorded in Plat Cabinet B, Slide 121J, of the records of the Clerk of Superior Court of Sumter County, Georgia, and said plat by reference is incorporated herein and by reference made a part of this description for a more complete description of the above-described property. TOGETHER WITH: ALL that tract or parcel of land lying and being in Land Lots 273, 306, 307, and 309 of the 15th Land District of Sumter County, Georgia and being the properly delineated as the 50-foot road easement area as more particularly set forth on that certain plat of survey recorded in Plat Book 13, Page 3, of the records of the Clerk of Superior Court of Sumter County, Georgia, which plat is incorporated herein and by reference is made a part hereof for a more complete description of the above-described property.

Exhibit "B"

BOOK 1137 PAGE 177

BY-LAWS
OF
STATHAM LAKEFRONT PROPERTIES HOMEOWNERS ASSOCIATION, INC.
A Nonprofit Corporation
(the "Association")

These By-Laws are the By-Laws of the Association, which is the corporation created by Articles of Incorporation filed with the Secretary of State of Georgia on July 21, 1993 (The "Articles of Incorporation"). All references herein to the "Declaration" shall refer to that certain Declaration regarding Statham Lakefront Properties Subdivision and Statham Lakefront Properties Homeowners Association recorded at Deed Book 192 Page 19, Sumter County, Georgia, Records, and all capitalized undefined terms used herein shall have the meanings assigned thereto by the Declaration unless the context clearly otherwise requires. The "Subdivision" referred to herein shall mean Statham Lakefront Properties Subdivision, Sumter County, Georgia.

ARTICLE 1

Offices

Section 1. *Registered Office.* The registered office of the Association shall be located at _____ or such other office as the board of directors shall select.

(Address of Secretary/Treasurer)

Section 2. *Other Offices.* The Association may also have offices at such other places both within and without the State of Georgia as the board of directors may from time to time determine or the business of the Association may make appropriate.

ARTICLE 2

Meetings of Members

Section 1. *Location of Meetings.* All meetings of members shall be held at such place within or without the State of Georgia as may be from time to time fixed by the board of directors or as shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof, or at the Association's registered office if not so fixed or stated.

Section 2. *Annual Meetings.* Annual meetings of members shall be held on the second Saturday of May in each year, or if such day is a legal holiday, then on the next following Saturday. At each such meeting, the members shall, by a majority vote, elect a board of directors, and, by majority vote, transact such other business as may be properly brought before the meeting.

Section 3. *Special Meetings.* Unless otherwise prescribed by law, by the Declaration, or by the Articles of Incorporation, special meetings of members may be called for any purpose or purposes by the president, the board of directors, the holders of fifteen percent (15%) of the outstanding voting interest in the Association, or such other officers or persons as may at the time be provided in the Articles of Incorporation, or in the event there are no officers or directors, then by any member.

Section 4. *Notice of Meetings.* Written notice of a meeting stating the place, day and hour of meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than thirty (30) days before the date of the meeting.

Section 5. *Business of Meetings.* At an annual meeting of members, any matter relating to the affairs of the Association, whether or not stated in the notice of meeting, may be brought up for action (unless otherwise provided by law). Unless a majority of the members of this Association entitled to vote are present and specifically agree thereto in writing, no matter that was not stated in the notice of a special meeting of members shall be brought up for action at such a special meeting.

Section 6. *Quorum.* The holders of more than fifteen percent (15%) of the interests entitled to vote, present in person or by proxy, shall constitute a quorum at all meetings of members for the transaction of business except as otherwise provided by law. If a quorum shall not be present, the members present in person or by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At such reconvened meeting, any business may be transacted which might have been transacted at the adjourned meeting.

Section 7. *Majority.* If a quorum is present, the affirmative vote of a majority of the members entitled to vote and represented at the meeting shall be the act of the members, except that unanimous vote of all members entitled to vote and represented at the meeting shall be required to approve matters at a special meeting of members with respect to which matters no notice had been given in the notice of such special meeting.

Section 8. *Voting.*

(a) Anything herein to the contrary notwithstanding, all voting contemplated by these By-Laws shall be governed by the Declaration and any reference herein to the voting rights of any member shall be governed by the relevant provisions of the Declaration.

