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Prepared by and after recording, return to:
S. Larry Phillips, Esquire
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CLERK OF SUPERIOR COURT
GLYNN COUNTY, GEORGIA
MAY 23 2002 11:56 AM

RECORDED

AMENDED AND RESTATED

DECLARATION OF COVENANTS, CONDITIONS,

RESTRICTIONS AND EASEMENTS FOR

PEPPERTREE CROSSING ROWHOUSE COMMUNITY

(An Adult Community)

MAY 23 2002
Clerk of Superior Court
Lola B. Jamakey

This Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing (this "Declaration") is made this 1st day of May, 2002, by PEPPERTREE CROSSING, LLC, a Georgia limited liability company.

WHEREAS, Peppertree Crossing, LLC ("Declarant") heretofore subjected certain property owned by it to a Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community, dated June 20, 2001, and recorded in Deed Book 0802, Page 330, *et seq.*, in the Office of the Clerk of Superior Court, Glynn County, Georgia (the "Original Declaration"); and

WHEREAS, Declarant wishes to amend and restate the Original Declaration to clarify its intention to develop and maintain an adult community to provide housing for older persons, to provide for additional easements, and for various other purposes; and

WHEREAS, Declarant is the sole owner of the property described in the Original Declaration and, as such, has the authority to withdraw the property described in the Original Declaration from the jurisdiction thereof or otherwise amend said Original Declaration; and

WHEREAS, Flag Bank and Dorothy O. Wright are the only mortgagees of the property described in the Original Declaration and have consented to the within Amendment and Restatement;

NOW, THEREFORE, Declarant hereby amends the Original Declaration by withdrawing all of the property described in Exhibit A from the jurisdiction of those covenants and thereby terminating such covenants, in their entirety, and substituting therefor the within instrument, captioned "**AMENDED AND RESTATED**

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR PEPPERTREE CROSSING ROWHOUSE COMMUNITY (An Adult Community)" to be effective upon recording in the Office of the Clerk of Glynn County Superior Court, together with the Certificate of a Georgia licensed attorney as to ownership of the property described herein which is attached hereto as Exhibit C.

ARTICLE I

STATEMENT OF PURPOSE AND IMPOSITION OF COVENANTS

Section 1.1. Owner. Declarant is the owner of certain real property in the City of Brunswick, in Glynn County, Georgia, known as "Peppertree Crossing (A Rowhouse Community)", as shown on a plat by Atlantic Survey Professionals certified by Ernest C. Johns, Jr., Georgia Registered Land Surveyor Number 2774, dated February 26, 2001 and recorded in the office of the Clerk of Superior Court of Glynn County Georgia at Plat Drawer 27, as Map No. 154 (the "Property").

Section 1.2. Purpose. The purpose of Declarant in making this Declaration is to create on the Property a rowhouse community known as Peppertree Crossing in accordance with the Georgia Property Owners' Association Act, (the "Act"), contained in Article 6 of Chapter 3 of Title 44 of the Official Code of Georgia Annotated (O.C.G.A. § 44-3-220, *et. seq.*), as amended and supplemented from time to time, and to provide a flexible and reasonable method for the administration and maintenance of such property in accordance with and subject to the provisions of such Act.

Declarant further intends by this Declaration to ensure the attractiveness of the Property, including the residences and other improvements constructed on it; to prevent any future impairment of the Property and to guard against the construction on the Property of improvements with improper or unsuitable materials or with improper quality or methods of construction; to protect, preserve and enhance the values and amenities of the Property; to provide for the operation, administration, use and maintenance of the common areas within the Property; to promote the health, safety and welfare of the owners of the Property; and to publish its intent to establish an adult community for the purpose of providing housing for persons who are fifty-five (55) years of age or older.

Section 1.3. Right to Expand. Declarant reserves the right to extend the planned community and this Declaration to any and all adjacent property owned or hereafter acquired by it (the "Expansion Property"), and to alter any unsold lot shown on the Plat and any subsequent plats of Peppertree Crossing or any portion of said Plat or plats covering unsold property, including the addition or elimination of streets, lanes, and easements, provided access to any lot sold by Declarant shall be preserved. The Expansion Property, if and when developed, will be treated as an integral part of the single-family rowhouse community of Peppertree Crossing.

Section 1.4. Imposition of Covenants. To accomplish the purposes indicated above, Declarant hereby declares that from the date of recording this Declaration forward, the Property will constitute a rowhouse community under the Georgia Property Owners' Association Act, known as Peppertree Crossing, an Adult Community, and will be held, sold and conveyed as an adult community subject to the following covenants, conditions, restrictions and easements (collectively, these "Covenants"). These Covenants will run with the land and will be binding upon all persons or entities having any right, title, or interest in all or any part of the Property (including Declarant) and their heirs, successors, and assigns, and their tenants, employees, guests and invitees. These Covenants will inure to the benefit of each owner of any portion of the Property.

ARTICLE II

DEFINITIONS

The following terms, as used in this Declaration, are defined as follows:

Section 2.1. "Act" means the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, *et seq.*, as amended and supplemented from time to time, or any successor legislation to those statutes.

Section 2.2. "Adult Community" means a community which houses at least one person who is fifty-five (55) years of age, or older, in at least eighty (80%) percent of the occupied units and adheres to a published policy statement that demonstrates an intent to house persons who are fifty-five (55) or older.

Section 2.3. "Annexation" means the process by which portions of the Expansion Property are made subject to this Declaration pursuant to Article XVI below.

Section 2.4. "Annual Assessment" means the Assessment levied annually pursuant to Section 9.3.

Section 2.5. "Articles" or "Articles of Incorporation" means the Articles of Incorporation of Peppertree Crossing Property Owners Association, Inc., which have been filed with the Secretary of State of Georgia, as such articles may be amended from time to time.

Section 2.6. "Assessments" means the Annual, Special and Default Assessments levied pursuant to Article IX to meet the estimated cash requirements of Peppertree Crossing Property Owners Association, Inc.

Section 2.7. "Association" means the Peppertree Crossing Property Owners Association, Inc., a Georgia non-profit membership corporation, its successors or assigns, membership in which is mandatory for all owners of Lots within Peppertree Crossing rowhouse community.

Section 2.8. "Board of Directors" or "Board" means the Board of Directors of the Association, which is designated in this Declaration, the Articles of Incorporation and the Bylaws to act on behalf of and to be the governing body of the Association.

Section 2.9. "Building" means a building or other structure constructed on a Lot or Tract.

Section 2.10. "Building Site" means the building envelope or area within a Lot or Tract delineating the boundaries within which a Building or other Improvement may be located, always subject to the prior written approval of the Design Review Committee.

Section 2.11. "Bylaws" means the Bylaws of the Association, which establish the methods and procedures of its operation, as such Bylaws may be amended from time to time.

Section 2.12. "Committee" means the Architectural and Landscape Design Review Committee.

Section 2.13. "Common Area" means the real and personal property identified as Common Area on any Plat of the Property or Expansion Property and any other property in which the Association may now or in the future own an interest for the common use, benefit and enjoyment of some or all of the Members and such other persons as may be permitted to use the Common Area under the terms of this Declaration or any contract with the Association. Such interest owned by the Association may include, without limitation,

estates in fee, estates for terms of years, or easements.

Section 2.14. "Common Expenses" means all expenditures lawfully made or incurred by or on behalf of the Association together with all funds lawfully assessed for the creation and maintenance of reserves pursuant to the provisions of this Declaration, to include, but not to be limited to, the following: (i) premiums for the insurance carried by the Association under Article XII; (ii) all other expenses incurred by the Association in administering, servicing, conserving, managing, maintaining, repairing or replacing the Common Areas and any Improvements located on them; (iii) all expenses expressly declared to be Common Expenses by the Association; (iv) all expenses lawfully determined to be Common Expenses by the Board of Directors; and (v) all expenses to be allocated among the Owners as provided in Article IX.

Section 2.15. "Court" means the Superior Court of Glynn County, Georgia.

Section 2.16. "Declarant" means Peppertree Crossing, LLC, or its successors or assigns, including any Successor Declarant to the extent the rights of Declarant are assigned to the Successor Declarant, as provided in Section 2.47.

Section 2.17. "Declaration of Annexation" means a declaration prepared and recorded in accordance with the provisions of Article XVI to incorporate Expansion Property within the Property governed by this Declaration.

Section 2.18. "Default Assessment" means any Assessment levied by the Association pursuant to Section 9.6 below.

Section 2.19. "Default Rate" means an annual rate of interest that is the lesser of (i) the rate set forth in Section 9.6.2 below, and (ii) the maximum rate permitted by applicable law.

Section 2.20. "Design Guidelines" means the guidelines and rules published and amended and supplemented from time to time by the Architectural and Landscape Design Review Committee.

Section 2.21. "Design Review Committee" or "Committee" means the committee formed pursuant to Article VI to maintain the quality and harmony of Improvements and Landscape in Peppertree Crossing Rowhouse Community.

Section 2.22. "Development Rights" is defined in Section 11.1.2.

Section 2.23. "Director" means a member of the Board.

Section 2.24. "Dwelling Unit" means a dwelling unit which is intended for occupancy.

Section 2.25. "Expansion Property" means such additional real property owned by Declarant as Declarant may make subject to the provisions of this Declaration from time to time and in such increments as Declarant deems desirable, by duly recorded Declaration of Annexation.

Section 2.26. "First Mortgage" means any mortgage, deed to secure debt, or other instrument conveying a lien upon or security title to any of the Property which is not subject to any lien or encumbrance except liens for taxes or other liens which are given priority by statute.

Section 2.27. "First Mortgagee" means the holder of record of a First Mortgage.

Section 2.28. "Improvement(s)" means all Buildings, parking areas, fences, walls, hedges, plantings, lighting, poles, pipes or wires for the transmission of utilities, driveways, roads, ponds, lakes, trails, gates, signs, changes in any exterior color or shape, excavation and all other site work, including, without limitation, grading, road construction, utility improvements, removal of trees or plantings, and any new exterior construction or exterior improvement, renovation, or repair, which may not be included in the foregoing. "Improvement(s)" does include both original improvements and all later changes and improvements.

Section 2.29. "Limited Area" means the portion of a Lot over which the Committee has approval authority for improvement, alteration, or modification and over which the Committee has responsibility and approval authority for maintenance and repair. All portions of each Lot which are not part of the Building shall be considered Limited Area reserved for the exclusive use of the Owner of such Lot subject to the various restrictions and easements reserved herein.

Section 2.30. "Lot" means any plot or parcel of land, other than a Common Area, designated for separate ownership and occupancy and shown as a Lot on any Plat.

Section 2.31. "Maintenance Fund" means the fund created by Assessments and fees levied pursuant to Article IX below to provide the Association with the funds required to carry out its duties and responsibilities under this Declaration.

Section 2.32. "Manager" means such person or entity retained by the Board of Directors to perform certain functions of the Board pursuant to this Declaration or the Bylaws.