(b) Each Property Owner shall be entitled to one vote on each matter submitted to a vote at a meeting of members. A member may vote either in person or by a proxy executed in writing by the member or by his duly authorized attorney-in-fact. Any proxy must be in writing, signed by the Lot owner (or owners as provided below) and submitted to the President prior to the meeting. If any Lot is owned by a corporation, partnership, trustee or other entity or by a group of owners in any form of joint tenancy, the vote allocated to such Lot shall be exercisable by such owner or owners only as provided for by any document or instrument created by the

entity or tenancy. Unless the holder of a valid proxy, a mere lessee of any Lot shall have no right to vote and shall in no respect be deemed a member of the Association. In all elections for directors, every member entitled to vote shall have the right to vote, in person or by proxy, one vote, irrespective of how many lots he may own.

Section 9. *Action by Consent.* Any action required or permitted to be taken at a meeting of members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by the holders of all interests entitled to vote with respect to the subject matter thereof.

ARTICLE 3

Directors

Section 1. *Number; Election.* The number of directors shall be six (6) Directors must be over age eighteen and should be property owners of the subdivision, but need be residents of the State of Georgia. The directors, other than the first board of directors, shall be elected at the annual meeting of members, and each director elected shall serve until the next succeeding annual meeting and until his successor shall have been elected and qualified. The first board of directors shall hold office until the first annual meeting of members.

Section 2. *Vacancies.* Any vacancy occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining directors even though the remaining directors may constitute less than a quorum of the board of directors. A director elected to fill a vacancy shall be elected for the unexpired portion of the term of this predecessor in office.

Any directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors present at a meeting even though less than a quorum of the board of directors is present. A director elected to fill a newly created directorship shall serve until the next election of directors by the members and the election and qualification of his successor.

Section 3. *Powers.* The business and affairs of the Association shall be managed by its board of directors which may exercise all such powers of the Association and do all such lawful acts and things as are not by law, the Declaration, the Articles of Incorporation or these By-Laws directed or required to be exercised or done by the members.

Section 4. *Compensation of Directors.* The board of directors shall receive no compensation, except as provided in Section 5 of this Article 3.

Section 5. *Indemnification.* As an inducement to the officers and directors of the Association to act on the Association's behalf, the Association shall, out of its general funds or by special assessment, indemnify and hold harmless, the Developer and each officer or director acting in accordance with these By-Laws and the Declaration, including without limitation all

actions taken in connection with the levying, collection and enforcement of assessments. All such indemnification shall be paid upon written request of the Developer or such officer or director setting forth in reasonable detail the reason for such indemnification, which request shall be given to each of the officers of the Association.

ARTICLE 4

Meetings of the Board of Directors

Section 1. Location of Meetings. Meetings of the board of directors, regular or special, may be held either within or without the State of Georgia.

Section 2. First Meeting of New Board. The first meeting of each newly elected board of directors shall be held immediately following the annual meeting of members at the place where such annual meeting is held. Such meeting shall be designated as the annual meeting of the board of directors, and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present. Alternatively, the new board of directors may convene at such place and time as shall be fixed by the consent in writing of all its members.

Section 3. Regular Meetings. Regular meetings of the board of directors may be held with such frequency and at such time and at such place as shall from time to time be determined by the board. If the board has so fixed the frequency, time and place of regular meetings, no notice thereof shall be necessary.

Section 4. Special Meetings. Special meetings of the board of directors may be called by the chairman of the board, by the president, or by any two directors on three days notice to each director in accordance with Article 6.

Section 5. Notice of Meetings. Notice of a meeting need not be given to any director who signs a waiver of notice either before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice thereof. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Quorum. A majority of the directors shall constitute a quorum for the transaction of business unless a greater number is required by law or by the Articles of Incorporation. If a quorum shall not be present at any meeting of directors, the directors present may adjourn the meeting from time to time until a quorum shall be present, without notice of the time and place that the meeting will be reconvened other than announcement at the adjourned meeting.

Section 7. Majority. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by law or by the Articles of Incorporation.

Section 8. *Action by Consent.* Any action required or permitted to be taken at a meeting of directors or a committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all directors or all members of the committee, as the case may be, entitled to vote with respect to the subject matter thereof. Such consent shall be filed with the minutes of the proceedings of the board or the committee.

ARTICLE 5

Notices

Section 1. *Required Notices.* Whenever, under the provisions of applicable law, the Articles of Incorporation or these By-Laws, any notice is required to be given to any director or member, such notice shall be given in writing and delivered either personally or by first class mail or telegram, addressed to such director or member, at his address as it appears on the records of the Association. If mailed, such notice shall be deemed to be delivered three (3) business days after it was deposited in the United States mail with first class postage prepaid. Notices given by any other means shall be deemed delivered when received by the addressee.

Section 2. *Waiver of Notice.* Whenever under the provisions of applicable law, the Articles of Incorporation or these By-Laws, any notice is required to be given to any director or member, a written waiver thereof signed by the person or persons entitled to such notice, either before or after the time stated therein, shall be deemed the equivalent to the giving of such notice.

ARTICLE 6

Officers

Section 1. *Offices; Election; Term.* The officers of the Association shall be chosen by the board of directors from among the six (6) members of the board, and shall be a President, Vice President, and a Secretary/Treasurer. Except as otherwise provided by law, any person may hold more than one office. Officers shall be elected at the first meeting of the board of directors following the annual meeting of members and shall hold offices until their respective successors have been elected and shall have qualified, and if the board of directors shall fail in any year or years to meet and elect officers, the officers last elected shall continue to hold office. No officer need be a resident of the State of Georgia, but must be a property owner in the subdivision.

Section 2. *Additional Officers and Agents.* The board of directors may appoint such other officers, including vice presidents, assistant secretaries and assistant treasurers, and agents as it shall deem necessary. Such officers and agents shall hold their respective offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board of directors.

Section 3. *Salaries.* The officers shall receive no compensation except as provided in Section 5 of Article 3.

Section 4. Removal; Vacancies. Any officer or agent elected or appointed by the board of directors may be removed by the board at any time with or without cause by the affirmative vote of a majority of the board of directors. Officers and agents otherwise elected or appointed may be removed in accordance with Georgia law. Any vacancy occurring in any office of the Association may be filled by the board of directors.

Section 5. The President. The president shall be the chief executive officer of the Association, shall preside at all meetings of members and the board of directors, shall have general and active management of the business of the Association and shall see that all orders and resolutions of the board of directors are carried into effect. He or she shall have the authority and power to execute on behalf of the association bonds, mortgages, notes, contracts, leases and other documents and instruments (whether or not requiring a seal of the Association) except where such documents or instruments are required by law to be otherwise signed and executed and except the signing and execution thereof shall be expressly delegated by the board of directors to some other officer or agent of the Association.

Section 6. Vice President. The vice president, or if there shall be more than one, the vice presidents in the order determined by the board of directors, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president. Each vice president shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 7. Secretary and Assistant Secretaries. The secretary shall attend all meetings of members and the board of directors and shall record the proceedings of such meetings in books to be kept for that purpose, and shall perform like duties for the committees of directors when required. He or she shall give, or cause to be given, notice of all meetings of members and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or the president, under whose supervision he shall be. He or she shall have custody of the corporate seal of the Association and he shall have authority to affix it to any instrument requiring it and when so affixed it may be attested by his signature. The assistant secretary, or if there be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the secretary, perform the duties and exercise the powers (including affixation of the Corporate Seal) of the secretary and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

Section 8. Treasurer and Assistant Treasurers. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the board of directors. He or she shall disburse the funds of the Association as may be ordered by the board of directors, taking proper vouchers for such disbursements, and shall render to the president and the board of directors, at its regular meetings, or when the board of directors so requires, an account of all his transactions as treasurer and of the financial condition of the Association. If required by the board of directors, he or she shall give the Association a bond in such sum and with surety or sureties as shall be satisfactory to the board of directors for

the faithful performance of the duties of his or her office and for the restoration to the Association, in case of his or her death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association. The assistant treasurer, or if there shall be more than one, the assistant treasurers, in the order determined by the board of directors, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

ARTICLE 7

General Provisions

Section 1. Checks. All checks, drafts, demands for money and notes of the Association shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

Section 2. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the board of directors.

Section 3. Seal. The Association shall have a corporate seal which shall have inscribed thereon the name of the association, the year of its organization and the words "Corporate Seal-Georgia". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced. The board of directors may from time to time authorize any other officer to affix the seal of the Association and to attest to such affixation by his signature.

Section 4. Books and Records. The Association shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its members, board of directors, and committees of directors.

Not later than forty-five (45) days after the close of each fiscal year, and in any case prior to the next annual meeting of members, the Association shall prepare a balance sheet showing in reasonable detail the financial condition of the Association as of the close of its preceding fiscal year, and a profit and loss statement showing the results of its operations during such fiscal year. Upon written request, the Association promptly shall mail to any member of record a copy of such balance sheet and profit and loss statement.

Section 5. By-Law Amendments. These By-Laws may be altered, amended, or repealed or new By-Laws may be adopted by the board of directors or the members.

Section 6. Conflict. In the event of any conflict between these By-Laws and the following, the controlling language shall be found in: the laws of the State of Georgia, the Declaration or the Articles of Incorporation, in the order listed.

Recorded
2/16/09
J. Marchbanks
Duty Clerk