Section 2.33. "Member" means any person or entity holding membership in the Association.

Section 2.34. "Mortgage" means any mortgage, deed to secure debt, or other document which is recorded in the office of the Clerk of Court, and which encumbers any portion of the Property or interest therein as security for the payment of a debt or obligation.

Section 2.35. "Mortgagee" means any person named as a beneficiary or mortgagee under a Mortgage, or any successor to the interest of any such person under such Mortgage.

Section 2.36. "Peppertree Crossing Rowhouse Community" means the community created by this Declaration, consisting of the Property (including any Expansion Property, after its annexation in accordance with Article XVI) and all of the Improvements located on the Property.

Section 2.37. "Peppertree Crossing Rowhouse Community Documents" means the basic documents creating and governing Peppertree Crossing Rowhouse Community, including, but not limited to, this Declaration, the Articles of Incorporation and Bylaws, the Design Guidelines, the Plats, the Peppertree Crossing Rowhouse Community Rules and any other procedures, rules, regulations or policies adopted under such documents by the Association. Any exhibit, schedule, or certification accompanying a recorded document and recorded simultaneously therewith shall be deemed an integral part of that document. Any amendment or certification of any document shall, from the time of the recordation of such amendment or certification, be deemed an integral part of the affected document so long as such amendment or certification was made in accordance with the Act.

Section 2.38. "Peppertree Crossing Rules" means the rules and regulations adopted by the Association as provided in Section 5.4.

Section 2.39. "Officer" means an officer of the Association.

Section 2.40. "Owner" means the owner of record (including Declarant, and including a contract seller, but excluding a contract purchaser), whether one or more persons or entities, of fee simple title to any Lot, or the tenant or lessee under a ground lease having a term of over fifty years, but does not mean or refer to any person or entity who holds such interest merely as security for the performance or repayment of a debt or other obligation, including a Mortgage, unless and until such person or entity has acquired fee simple title pursuant to foreclosure or other legal proceedings. The term "Owner", as used herein, shall include the masculine or feminine gender, singular or plural usage, or corporate or any other inanimate ownership entity, as the context requires or permits.

Section 2.41. "Period of Declarant Control" means the period beginning on the date this Declaration is first recorded in the office of the Clerk of Court and ending on the date of the earliest of the following: (i) 10 years after such recording; (ii) all Expansion Property has been annexed, Declarant has completed construction of all of the Buildings or Dwelling Units on the Property, and each Lot has been sold or leased by Declarant to a third-party Owner; or, (iii) Declarant records an instrument in the office of the Clerk of Court relinquishing Declarant Control. However, the Period of Declarant Control may be extended if the period in which Declarant may exercise Special Declarant Rights is (i) extended as allowed by law, in which case the Period of Declarant Control will be extended to the maximum period of time so allowed unless Declarant has recorded an instrument in the office of the Clerk of Court relinquishing Declarant Control, or (ii) reinstated or extended by agreement between Declarant and the Association subject to whatever terms, conditions and limitations the Board of Directors may impose on the subsequent exercise by Declarant of the Special Declarant Rights. After the termination of the Period of Declarant Control, Declarant, if still an Owner, will have all the rights and duties ordinarily given to Members under this Declaration.

Section 2.42. "Person" (whether or not in capitalized form) means a natural person, a corporation, a partnership, a limited liability company, an association, a trust or any other entity or combination of the foregoing.

Section 2.43. "Plat" means any survey or surveys of all or part of the Property, together with such other engineering, architectural, or diagrammatic plans and information regarding the Property as may be required by the Act or other applicable law, or as may be performed in the discretion of Declarant (or, subsequent to the termination of the Period of Declarant Control, in the discretion of the Association), as each such survey may be amended and supplemented from time to time, and all as recorded at the direction of Declarant (or, subsequent to the termination of the Period of Declarant Control, at the direction of the Association) in the office of the Clerk of Court.

Section 2.44. "Property" means and includes the real property initially subjected to this Declaration, and also refers to any additional real property that may be incorporated into Peppertree Crossing Rowhouse Community from time to time and made subject to these Covenants pursuant to the provisions of this Declaration, including, without limitation, any interest therein and any parcels of air space.

Section 2.45. "Special Assessment" means an Assessment levied pursuant to Section 9.4

Section 2.46. "Special Declarant Rights" are defined as set forth in Article XI below.

Section 2.47. "Successor Declarant" means any party or entity to whom Declarant assigns any or all of its rights, obligations or interest as Declarant, as permitted by Section 21.7 and evidenced by an assignment or deed of record in the Office of the Clerk of Superior Court, designating such party as a Successor Declarant, signed by the transferor and the transferee, and otherwise complying with the requirements of the Act. Upon such recording, Declarant's rights and obligations as Declarant under the Declaration will cease and terminate to the extent provided in such document and the Successor Declarant

shall become entitled to and responsible for all of Declarant's rights, privileges, duties and responsibilities as set out herein and in the Act.

Section 2.48. "Supplemental Covenants" means additional or further restrictive covenants imposed on a portion or portions of the Property from time to time.

Section 2.49. "Tract" means a parcel of land designated on a Plat as a tract and reserved for use as a street or other Common Area for any purpose or purposes other than the construction of Dwelling Units.

ARTICLE III

THE PEPPERTREE CROSSING ROWHOUSE PLANNED ADULT COMMUNITY

Section 3.1. Establishment of Planned Community. By this Declaration, the adult community known as Peppertree Crossing Rowhouse Community is established as a planned rowhouse community under the Act, consisting initially of ninety (90) Lots with one Dwelling Unit now or hereafter to be located on each lot. Declarant reserves the Development Rights to incorporate additional Lots within Peppertree Crossing Rowhouse Community in accordance with Article XVI below.

Section 3.2. Declaration of Lot Boundaries. The boundaries of each Lot are delineated on the Plat, and each Lot is identified by the number or address noted on the Plat.

Section 3.3. Plat. The Plat will conform to the requirements of the Act or other applicable law and will be filed for record in the Office of the Clerk of Court. The Plat may be filed as a whole or as a series of Plats from time to time. Any Plat filed subsequent to the first Plat will be termed a supplement to the Plat, and the numerical sequence of each supplement will be shown on it. The first plat has been recorded in Plat Book 27 as Map No. 154.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 4.1. Membership. Every Owner, by virtue of being an Owner, and for so long as he is an Owner, will be a Member of the Association. Membership will be appurtenant to and may not be separated from ownership of any Lot. No Owner, whether one or more Persons, will have more than one membership per Lot owned, but all of the persons owning each Lot will be entitled to rights of membership and of use and enjoyment appurtenant to such ownership.

Section 4.2. Transfer of Membership. An Owner will not transfer, pledge or alienate his membership in the Association in any way except upon the sale or encumbrance of his Lot, and then only to the purchaser or Mortgagee of his Lot.

Section 4.3. Classes of Membership. Initially, the Association will have one class of voting membership, composed of all Owners, including Declarant. The Bylaws may set forth additional classifications of membership from time to time.

Section 4.4. Voting Rights. All Members will be entitled to vote on Association matters on the basis of one vote for each Lot owned, as each Lot is originally platted by Declarant and depicted on the Plat. The

number of votes will be determined by reference to the Plat as originally recorded by Declarant.

When more than one person holds an interest in any Lot, all such persons will be Members. The vote for such Lot may be exercised by one person or alternative persons as the Owners among themselves determine. If only one of those persons is present at a meeting of the Association, that person shall be entitled to cast the vote pertaining to that Lot. If more than one of the multiple Owners are present at a meeting in person or by proxy, the vote allocated to their Lot may be cast only in accordance with the agreement of a majority in interest of the Owners of that Lot. There shall be a conclusive presumption of a majority agreement if any one of the multiple Owners casts the vote allocated to his Lot without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Lot.

The votes pertaining to any Lot may, and, in the case of any Lot owner not a natural person or persons, shall, be cast pursuant to a proxy or proxies duly executed by or on behalf of the Lot Owner or, in cases where the Lot Owner is more than one person, by or on behalf of the joint owners of the Lot. No such proxy shall be revocable except by written notice delivered to the Association by the Lot Owner or by any joint Owners of a Lot. Any proxy shall be void if it is not dated or if it purports to be revocable without such notice.

Section 4.5. Appointment of Officers and Directors by Declarant. Until the expiration of the Period of Declarant Control and subject to the limitations of the Act, Declarant will retain the exclusive powers to appoint and remove Directors and Officers of the Association.

Notwithstanding the foregoing, Declarant may voluntarily surrender the right to appoint and remove Directors and Officers of the Association before the end of the Period of Declarant Control by providing a notice to that effect to the Association and otherwise complying with the procedures for termination of this Special Declarant Right, as set forth in the Bylaws. However, upon voluntarily terminating this Special Declarant Right in advance of the expiration of the Period of Declarant Control, Declarant may require that specified actions of the Association or the Board, as described in an instrument executed and recorded by Declarant in the office of the Clerk of Court, be approved by Declarant before those actions become effective.

Section 4.6. Notice of Membership. Any person on becoming a Member will furnish the Secretary of the Association with a photocopy or certified copy of the recorded instrument or such other evidence as may be specified by the Board under the Bylaws or the Peppertree Crossing Rowhouse Community Rules, vesting the person with the interest required to make him a Member. At the same time, the Member will provide the Association with the single name and address to which the Association will send any notices given pursuant to the Peppertree Crossing Rowhouse Community Documents. The Member will state in such notice the voting interest in the Association to which the Member believes he is entitled and the basis for that determination. In the event of any change in the facts reported in the original written notice, including any change of ownership, the Member will give a new written notice to the Association containing all of the information required to be covered in the original notice. The Association will keep and preserve the most recent written notice received by the Association with respect to each Member.

Section 4.7. Owner's and Association's Addresses for Notices. All Owners of each Lot will have one and the same registered mailing address to be used by the Association or other Owners for notices, demands and all other communications regarding Association matters. The Owner or Owners of a Lot will furnish the registered address to the Secretary of the Association within five days after receiving title to the Lot. The registration will be in written form and signed by all of the Owners of the Lot or by such persons as are authorized by law to represent the interests of all Owners of the Lot.

If no address is registered or if all of the Owners cannot agree, then the address of the Lot will be deemed the registered address until another registered address is furnished as required under this section.

If the address of the Lot is the registered address of the Owners, then any notice will be deemed duly given if delivered to any person occupying the Lot or sent to the Lot by any other means specified for a particular notice in any of the Peppertree Crossing Rowhouse Community Documents, or if the Lot is unoccupied, if the notice is held and available for the Owners at the principal office of the Association. All notices and demands intended to be served upon the Board of Directors will be sent to the address of the Association or such other address as the Board may designate from time to time by a notice delivered to all Owners in accordance with this Section.

All notices given under this Declaration will be sent: by personal delivery, which will be effective upon receipt; by overnight courier service, which will be effective one business day following timely deposit with a courier service; or, by regular, registered or certified mail, postage prepaid, which will be effective three days after deposit in the U.S. Mail.

Section 4.8. Compliance with Peppertree Crossing Documents. Each Owner and all those entitled to occupy a Lot shall abide by and benefit from the provisions, covenants, conditions, and restrictions contained in the Peppertree Crossing Rowhouse Community Documents. Any lack of such compliance shall be grounds for an action to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in any proper case, by one or more aggrieved Owner on their own behalf or as a class action. The Association shall be empowered to impose and assess fines and to temporarily suspend voting rights and the right of use of certain of the Common Areas and services paid as a Common Expense in order to enforce such compliance; provided, however, that no such suspension shall deny any Owner or occupants access to the Lot owned or occupied.

ARTICLE V

POWERS AND DUTIES OF THE ASSOCIATION COMMON, LIMITED, AND OTHER AREAS

Section 5.1. The Association Management Duties. Subject to the rights and obligations of Declarant as set forth in the Act and in this Declaration and to the rights and obligations of the other Owners, the Association will be responsible for the administration and operation of Peppertree Crossing. The Board of Directors will exercise on behalf of the Association all powers, duties and authority vested in or obligated to be taken by the Association and not reserved to Declarant or the other Members by this Declaration, the other Peppertree Crossing Rowhouse Community Documents, the Act or other applicable law.

Section 5.2. Common Area.

5.2.1. Conveyance by Declarant. On or before the date on which Declarant conveys any Lot to another party, Declarant may convey to the Association, by written instrument recorded with the Clerk of Court, selected parcels of the Property as Common Area, including any Improvements located on and the rights and easements appurtenant to such property. From time to time before the expiration of the Period of Declarant Control, Declarant may, but will not be obligated to, convey to the Association, by written instrument recorded with the Clerk of Court, other parts of the Property (including portions of the Expansion Property) as Common Area, including any roads and streets within the Expansion Property or outside the boundaries of the Expansion Property but necessary or desirable for access to any of the Property or Expansion Property. Declarant may also designate on the Plats areas which shall constitute Common Area

and by so designating shall also hereby expressly convey such areas to the Association for the uses and under the terms hereof.

5.2.2. Use of Common Area. The Common Area generally is designated by this Declaration for the common use, benefit and enjoyment of the Owners and their families, tenants, employees, guests and invitees, and such other persons as may be permitted to use the Common Area by agreement established under Sections 5.2.6 below or otherwise. Any use of the Common Area by Owners and their families, tenants, guests, and such other persons permitted access to the Common Area will be subject to any applicable Peppertree Crossing Rowhouse Community Rules governing the Common Area.

5.2.3. No Dedication to the Public. Nothing in this Declaration or the other Peppertree Crossing Documents will be construed as a dedication to public use, or a grant to any public municipal, quasi-municipal or county authority or utility, or an assumption of responsibility for the maintenance of any Common Area by such authority or utility, absent an express written agreement to that effect.

5.2.4. The Association's Responsibility for Common Area. The Association, subject to the rights and obligations of the Owners set forth in this Declaration, will be responsible for the management and control of the Common Area and all Improvements on the Common Area (including furnishings and equipment related thereto), and will keep it in good, clean, and attractive condition and repair consistent with the standards of Peppertree Crossing Rowhouse Community.

5.2.5. Declarant's Right to Perform for the Account of the Association. In the event the Association does not repair or maintain the Common Area, Declarant will have the right, but not the obligation, to perform such duties for the Association. In that event, Declarant will be entitled to reimbursement from the Association of all costs incurred by Declarant, such reimbursement being due within thirty (30) days after the receipt by the Association of an invoice from Declarant, itemizing the costs incurred. After expiration of the thirty (30) day period allowed for payment, Declarant may collect interest on the amount due at the Default Rate.

5.2.6. Association's Agreements Regarding Common Area. The Association, acting through the Board of Directors, may grant easements, rights-of-way, leases, licenses and concessions through or over the Common Area without the independent approval by the Owners, subject, however, to the rights of Declarant and the Owners to use the Common Area as provided in this Declaration. Without limiting the generality of the foregoing, the Association may grant such rights to suppliers of utilities serving Peppertree Crossing Rowhouse Community or property adjacent to Peppertree Crossing Rowhouse Community, and to developers or owners of the property adjacent to Peppertree Crossing Rowhouse Community for the purpose of accommodating minor encroachments onto the Common Area or other purposes that do not unreasonably interfere with the use and enjoyment of the Common Area by the Owners.

Section 5.3. Limited Area. All portions of each Lot which are not part of the Building shall be considered Limited Area reserved for the exclusive use of the Owner of such Lot subject to the various restrictions and easements reserved herein for improvement, maintenance, utilities, and the like. The Limited Area shall be maintained by the Association in a similar manner to which the Association maintains the Common Area. Such Limited Area shall be deemed to be conveyed and transferred with the Lot to which it is assigned, even if not specifically referred to in the deed of conveyance or other instrument conveying or transferring title to such Lot or creating a security interest in such Lot.

Section 5.4. Rules and Regulations. From time to time and subject to the provisions of the

Peppertree Crossing Rowhouse Community Documents, the Board of Directors may adopt, amend and repeal rules and regulations, to be known as the "Peppertree Crossing Rowhouse Community Rules," governing among other things and without limitation:

- (i) The use of the Common Area;
- (ii) The designation of parking spaces for service providers, maintenance providers, and other guests; and
- (iii) The use of private roads, if any, which are not designated as Common Area.

A copy of the Peppertree Crossing Rowhouse Community Rules will be distributed to each Member of the Association, and any change in the Peppertree Crossing Rowhouse Community Rules will be distributed to each Member within a reasonable time following the effective date of the change.

Section 5.5. Delegation by Association.

5.5.1. Manager. The Association may employ or contract for the services of a Manager to act for the Association and the Board and the Officers according to the powers and duties delegated to the Manager pursuant to the Bylaws or resolution of the Board. Neither the Board nor any officer of the Association will be liable for any omission or improper exercise by a Manager of any such duty, power or function so delegated by written instrument executed by or on behalf of the Board.

5.5.2. Committees. The Association may delegate any of its rights, duties or responsibilities to any committee or other entity (in addition to the Design Review Committee) that the Board may choose to form.

5.5.3. Limitation. Any delegation by the Board under this Section is subject to compliance with the Act and the Bylaws and the requirement that the Board, when so delegating, will not be relieved of its responsibilities under Peppertree Crossing Documents and the Act.

Section 5.6. Ownership of Personal Property and Real Property for Common Use. The Association, through its Board of Directors, may acquire, hold and dispose of personal property and real property. The Board, acting on behalf of the Association, will accept any real or personal property, leasehold or other property interests within Peppertree Crossing Rowhouse Community and conveyed to the Association by Declarant.

Section 5.7. Roads and Streets.

5.7.1. General Maintenance Obligations. The Declarant, the Association, or both of them shall be responsible for the maintenance of all roads within Peppertree Crossing Rowhouse Community, the Association being obligated and responsible to the extent Declarant may delegate those obligations herein, by grant of easement or otherwise. If Declarant elects to include roads or streets within the Common Area from time to time, the Association shall be responsible for the maintenance of such roads and streets. In any case, such maintenance will include periodic maintenance of the surface and regular trash removal from all drive areas except private driveways located within Lots on the Property and shall include the maintenance of the road shoulders, including mowing, planting and seeding. The Board will cooperate with the applicable traffic and fire control officials to post the roads and streets with traffic control, fire lane, and parking regulation signs.

5.7.2. Declarant Reservation. Declarant reserves the exclusive right to determine and designate the extent and location of any street or road within the Expansion Property. Declarant hereby

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reserves under and across all such streets and roads an easement unto itself for ingress and egress to any other property which it owns which may be accessed by such roads and streets and unto Peppertree Crossing Rowhouse Community for ingress and egress to Peppertree Crossing Rowhouse Community and any other property used by it.

Section 5.8. Security Gate. The Declarant, the Association, or both of them shall be responsible for the staffing, operation and maintenance of the guard gate which is at the entrance of Peppertree Crossing (hereinafter referred to as "Security Gate"). Declarant may, but shall not be obligated to, include the Security Gate as a Common Area. The cost of the operation and maintenance of the Security Gate will be divided as follows: each Lot owner shall be liable for one-ninetieth (1/90) of such costs with the Declarant being liable for the remainder of such costs until such time as the Period of Declarant Control ends at which time such costs shall be that of the Association.

Section 5.9. Books and Records. The Association will make available for inspection by Owners and Mortgagees, upon request, during normal business hours or under other reasonable circumstances, current copies of Peppertree Crossing Rowhouse Community Documents, and the books, records, and financial statements of the Association prepared pursuant to the Bylaws. The Association may charge a reasonable fee for copying such materials.

Section 5.10. Reserve Account. The Association will establish and maintain an adequate reserve fund from Annual Assessments levied pursuant to Section 9.3 below for maintenance, repair or replacement of the Common Area and Improvements located within the Common Area that must be replaced on a periodic basis and for any other facilities made available to the Association that must be replaced on a periodic basis with contribution from the Association.

Section 5.11. Successor to Declarant. The Association will succeed to all of the rights, duties and responsibilities of Declarant under this Declaration upon termination of the Period of Declarant Control. Notwithstanding the preceding sentence, the Association will not succeed to any rights of Declarant regarding any portion of the Expansion Property which has not then been incorporated into the Property.

Section 5.12. Implied Rights and Obligations. The Association will perform all of the duties and obligations imposed on it expressly by the Peppertree Crossing Documents, together with every other duty or obligation reasonably to be implied from the express provisions of the Peppertree Crossing Rowhouse Community Documents or reasonably necessary to satisfy any such duty or obligation. The Association may exercise any other right or privilege (i) given to it expressly by the Peppertree Crossing Rowhouse Community Documents, (ii) reasonably to be implied from the existence of another right or privilege given expressly by the Peppertree Crossing Rowhouse Community Documents, or (iii) reasonably necessary to effectuate any such right or privilege.

Section 5.13. Party Walls. The walls between Peppertree Crossing Rowhouse Community Dwelling Units shall be and constitute party walls and each Owner of a Peppertree Crossing Rowhouse Community Lot shall have the right to use such wall jointly with such other abutting Owner. Should such a party wall at anytime while in use by both Owners be injured by any cause other than the act or omission of either Owner, such wall shall be repaired and rebuilt at their joint expense, provided that any sum received from insurance against such injury or destruction shall be first applied to the repair or restoration of such wall. Should such wall be injured by act or omission of either Owner, the wall shall be repaired or rebuilt at that Owner's

expense. Each Owner shall have the right to use such wall in any lawful manner or in any manner consistent with this Declaration for the benefit and support of such Owner's Dwelling Unit. However, such use shall not in anyway injure or impair any adjoining Dwelling Unit or Lot and shall not impair the party wall benefits and support to which the adjoining Dwelling Unit is entitled, unless an abutting Owner consents in writing to that use. Neither such Owner abutting a party wall may make or provide openings in such wall of any nature or whatever without the prior written consent of the Owner of the adjoining Dwelling Unit and the Design Review Committee.

ARTICLE VI

ARCHITECTURAL AND LANDSCAPE DESIGN REVIEW COMMITTEE AND RESTRICTIONS

Section 6.1 Committee and Guidelines. There is hereby established a Design Review Committee, which shall be responsible for the establishment and administration of Design Guidelines to facilitate the purposes and intent of this Declaration. The Declarant shall have exclusive control of the Committee until such time as the period of Declarant Control expires or until Declarant may elect to voluntarily surrender its control of the Committee. At such time, Declarant shall establish written rules and regulations for the operation of the Committee.

Section 6.2. General Architectural Restriction. No Improvement may be erected, placed, reconstructed, replaced, repaired or otherwise altered, nor will any construction, repair or reconstruction be commenced until plans for the Improvements shall have been approved by the Committee; provided, however, that Improvements that are completely within a Building may be undertaken without such approval. All Improvements will be constructed only in accordance with approved plans.

Section 6.3. General Landscape Restriction. The Declarant and thereafter the Association shall be responsible for the maintenance, repair, improvement, alteration, or modification of the portions of a Lot specified in Section 8.1. Accordingly, no maintenance and repair, improvement, alteration, or modification shall be made to the lawns, irrigation systems and equipment, landscaping, trees, shrubs, plants, flowers, subsurface drainage, bulkheads, or retaining walls on any Lot unless the maintenance and repair, modification, alteration, improvement, or change is first approved by the Committee; or unless the maintenance and repair, modification, alteration, improvement, or change is made by the Association as a part of the Association's regular maintenance and repair obligations.

ARTICLE VII

PROPERTY USE RESTRICTIONS

Section 7.1. General Restriction/Adult Community. The Property will be used only for the purposes set forth in these Covenants, as permitted by the applicable ordinances of Glynn County, the laws of the State of Georgia and the United States, and as set forth in the Peppertree Crossing Rowhouse Community Documents or other specific recorded covenants affecting all or any part of the Property. It is the intention

of Declarant to establish and maintain an adult community where all, or substantially all, of the Dwelling Units house at least one person who is fifty-five (55) years old or older.

Section 7.2. Residential Use of Lots. Each Lot may be used only for residential purposes and developed by the construction of a single family Dwelling Unit. No business or commercial Building may be erected on any Lot, and no business or commercial enterprise or other non-residential use may be conducted on any part of a Lot. This prohibition shall not prevent an Owner from having therein a home business or remote office which does not generate traffic or create parking requirements. Neither shall this prohibition prevent Declarant from operating a sales office or model unit, during the period of Declarant control.

Section 7.3. Motorized Vehicles. No trucks, trail bikes, recreational vehicles, motor homes, motor coaches, snowmobiles, campers, trailers, boats or boat trailers or similar vehicles other than passenger automobiles or pickup or utility trucks with a capacity of one-half ton or less or any other motorized vehicles will be parked, stored or in any manner kept or placed on any portion of the Property except in an enclosed garage. This restriction, however, will not be deemed to prohibit commercial and construction vehicles, in the ordinary course of business, from making deliveries or otherwise providing services to the Property for Declarant, the Association, or the Owners. The Association may designate parking spaces to be used for service providers, maintenance providers, and other guests, in accordance with Section 5.4.

Section 7.4. Electrical, Television, Natural Gas and Telephone Service. All electrical, television, natural gas and telephone service installations will be placed underground.

Section 7.5. Water and Sanitation. Each structure designed for occupancy will connect with water and sanitation facilities as are made available from time to time by Glynn County, the Declarant, or any other approved utility supplier.

Section 7.6. Wells. No well from which water, oil, or gas is produced will be dug, nor will storage tanks, reservoirs, or any installation of power, telephone or other utility lines (wire, pipe, or conduit) be made or operated anywhere on the Property except in connection with water wells and works operated by public agencies, duly certified public utility companies or the Declarant; provided, however, that the foregoing will not prevent the drilling of or installation of additional water wells by Declarant or its assigns.

Section 7.7. Signs and Sales. No signs of any kind will be displayed to the public view on or from any portion of the Property (including in or upon any motor vehicle upon the Property). No "For Sale", "For Rent" or any other advertising signs may be posted on any Lot. No garage sale, estate sale, or any other sale whereby the general public is invited shall be allowed on the Property. Notwithstanding any provisions or restrictions herein to the contrary, Declarant and its duly authorized agents, representatives and employees shall have an easement for the maintenance of signs, a sales office, a business office and model Dwelling Unit on the Property, together with any other facilities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the improvement and sale of Lots, for so long as Declarant owns any Lot primarily for the purpose of sale.

Section 7.8. Animals and Pets. No animals, livestock, or poultry of any kind will be kept, raised, or bred on any portion of the Property, except dogs, cats or other household pets (the kind and number of which may be regulated, permitted or prohibited from time to time by the Peppertree Crossing Rowhouse

Community Rules).

7.8.1. Containment. Household pets, such as dogs and cats, must be contained upon the Owner's Lot, and such pets may not be permitted to run at large at any time.

7.8.2 Leashes. Pedestrians within the Property who are accompanied by dogs must have the dogs under the pedestrians' direct control by use of a leash not to exceed 10 feet in length.

Section 7.9. Drainage. In addition to the General Landscape Restrictions set forth in Section 6.3, no Owner will do or permit any work, place any landscaping or install any other Improvements or suffer the existence of any condition whatsoever which will alter or interfere with the drainage pattern for the Property, except to the extent such alteration and drainage pattern is approved in writing by the Committee, and except for rights reserved to Declarant to alter or change drainage patterns.

Section 7.10 Trash. No trash, ashes, garbage construction materials or other refuse will be thrown or dumped on any land or area within the Property. The Association will cooperate in and encourage programs to recycle trash and other refuse. There will be no burning or other disposal of refuse out of doors. Each Owner will provide suitable receptacles for the temporary storage and collection of refuse, and all such receptacles will be screened from the public view and from the wind and protected from animal and other disturbance.

Section 7.11. Construction Regulations of the Design Guidelines. All Owners and contractors will comply with the portions of the Design Guidelines regulating construction activities. Such regulations may affect, without limitation, the following: trash and debris removal; sanitary facilities; parking areas; outside storage; restoration of damaged property; conduct and behavior of builders, subcontractors and Owners' representative on the Property at any time; the conservation of landscape materials; and fire protection.

Section 7.12. Temporary Structures. No temporary structures will be permitted except as may be determined to be necessary during construction, and except as necessary for the exercise by Declarant of the Special Declarant Rights.

Section 7.13. Compliance with Laws. Subject to the rights of reasonable contest, each Owner will promptly comply with the provisions of all applicable laws, regulations, ordinances, and other governmental or quasi-governmental regulations with respect to all or any portion of the Property.

Without limiting the generality of the foregoing, each Owner will abide by any wildlife regulations imposed by the Association or any agency or authority having jurisdiction over the Property. Further, no Owner will dispose of or allow any person under the Owner's control or direction to release, discharge or emit from the Property or dispose of any material on the Property that is designated as hazardous or toxic under any federal, state or local law, ordinance or regulation.

Section 7.14. No Outside Clotheslines. No laundry or wash will be dried or hung in a manner which makes the laundry or wash visible from outside a Building.

Section 7.15. Parking and Auto Repair. No automobiles or other vehicles will be parked in any street or upon any portion of the Property except within garages, carports, or designated parking areas. The

Association may designate parking spaces to be used for service providers, maintenance providers, and other guests, in accordance with Section 5.4. No work on automobiles or other vehicle repair will be performed in any visible or exposed portion of Peppertree Crossing Rowhouse Community except in emergencies.

Section 7.16. Abandoned, Inoperable, or Oversized Vehicles. No abandoned or inoperable vehicles of any kind will be stored or parked on any portion of the Property, except as provided below. "Abandoned or inoperable vehicle" is defined as any vehicle which has not been driven under its own propulsion for a period of three weeks or longer; provided, however, this will not include vehicles parked by Owners while on vacation or residing away from Peppertree Crossing Rowhouse Community. A written notice describing the "abandoned or inoperable vehicle" and requesting its removal may be personally served upon the Owner or posted on the unused vehicle. If such vehicle has not been removed within seventy-two (72) hours after notice has been given, the Association will have the right to remove the vehicle without liability, and the expense of removal will be a Default Assessment charged against the Owner as provided in Section 9.6. All unsightly or oversized vehicles, garden maintenance equipment, and all other unsightly equipment and machinery may be required by Declarant or the Board of Directors to be stored at a designated location or locations. "Oversized" vehicles, for purpose of this Section, will be vehicles which are too high to clear the entrance to a residential garage.

Section 7.17. Antennae. No exterior radio, television, microwave or other antenna or antenna dish or signal capture and distribution device will be permitted without the prior written consent of the Committee, and appropriate screening may be required by the Committee; however, satellite dishes shall be allowed if they are eighteen (18) inches or less in diameter and are not visible from the street.

Section 7.18. Outside Burning. There will be no exterior fires, except barbecues, outside fireplaces, braziers and incinerator fires contained within facilities or receptacles and in areas designated and approved by the Committee. No Owner will permit any condition upon its portion of the Property which creates a fire hazard or is in violation of fire prevention regulations.

Section 7.19. Noise. No exterior horns, whistles, bells or other sound devices, except security devices used exclusively to protect the security of the Property or Improvements, will be placed or used on any portion of the Property.

Section 7.20. Lighting. All exterior lighting of the Improvements and grounds on the Property will be subject to regulation by the Design Review Committee.

Section 7.21. Obstructions. There will be no obstruction of any walkways or bike paths or interference with the free use of those walkways and paths except as may be reasonably required in connection with repairs. The Owners, their families, tenants, guests and invitees are granted nonexclusive easements to use the walkways and paths within the Property, which use will be subject to Peppertree Crossing Rules adopted by the Board from time to time.

Section 7.22. Camping and Picnicking. No camping or picnicking will be allowed within the Property except in those areas designated for those purposes. The Board, in its discretion, may ban or permit public assemblies and rallies within the Property.

Section 7.23. House Numbers. Each Dwelling Unit will have a house number of a design and location established by the Committee.

Section 7.24. Nuisance. No obnoxious or offensive activity will be carried on within the Property, nor will anything be done or permitted which will constitute a public nuisance. No noise or other nuisance will be permitted to exist or operate upon the Property so as to be offensive or detrimental to any other part of the Property or its occupants.

Section 7.25 General Practices Prohibited. The following practices are prohibited at Peppertree Crossing:

7.25.1. Allowing construction suppliers and contractors to clean their equipment other than at a location designated for that purpose by the Committee;

7.25.2. Removing any rock, plant material, topsoil or similar items from any property of others;

7.25.3 Use of surface water for construction; or

7.25.4 Careless disposition of cigarettes and other flammable materials.

Section 7.26. Use of Property During Construction. It will be expressly permissible and proper for Declarant and any Owner acting with the prior written consent of the Committee, and their respective employees, agents, independent contractors, successors, and assigns involved in the construction of Improvements on, or the providing of utility service to, the Property, the Expansion Property or other real property owned by Declarant, to perform such activities and to maintain upon portions of the Property as they deem necessary, such facilities as may be reasonably required, convenient, necessary or incidental to such construction and development of the Property. This permission specifically includes, without limiting the generality of the foregoing, maintaining storage areas, construction yards and equipment and signs. However, no activity will be performed and no facility will be maintained on any portion of the Property in such a way as to unreasonably interfere with or disturb any purchaser or Owner of a Lot, or to unreasonably interfere with the use, enjoyment or access of such Owner or his tenants, employees, guests, or business invitees, of and to his Lot. If any Owner's use under this provision is deemed objectionable by the Design Review Committee, then the Design Review Committee, as applicable, in its sole discretion, may withdraw this permission.

Notwithstanding the foregoing, this Section will not operate to prevent the exercise of any Special Declarant Rights.

Section 7.27. Partition or Combination of Lots. No part of a Lot may be partitioned or separated from any other part thereof. No Lots may be combined, but the Owner of two or more contiguous Lots may build one single family Dwelling Unit on the contiguous Lots, upon complying with all applicable requirements of Glynn County, and with all applicable Design Guidelines, including without limitation procedures for adjusting Building Sites otherwise drawn for the Lots to accommodate a larger Dwelling Unit, minimum and maximum limitations of living area that may be constructed on any given number of contiguous Lots, and measures necessary to preserve any easements reserved with respect to the contiguous Lots.

The fact that two or more contiguous Lots may be owned by one person and developed with one single family Dwelling Unit will not affect the number of votes or the amount of Assessments allocated to the Lots. If the Owner is required by Glynn County or any other governmental authority or by a Mortgagee to replat the Lots in order to construct Improvements on them, the number of votes and the allocation of Assessments to the Lots after replatting will equal the sum of the votes and Assessments allocated to the Lots before replatting. Each Lot will be conveyed, transferred, gifted, devised, bequeathed, encumbered or otherwise disposed of, as the case may be, with all appurtenant rights and interests created by law or by this Declaration, including the Owner's membership in the Association and the right to use the Common Area, and with the appropriate allocation of voting rights and liability for Assessments established for the Lot as provided in this Declaration.

Section 7.28. Common Area-Covenants to Apply. The provisions of this Article above, with the exception of Section 7.2, will apply to the Common Area and such areas will have the benefit of the provisions of this Article.

Section 7.29. Leasing. The Owner of a Lot has the right to lease his Lot, together with Improvements, in its entirety. Specific policies regarding leasing will be provided by and enforced by the Declarant, or, following the Period of Declarant Control, by the majority vote of the Members of the Association.

Section 7.30. Enforcement. The Association may take such action as it deems advisable to enforce these Covenants as provided in this Declaration. In addition, the Association will have a right of entry on any part of the Property for the purposes of enforcing this Article, and any costs incurred by the Association in connection with such enforcement which remain unpaid thirty (30) days after the Association has given notice of the cost to the Owner and otherwise complied with the Act will be subject to interest at the Default Rate from the date of the advance by the Association through the date of payment in full by the Owner, and will be treated as a Default Assessment enforceable as provided in Article IX.

ARTICLE VIII

ASSOCIATION'S AND OWNERS' OBLIGATIONS FOR MAINTENANCE

Section 8.1. Maintenance of Lots and Exterior of Dwelling Units. As to that portion of all Lots which constitutes Limited Area, as well as to the exterior of all Dwelling Units, including roofs, the Association shall be responsible for the maintenance and repair thereof including lawns, irrigation systems and equipment, landscaping, trees, subsurface drainage, bulkheads, retaining walls and other aspects of the Lot including the maintenance and repair of pools, driveways, walls, terraces (except for landscaping or other plants on terraces), fountains, spas, gutters or downspouts. The expense of maintenance and repair for each Lot shall be allocated and assessed by the Association to the owner of such Lot. Each owner hereby grants to the Association a general easement over, across, upon, in and under his Lot for the purposes of such maintenance and repair. As more fully described in Article VI, any change or alteration to a Lot, or any part thereof, including but not limited to changes in landscaping, shall first be approved by the Committee.

Section 8.2. Owner's Negligence. If the need for maintenance, repair or replacement of any portion of the Common Area (including Improvements located on it) arises because of the negligent or willful act or omission of an Owner or his family member, guest, invitee or tenant, then the expenses incurred by the

Association for the maintenance, repair or replacement will be a personal obligation of that Owner. If the Owner fails to repay the expenses incurred by the Association within thirty (30) days after the notice to the Owner of the amount owed, then those expenses will bear interest at the Default Rate from the date of the advance by the Association until payment by the responsible Owner in full, and all such expenses and interest will become a Default Assessment enforceable in accordance with Article IX.

ARTICLE IX

ASSESSMENTS

Section 9.1. Creation of Lien and Personal Obligation for Assessments. Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by accepting a deed for a Lot, is deemed to covenant to pay to the Association (i) the Annual Assessment imposed by the Board of Directors as necessary to fund the Maintenance Fund and to generally carry out the functions of the Association; (ii) Special Assessments for capital improvements and other purposes as stated in this Declaration; and (iii) Default Assessments which may be assessed against a Lot pursuant to the Association for the Owner's failure to perform an obligation under the Peppertree Crossing Rowhouse Community Documents or because the Association has incurred an expense on behalf of the Owner under the Peppertree Crossing Rowhouse Community Documents.

All Assessments, together with fines, interest, costs, reasonable attorneys' fees and other charges allowed under the Act, will be a charge on the land and will be a continuing lien upon the Lot against which each such Assessment is made until paid.

Each such Assessment, together with fines, interest, costs, reasonable attorneys' fees and other charges allowed under the Act, will also be the personal and individual obligation of the Owner of such Lot as of the time the Assessment falls due, and two or more Owners of a Lot will be jointly and severally liable for such obligations. No Owner may exempt himself from liability for any Assessments by abandonment of his Lot or by waiver of the use or enjoyment of the Common Area. Suit to recover a money judgement for unpaid Assessments and related charges as listed above may be maintained without foreclosing or waiving the Assessment lien provided in this Declaration.

Section 9.2. Purpose of Assessments. The Assessments levied by the Association will be used exclusively to promote the recreation, health, safety, and welfare of the Owners and occupants of Peppertree Crossing.

Section 9.3. Annual Assessments.

9.3.1. Calculation of Annual Assessments. The Board of Directors will prepare a budget before the close of each fiscal year of the Association and submit the budget to the Association as required by the Act. Annual Assessments for Common Expenses will be based upon the estimated net cash flow requirements of the Association to cover items including, without limitation, the cost of routine maintenance, repair and operation of the Common Area and Limited Area; maintenance required under Article VIII; expenses of management; ad valorem taxes or other charges against the Common Area;

premiums for insurance coverage as deemed desirable or necessary by the Association; landscaping, care of grounds and common lighting within the Common Area and Limited Area; routine renovations within the Common Area; wages; common water and utility charges for the Common Area; legal and accounting fees; expenses and liabilities incurred by the Association under or by reason of this Declaration; payment of any deficit remaining from a previous Assessment period; and the supplementing of the reserve fund for general, routine maintenance, repairs and replacement of improvements within the Common Area on a periodic basis, as needed, as contemplated under Article V.

9.3.2. Apportionment of Annual Assessments. Each Owner will be responsible for that Owner's share of the Common Expenses, with the total liability of the Owners being divided equally among the Lots within the Peppertree Crossing area included under this Declaration from time to time. Declarant shall be responsible for the payment of the share of the Common Expenses for each Lot which has not been sold or leased by it. Notwithstanding the preceding sentence, any Common Expenses or portion thereof benefitting fewer than all of the Lots will be assessed exclusively and equitably against the Lots benefitted, as determined by the Board. Further, the costs of insurance may be assessed in proportion to risk, and the costs of utilities may be assessed in proportion to usage. Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any such Lot or Lots shall be specially assessed against the Lot or Lots, the conduct of any occupant, licensee or invitee of which occasioned such Common Expenses. Any Common Expenses significantly disproportionately benefitting all of the Lots shall be assessed equitably among all of the Lots in Peppertree Crossing as determined by the Board. However, nothing stated above shall permit the Association to specially or disproportionately allocate Common Expenses for periodic maintenance, repair and replacement of any portion of the Common Area or the Lots which the Association has the obligation to maintain, repair or replace.

9.3.3. Collection. Annual Assessments will be collected in periodic installments as the Board may determine from time to time, but until the Board directs otherwise, they will be payable monthly in advance on the first day of each month. The omission or failure of the Association to fix the Annual Assessments for any Assessment period will not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Association will have the right, but not the obligation, to make pro rata refunds of any Annual Assessments in excess of the actual expenses incurred in any fiscal year. As a general practice, the Board will apply any excess funds from a previous year to the following year to reduce the subsequent Annual Assessment.

9.3.4. Date of Commencement of Annual Assessments. The Annual Assessments will commence as to all Lots in the First Phase on the first day of the next calendar quarter following the date when construction of the Common Area serving the First Phase of Peppertree Crossing is substantially complete. The Annual Assessments will commence for Lots contained in each phase of Expansion Property incorporated in the Property on the first day of the month following the date when the Common Area serving the annexed- Expansion Property is substantially complete, and will be prorated according to the number of months remaining in the calendar year.

Section 9.4. Special Assessments.

9.4.1. Determination by Board. The Board of Directors may levy in any fiscal year one or more Special Assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, repair or replacement of a described capital improvement upon

the Common Area, including the necessary fixtures and personal property related thereto, or, after adopting and submitting a revised budget to the Association as may be required by the Act, to make up any shortfall in the current year's budget.

9.4.2. Apportionment and Collection of Special Assessments. The Board will apportion Special Assessments among the Lots and collect payments according to the same guidelines as set forth for Annual Assessments in Section 9.3.2.

9.4.3. Notice. Notice of the amount and due dates for such Special Assessments must be sent to each Owner at least thirty (30) days prior to the due date.

Section 9.5. Default Assessments. All monetary fines, penalties, interest or other charges or fees (excluding Annual and Special Assessments) levied against an Owner pursuant to the Peppertree Crossing Documents, or any expense of the Association which is the obligation of an Owner or which is incurred by the Association on behalf of the Owner pursuant to the Peppertree Crossing Documents, and any expense (including, without limitation, attorneys' fees) incurred by the Association as a result of the failure of an Owner to abide by the Peppertree Crossing Documents, constitutes a Default Assessment, enforceable as provided in this Declaration below and in accordance with the Act.

Section 9.6. General Remedies of Association for Nonpayment of Assessment. Any installment of an Annual Assessment or a Special Assessment which is not paid within thirty (30) days after its due date will be delinquent. In the event that an installment of an Annual or Special Assessment becomes delinquent, or in the event any Default Assessment is established under this Declaration, the Association, in its sole discretion, may take any or all of the following actions:

9.6.1. Assess a late charge for each delinquency at uniform rates set by the Board of Directors from time to time and not in excess of the greater of ten and no/100 Dollars (\$10.00) or ten percent (10%) of the amount of each Assessment or installment thereof not paid when due;

9.6.2. Charge interest from the date of delinquency at the Default Rate, which shall be the lesser of eighteen percent (18%) per annum, or the maximum rate allowable under Georgia law, on each Assessment or installment thereof and any delinquency or late charge pertaining thereto from the date the same was first due and payable;

9.6.3. Suspend the voting rights of the Owner during any period of delinquency;

9.6.4. Accelerate all remaining Assessment installments for the fiscal year in question so that unpaid Assessments for the remainder of the fiscal year will be due and payable at once;

9.6.5. Bring an action at law against any Owner personally obligated to pay the delinquent Assessment charges;

9.6.6 File a statement of lien with respect to the Lot and foreclose as set forth in more detail below; and,

9.6.7. Assess a charge equal to the fair rental value of the Lot from the time of the

institution of an action until the sale of the Lot at foreclosure or until judgement rendered in the action is otherwise satisfied.

The remedies provided under this Declaration will not be exclusive, and the Association may enforce any other remedies to collect delinquent Assessments as may be provided by law.

Section 9.7. Assessment Lien. Any Assessment chargeable to a Lot will constitute a lien on the Lot, effective on the due date of the Assessment. To evidence the lien, the Association may, but will not be obligated to, prepare a written lien statement with respect to the Lot, setting forth the name of the Owner, the legal description of the Lot, the name of the Association, and the delinquent Assessments amounts then owing together with authorized late charges and interest accrued thereon. Any such statement will be duly signed and acknowledged by the President or a Vice-President of the Association or by the Manager, and will be served upon the Owner of the Lot by certified mail, return receipt requested, to the address of the Lot and at such other address as the Association may have in its records for the Owner. At least ten (10) days after the Association mails the statement to the Owner, the Association may record the statement in the office of the Clerk of Court. Thirty (30) days following the mailing of such statement or notice to the Owner, the Association may proceed by an action, judgement, and foreclosure of the statement of lien in the same manner as other liens for the improvement of real property under the statutes of the State of Georgia. The Association will have the power to bid on a Lot at foreclosure sale and to acquire, hold lease, mortgage and convey the Lot. The lien for Assessments shall lapse and be of no further effect, as to Assessments or installments thereof, together with late charges and interest applicable thereto, which first became due and payable more than three (3) years prior to the date upon which the notice is given or more than three (3) years prior to the institution of an action therefor if an action is not instituted within ninety (90) days after the giving of the notice.

Section 9.8 Successor's Liability for Assessment. All successors to the fee simple title of a Lot, except as provided in Section 9.10, will be jointly and severally liable with the prior Owner or Owners thereof for any and all unpaid Assessments, interest, late charges, costs, expenses, and attorneys' fees against such Lot without prejudice to any such successor's right to recover from any prior Owner any amounts paid by such successor. This liability of a successor will not be personal and will terminate upon termination of such successor's fee simple interest in the Lot. In addition, such successor will be entitled to rely on the statement of status of Assessments by or on behalf of the Association under Section 9.12 and shall not be liable for nor shall the Lot conveyed be subject to a lien for any unpaid Assessments against such prior Owner in excess of any amount set forth in the statement.

Section 9.9. Waiver of Homestead Exemption; Subordination of the Lien. The lien of the Assessments will be superior to and prior to any homestead exemption provided now or in the future by the laws of the State of Georgia, and to all other liens and encumbrances except the following:

9.9.1. Liens and encumbrances recorded before the date of the recording of this Declaration;

9.9.2. Liens for real estate taxes and other governmental assessments or charges duly imposed against the Lot by a Georgia governmental or political subdivision or special taxing district, or any other liens made superior by statute; and

9.9.3. The lien for all sums unpaid on a First Mortgage recorded before the date on

which the Assessment sought to be enforced became delinquent, including any and all advances made by the First Mortgagee, even though some or all of such advances may have been made subsequent to the date of attachment of the Association's lien; all subject, however, to the limitations of the Act.

With respect to Section 9.9.3, any First Mortgagee or holder of a secondary purchase money mortgage of record who acquires title to a Lot by virtue of foreclosing such mortgage or by virtue of a deed or assignment in lieu of such a foreclosure, or any purchaser at a foreclosure sale of such mortgage, will take the Lot free of any claims for unpaid Assessments, interest, late charges, costs, expenses, and attorneys' fees against the Lot which accrue prior to the time such mortgage holder or purchaser acquires title to the Lot; provided, however, that such unpaid Assessments and related costs and expenses shall be deemed to be a Common Expense collectable from all Owners, including such Mortgagee or other Person and his or her successors, successors-in-title, and assigns.

All other persons who hold a lien or encumbrance of any type not described in Sections 9.9.1 through 9.9.3 will be deemed to consent that the lien or encumbrance will be subordinate to the Association's future liens for Assessments, interest, late charges, costs, expenses and attorneys' fees, as provided in this Article, whether or not such consent is specifically set forth in the instrument creating any such lien or encumbrance.

Section 9.10. Reallocation of Assessments Secured by Extinguished Liens. The sale or transfer of any Lot to enforce any of the liens to which the lien for Assessments is subordinate will extinguish the lien of such Assessments as to installments which became due prior to such sale or transfer to the extent provided in the Act. The amount of such extinguished lien may be reallocated and assessed to all Lots as a Common Expense at the direction of the Board of Directors. However, no such sale or transfer will relieve the purchaser or transferee of a Lot from liability for, or the Lot from the lien of, any Assessments made after the sale or transfer.

Section 9.11. Exempt Property. The following portions of the Property will be exempt from the Assessments, charges, and liens created under this Declaration:

9.11.1. Any easement or other interest in the Property dedicated and accepted by Glynn County and devoted to public use;

9.11.2. Any real property, an interest in which is owned by Glynn County or any other governmental body established under Georgia law;

9.11.3. All utility lines and easements; and

9.11.4. Common Area.

Section 9.12. Statement of Status of Assessments. The Association will furnish to an Owner or his designee, to any Mortgagee, to a person having executed a contract for the purchase of a Lot, or to any lender considering the loan of funds to be secured by a Lot, a statement setting forth the amount of unpaid Assessments then levied against the Lot in which the Owner, designee or Mortgagee has an interest. The Association will deliver the statement personally or by certified mail, first class postage prepaid, return receipt requested, to the address directed by the inquiring party within 5 business days after the registered office of the Association receives the request by personal delivery or by certified mail, first class postage prepaid,

return receipt requested or as otherwise required by the Act. The information contained in such statement, when signed by the Treasurer of the Association or the Manager, will be conclusive upon the Association, the Board, and every Owner as to the person or persons to whom such statement is issued and who rely on it in good faith.

Section 9.13. Failure to Assess. The omission or failure of the Board to fix the Assessment amounts or rates or to deliver or mail to each Owner an Assessment notice will not be deemed a waiver, modification, or a release of any Owner from the obligation to pay Assessments. In such event, each Owner will continue to pay Annual Assessments on the same basis as for the last year for which an Assessment was made until a new Assessment is made, at which time any shortfalls in connection therewith may be assessed retroactively by the Association in accordance with any budget procedures as may be required under the Act.

ARTICLE X

PROPERTY RIGHTS OF OWNERS

Section 10.1 Lots. Each lot shall for all purposes constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his Lot, subject to the provisions of this Declaration. Unless otherwise provided hereinbelow, each Lot shall include the Dwelling Unit and all other Improvements and fixtures presently constructed on or hereafter attached to such Lot by Declarant. Window screens, shutters, window boxes, awnings, exterior lights and light fixtures, gutters and downspouts, eaves, chimneys and all other fixtures, equipment and appliances located in or attached to each Lot and the Improvements located thereon, including, without limitation, the heating and air conditioning systems for each Lot, are deemed to be a part of such Lot, even though such Improvements protrude beyond the boundaries of a Lot. If any chutes, flues, ducts, conduits, wires, utility meters, pipes, plumbing or any other apparatus or facilities for the furnishing of utilities or other services to a Lot lie partially within and partially outside of the designated boundaries of the Lot, any portions thereof which serve only that Lot shall be deemed to be a part of that Lot, and any portions thereof which serve more than one Lot or any portion of the Common Areas shall be deemed to be a part of the Common Areas. The ownership of each Lot shall include, and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, all of the right, title and interest of an Owner in the Common Areas as established hereunder, which shall include, but not be limited to, membership in the Association. Each Owner shall automatically become a Member of the Association and shall remain a Member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically pass to his successor-in-title to the Lot. Lots shall not be subdivided, and the boundaries between Lots shall remain as established in accordance with the Plat, unless the relocation thereof is made with the consent of the Owners directly affected thereby, at least two-thirds (2/3) of the Owners and of Declarant, so long as Declarant owns a Lot primarily for the purpose of sale.

Section 10.2. Owner's Easements of Access and Enjoyment. Every Owner shall have a perpetual non-exclusive right and easement of enjoyment in and to the Common Areas (including, without limitation, the right of vehicular and pedestrian access, ingress and egress to and from his Lot over these portions of the Common Areas from time to time designated for such purposes), which right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of Owners and their respective families, tenants, guests and invitees to the exclusive use and enjoyment of Limited Common Areas which are appurtenant to their respective Lots.

(b) The right of the Association to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests and invitees.

(c) The right of the Board of Directors of the Association to suspend an Owner's voting rights and right to use any recreational facilities within the Common Areas for any period during which any assessment of the Association against said Owner's Lot remains unpaid, and for any infraction by an Owner of this Declaration, the By-Laws or the Association's published rules and regulations for the duration of the infraction and for an additional period thereafter not to exceed thirty (30) days.

(d) The easements for structural support encumbering the Common Areas as established hereinbelow.

(e) The easements for encroachments encumbering the Common Areas as established hereinbelow.

(f) The rights and easements reserved to Declarant in Article XI hereof, and, for so long as Declarant owns any Lot primarily for the purpose of sale, Declarant shall also have the right to grant easements in and to the Common Areas to any public agency, authority or utility for such purposes as benefit the Development and the Lots therein.

(g) The right of the Association to grant and accept easements as provided hereinbelow and to dedicate or transfer fee simple title to all or any portion of the Common Areas to any public agency, authority or utility for such purpose and subject to such conditions as may be agreed to by a majority of the Members of the Association. No such dedication or transfer of fee simple title shall be effective unless an instrument agreeing to such dedication or transfer has been signed (i) by Owners having at least a majority of the votes of the Association and (ii) by the Declarant so long as Declarant owns any Lot primarily for the purpose of sale.

(h) The rights and easements reserved hereinbelow for the benefit of the Association, its directors, officers, agents and employees.

Section 10.3. Delegation of Use. Any Owner may delegate, in accordance with the Peppertree Crossing Documents, his rights of access and enjoyment described in Section 10.1 above to his tenants, employees, family, guests or invitees.

Section 10.4. Structural Support. Every portion of the Common Areas or of a Lot, Dwelling Unit or any other Improvement which contributes to the structural support of another portion of the Common Areas or of another Lot, Dwelling Unit or other Improvement shall be burdened with an easement for structural support and each Lot shall also have the right to lateral support which shall be appurtenant to and pass with title to such Lot. No Owner shall be permitted to demolish his Dwelling Unit except to the extent that such demolition may be required (i) as a result of condemnation or eminent domain proceedings, (ii) as a result of repairing or rebuilding such Dwelling Unit when the same has been partially or totally destroyed, or (iii) when the Association decides not to rebuild or restore in the event of casualty or condemnation.

Section 10.5. Encroachments. If any portion of the Common Areas (including Limited Common

Areas) encroaches upon any Lot, or if any Lot, Dwelling Unit or other Improvement encroaches upon any other Lot or upon any portion of the Common Areas (including Limited Common Areas), as a result of construction, reconstruction, repair, renovation, restoration, shifting, settlement or movement of any portion of the Peppertree Rowhouse Community or any Improvements therein, a valid easement for the encroachment and for the maintenance, repair and replacement thereof shall exist for so long as the encroachment exists, such encroachments to include, without limitation, encroachments for roofs, eaves, attics, chimneys, shutters, window boxes, awning, gutters and downspouts, lights and light fixtures, utility meters, pipes, electrical lines, conduit, doorsteps, porches (screened, enclosed or open), balconies, decks, patios, overhangs and any other structural improvements. In the event that any Dwelling Unit or other Building shall be partially or totally damaged or destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then repaired or reconstructed, encroachments of portions of the Common Areas (including Limited Common Areas) upon a Lot, or of any Lot, Dwelling Unit or other improvement upon any other Lot or upon any portion of the Common Areas (including Limited Common Areas) due to such repair or reconstruction, shall be permitted and valid easements for such encroachments and the maintenance, repair and replacement thereof shall exist.

Section 10.6. Easements of Record and of Use. The Property will be subject to all easements shown on the Plats and to any other easements of record or of use as of the date of recordation of this Declaration.

Section 10.7. Emergency and Garbage Access Easement. A general easement is hereby granted to all police, fire protection, ambulance, and all other similar emergency agencies or persons, and for garbage collection agencies or persons, to enter upon all streets and upon the Property in the proper performance of their duties.

Section 10.8. Vehicular Easements. A limited easement is hereby granted over and across each Lot to the extent necessary to allow vehicles accessing adjoining Lots ingress and egress to such Lots, to specifically include the right to turn around a vehicle which is entering or exiting such Lot. This easement is only to the extent reasonably necessary to accommodate access to an adjoining Lot and is not for parking, except as to those Lots which have a portion of the driveway parking space or turn-around for an adjoining Lot constructed on them. For those adjoining Lot Owners, a limited easement is granted over and across said Lot to the extent noted on the Plat for parking, ingress and egress, and turning around a vehicle.

Section 10.9. Pool. The pool contained on the property is a Common Area, the use and operation of which shall be governed by Rules and Regulations set forth by the Association.

Section 10.10. Tennis Court. Any tennis court contained on the property is a Common Area, the use and operation of which shall be governed by Rules and Regulations set forth by the Association.

Section 10.11. Putting Green. The putting green contained on the property is a Common Area, the use and operation of which shall be governed by Rules and Regulations set forth by the Association.

Section 10.12. Clubhouse/Exercise Room. The clubhouse/exercise room contained on the property is a Common Area, the use and operation of which shall be governed by Rules and Regulations set forth by the Association.

ARTICLE XI

SPECIAL DECLARANT RIGHTS AND ADDITIONAL RESERVED RIGHTS

Section 11.1. General Provisions. Until the expiration of the Period of Declarant Control, Declarant will have the following Special Declarant Rights:

11.1.1 Completion of Improvements. The right to complete Improvements as indicated or permitted on any Plat filed with respect to the Property, including the Expansion Property. Declarant shall specifically have the right to vary from time to time the nature or type of Improvements constructed within Peppertree Crossing and specifically the construction of a certain type of Improvement in one such area shall not obligate Declarant to construct any or all other Improvements which may be constructed in such area of the same type. During the period that Declarant owns any Lot primarily for the purpose of sale, Declarant, and its duly authorized representatives, agents and employees shall have a transferable right and easement on, over, through, under and across the Common Areas for the purpose of installing, replacing and maintaining all Dwelling Units and other Improvements within the Property, as well as utilities serving the Property or any portion thereof, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided in no event shall Declarant have the obligation to do any of the foregoing.

11.1.2. Development Rights. The right to exercise all "development rights," as defined from time to time under Georgia law (and so referred to here as "Development Rights"), including without limitation the right or combination of rights hereby reserved by Declarant, as follows:

(a) The right to annex all or part of the Expansion Property to the Property, in accordance with Article XVI.

(b) The right to create Lots and Common Area on the Property, including the Expansion Property.

(c) The right to subdivide Lots and convert Lots into Common Area on any part of the Property, including the Expansion Property.

(d) The right to withdraw real estate, whether contained within the Property initially subject to this Declaration or within the Expansion Property, from Peppertree Crossing, as provided in Article XVI.

11.1.3. Sales Activities. The right to maintain signs advertising the Property, one sales office, one management office, and model residences on the Common Area and on Lots owned by Declarant, whether contained within the Property initially subject to this Declaration, or within the Expansion Property.

11.1.4. Easements. The right to use easements through the Common Area on the Property, including the Expansion Property, for the purpose of making Improvements on the Property and the Expansion Property.

11.1.5. Association's Directors and Officers. The right to appoint any officer or director of the Association, as provided in this Declaration or the Bylaws, and subject to the limitations of the Act.

11.1.6. Order of Exercise of Declarant's Rights. Declarant makes no representations and gives no assurances regarding the legal description or the boundaries of any phase of the Expansion

Property or the order in which the phases of the Expansion Property may be developed. Further, the fact that Declarant may exercise one or more of Declarant's Development Rights or other Special Declarant Rights on one portion of the Property (including the Expansion Property) will not operate to require Declarant to exercise a Development Right or other Special Declarant Right with respect to or on any other portion of the Property (including the Expansion Property).

Section 11.2. Supplemental Provisions Regarding Declarant's Rights. Without limiting the generality of the foregoing, certain of these Special Declarant Rights are explained more fully in this Article below. Further, Declarant reserves the right to amend this Declaration and any Plat in connection with the exercise of any Development Right or any other Special Declarant Right to the extent permitted by the Act, and Declarant also reserves the additional rights retained for the benefit of Declarant in this Article and in other provisions of this Declaration.

Section 11.3. Utility Easements. There is hereby created a general easement upon, across, over, in, and under the Property for ingress and egress and for installation, replacement, repair, and maintenance of all utilities, including but not limited to water, sewer, gas, telephone, electrical, television and a master communications system. By virtue of this easement, it will be expressly permissible and proper for the companies providing electrical, television, telephone and other communication services to install and maintain necessary equipment on the Property and to affix and maintain electrical, television, communications, and telephone wires, circuits, and conduits under the Property. Any utility company using this general easement will use its best efforts to install and maintain the utilities provided for without disturbing the uses of the Owners, the Association and Declarant; will prosecute its installation and maintenance activities as promptly and expeditiously as reasonably possible; and will restore the surface to its original condition as soon as possible after completion of its work. Should any utility company furnishing a service covered by the general easement request a specific easement by separate recordable document, either Declarant or the Association will have, and are hereby given, the right and authority to grant such easement upon, across, over, or under any part or all of the Property without conflicting with the terms of this Declaration. This general easement will in no way affect, avoid, extinguish, or modify any other recorded easement on the Property.

Additionally, there is hereby created a general easement upon, across, over, in, and under each Lot for ingress and egress and for installation, replacement, repair, and maintenance of heating, air conditioning, and ventilation compressor units and utility meters and lines, wires or other utility transmission equipment or other equipment which may be a portion of or adjunct to utility service for another Lot or other portions of the Property.

Section 11.4. Reservation for Expansion and Construction. Declarant hereby reserves for itself and its successors and assigns and for Owners in all future phases of Peppertree Crossing a perpetual easement and right-of-way for access over, upon, and across the Property, including the Expansion Property, for construction, utilities, drainage, ingress and egress, and for use of the Common Area, including Common Area located within the Expansion Property. The location of these easements and rights-of-way may be made certain by Declarant or the Association by instruments recorded in the office of Clerk of Court.

Declarant further reserves the right to establish from time to time, by dedication or otherwise, utility and other easements, and to create other reservations, exceptions, and exclusions convenient or necessary for the use and operation of any other property of Declarant, as long as such action does not hamper the

enjoyment by the Owners of Peppertree Crossing, as built or expanded.

Section 11.5. Reservation of Easements, Exceptions, and Exclusions for Utilities, Infrastructure, and Access. Declarant reserves for itself and its successors and assigns and hereby grants to the Association, acting through the Board of Directors, the concurrent right to establish from time to time, by declaration or by reflection on the Plats or otherwise, utility and other easements, permits, or licenses over the Common Area, for purposes including but not limited to streets, paths, walkways, drainage, recreation areas and parking areas, and to create other reservations, exceptions, and exclusions in the interest of the Owners and the Association, in order to serve the Owners within Peppertree Crossing as initially built and expanded.

Declarant also reserves for itself and its successors and assigns and grants to the Association the concurrent right to establish from time to time by an instrument recorded in the office of Clerk of Court or upon and as reflected in the Plats, such easements, permits or licenses over the Common Area for access by certain persons (other than Owners and Owners' families and guests) who may be permitted to use designated portions of the Common Area as contemplated under this Declaration.

Section 11.6. Maintenance Easement. An easement is hereby reserved to Declarant for itself and its successors and assigns and granted to the Association, and any member of the Board of Directors or Manager, and their respective officers, agents, employees and assigns, upon, across, over, in and under the Property and a right to make such use of the Property as may be necessary or appropriate to make emergency repairs or to perform the duties and functions which the Association is obligated or permitted to perform pursuant to the Peppertree Crossing Documents, including the right to enter upon any Lot for the purpose of performing maintenance to the landscaping or the exterior of Improvements to such Lot, as required by the Peppertree Crossing Documents.

Section 11.7. Drainage Easement. An easement is hereby reserved to Declarant for itself and its successors and assigns and granted to the Association, its officers, agents, employees, successors and assigns to enter upon, across, over, in, and under any portion of the Property for the purpose of changing, correcting, or otherwise modifying the grade or drainage channels of the Property so as to improve the drainage of water. Reasonable efforts will be made to use this easement so as not to disturb the uses of the Owners, the Association and Declarant, as applicable, to the extent possible; to prosecute such drainage work promptly and expeditiously; and to restore any areas affected by such work to a sightly and usable condition as soon as reasonably possible following such work. Declarant, or its officers, agents, employees, successors and assigns must inform and obtain the approval of the Board of Directors prior to undertaking such drainage work, which approval will not be unreasonably withheld.

Section 11.8. Declarant's Rights Incident to Construction. Declarant, for itself and its successors and assigns, hereby retains a right and easement of ingress and egress over, in, upon, under, and across the Common Area and the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incident to the construction of the Improvements on the Property or other real property owned by Declarant; provided, however, that no such rights will be exercised by Declarant in such a way as to unreasonably interfere with the occupancy, use, enjoyment or access to an Owner's Lot by that Owner or his family, tenants, employees, guests, or invitees.

Section 11.9. Easements Deemed Created. All conveyances of Lots hereafter made, whether by Declarant or otherwise, will be construed to grant and reserve the easements contained in this Article, even though no specific reference to such easements or to this Article appears in the instrument for such conveyance.

ARTICLE XII

INSURANCE AND FIDELITY BONDS

Section 12.1. Authority to Purchase. All insurance policies relating to the Common Area or Dwelling Units will be purchased by the Board of Directors or its duly authorized agent. The Board of Directors, the Manager and Declarant will not be liable for failure to obtain any coverage required by this Article or for any loss or damage resulting from such failure if such failure is due to the unavailability of such coverage from reputable insurance companies, or if such coverage is available only at demonstrably unreasonable costs. Notwithstanding the foregoing, if the insurance described in Sections 12.3, 12.4 and 12.5 below is not reasonably available, or if any policy of such insurance is cancelled or not renewed, the Board of Directors will cause notice of that fact to be hand delivered or otherwise delivered to all Owners by such methods as required by the Act.

Section 12.2. General Insurance Provisions. All such insurance coverage obtained by the Board of Directors will be governed by the following provisions:

12.2.1. As long as Declarant owns any Lot, Declarant will be protected by all such policies in the same manner as any other Owner. The coverage provided to Declarant under the insurance policies obtained in compliance with this Article will not be deemed to protect or be for the benefit of any general contractor engaged by Declarant, nor will such coverage be deemed to protect Declarant for (or waive any rights with respect to) warranty claims against Declarant as the developer of Peppertree Crossing.

12.2.2. The deductible, if any, on any insurance policy insuring the Common Area purchased by the Board of Directors may be treated as a Common Expense payable from Annual Assessments or Special Assessments (allocable to all of the Lots or to only some of the Lots, if the claims for damages arise from the negligence of particular Owners or if the repairs benefit only particular Owners), or as an item to be paid from working capital reserves established by the Board of Directors.

Section 12.3. Physical Damage Insurance on Common Area. The Association will obtain insurance for all insurable Improvements, if any, on the Common Area in an amount equal to the full replacement value (i.e., 100% of the current "replacement cost" exclusive of land, foundation, excavation, depreciation on personal property, and other items normally excluded from coverage), which will include all building and grounds service equipment and the like, common personal property and supplies, and any fixtures or equipment within the Common Area. In addition, such policy will afford protection against at least the following:

12.3.1. Loss or damage by fire and other hazards covered by the standard extended coverage endorsement with the standard "all-risk" endorsement covering sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm and water damage.

12.3.2. Such other risks as will customarily be covered with respect to projects similar in construction, location, and use to Peppertree Crossing.

In contracting for the insurance coverage obtained pursuant to this Section above, the Board of Directors will be required to make reasonable efforts to secure coverage which provides the following:

(i) A waiver of any right of the insurer to repair, rebuild or replace any damage or destruction, if a decision is made pursuant to this Declaration not to do so.

(ii) The following endorsements (or equivalent): (a) "cost of demolition;" (b) "contingent liability from operation of building laws or codes;" (c) "increased cost of construction;" (d) "agreed amount" or elimination of co-insurance clause.

Prior to obtaining any policy of physical damage insurance or any renewal thereof, and at such other intervals as the Board of Directors may deem advisable, the Board of Directors will obtain an appraisal from a general contractor or such other source as the Board may determine of the then current replacement cost of the Property (exclusive of the land, excavations, foundations and other items normally excluded from such coverage) subject to insurance carried by the Association, without deduction for depreciation, for the purpose of determining the amount of physical damage insurance to be secured pursuant to this Section.

Section 12.4. Liability Insurance. The Association will obtain a comprehensive policy of public liability insurance (including libel, slander, false arrest, and invasion of privacy coverage) and property damage insurance with such limits as the Board of Directors may from time to time determine, insuring each member of the Board of Directors, the Association, the Manager, and the respective employees, agents, and all persons acting as agents against any liability to the public or the Owners (and their guests, invitees, tenants, agents, and employees) arising in connection with the ownership, operation, maintenance, or use of the Common Area and streets and roads within Peppertree Crossing and any other areas under the control of the Association. Declarant will be included in the coverage as an additional insured in Declarant's capacity as an Owner or Director. The Owners will be included as additional insureds, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Area.

Such comprehensive policy of public liability insurance will include the following:

12.4.1. Coverage for contractual liability, liability for non-owned and hired automobiles, and, if applicable, host liquor liability, employer's liability, and such other risks as will customarily be covered with respect to developments similar to Peppertree Crossing in construction, location, and use.

12.4.2. A cross liability endorsement under which the rights of a named insured under the policy will not be prejudiced with respect to an action against another insured.

12.4.3. A "severability of interest" endorsement which will preclude the insurer from denying liability coverage to an Owner because of the negligent acts of the Association or another Owner.

The Board of Directors will review the coverage limits at least once every two years, but, generally, the Board will carry such amounts of insurance usually required by private institutional mortgage lenders on projects similar to Peppertree Crossing, and in no event will such coverage be less than One Million and No/100 Dollars (\$1,000,000.00) for all claims for bodily injury or property damage arising out of one occurrence. Reasonable amounts of "umbrella" liability insurance in excess of the primary limits will also be obtained in an amount not less than Two Million and No/100 Dollars (\$2,000,000.00).

Section 12.5. Hazard Insurance on Peppertree Crossing. The Board of Directors shall obtain a fire, hazard and extended coverage policy and, if required, a flood policy for each Building on the Property. The face amount shall be sufficient to cover the cost necessary to return the Building to the condition in which it was provided to the original Owner after construction. This policy shall not insure any improvements or betterments made to the Building after construction or personal property contained within the Building. The cost of such insurance shall be charged to the Owners of the Dwelling Units within such Building. All policies shall provide for a certification of insurance to be furnished to each such Owner insured as well as to the Association.

Section 12.6. Fidelity Insurance. Fidelity bonds may be maintained by the Association to protect against dishonest acts on the part of its officers, directors, trustees, and employees, and on the part of all others who handle or are responsible for handling the funds of or administered by the Association. In addition, if responsibility for handling funds is delegated to a Manager, such bonds will be required for the Manager and its officers, employees, and agents, as applicable. Such fidelity coverage will name the Association as an obligee and will be written in such amount as the Board may determine appropriate, and in any event in the minimum amount, if any, prescribed by the Act. Such bonds will contain waivers by the issuers of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms or expressions.

Section 12.7. Provisions Common to Physical Damage Insurance, Liability Insurance, and Fidelity Insurance. Any insurance coverage obtained by the Association under the provisions of this Article will be subject to the following provisions and limitations:

12.7.1. The named insured under any such policies will include Declarant, until all of the Lots in Peppertree Crossing have been conveyed, and the Association, as attorney-in-fact for the Owners, or the authorized representative of the Association (including any trustee with whom the Association may enter into any insurance trust agreement, or any successor trustee, each of which is sometimes referred to in this Declaration as the "Insurance Trustee"), who will have exclusive authority to negotiate losses under such policies.

12.7.2. Each Owner will be an insured person with respect to liability arising out of the Owner's interest in the Common Area or membership in the Association.

12.7.3. In no event will the insurance coverage obtained and maintained pursuant to this Article be brought into contribution with insurance purchased by the Owners or their Mortgagees.

12.7.4. The policies will provide that coverage will not be prejudiced by (i) any act or neglect of any Owner (including an Owner's family, tenants, servants, agents, invitees and guests) when such act or neglect is not within the control of the Association, or (ii) any act or neglect or failure of the Association to comply with any warranty or condition with regard to any portion of the Property over which the Association has no control.

12.7.5. The policies will contain the standard mortgagee clause commonly accepted by private institutional mortgage investors in the area in which the Property is located, and provide that coverage may not be canceled in the middle or at the end of any policy year or other period of coverage or substantially modified or reduced (including cancellation for nonpayment of premiums) without at least thirty

(30) days prior written notice mailed to the Association and to each Owner and Mortgagee to whom a certificate or memorandum of insurance has been issued, at their respective last known address.

12.7.6. The policies will contain a waiver by the insurer of any right to claim by way of subrogation against Declarant, the Board of Directors, the Association, the Manager, and any Owner and their respective agents, employees, or tenants, and in the case of Owners, member of their households.

12.7.7. The policies described in Sections 12.3 and 12.4 above will provide that any "no other insurance" clause will expressly exclude individual Owners' policies from its operation so that the physical damage policy or policies purchased by the Board will be deemed primary coverage, and any individual Owners' policies will be deemed excess coverage.

Section 12.8. Personal Liability Insurance of Officers and Directors. To the extent obtainable at reasonable cost, appropriate officers' and directors' personal liability insurance will be obtained by the Association to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as such officers and directors on behalf of the Association.

Section 12.9. Workmen's Compensation Insurance. The Association will obtain workmen's compensation or similar insurance with respect to its employees, if any, in the amounts and forms as may now or hereafter be required by law.

Section 12.10. Other Insurance. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it will deem appropriate with respect to the Association's responsibilities and duties.

Section 12.11. Insurance Obtained by Owners. Each Owner will have the right to obtain insurance for such Owner's benefit, at such Owner's expense, covering the Owner's Lot and Improvements, personal property and personal liability. However, no insurance coverage obtained by an Owner will operate to decrease the amount which the Board of Directors, on behalf of all Owners, may realize under any policy maintained by the Board or otherwise affect any insurance coverage obtained by the Association or cause the diminution or termination of that coverage. Any such insurance obtained by an Owner will include a waiver of the particular insurance company's right or subrogation against the Association and other Owners.

ARTICLE XIII

THE ASSOCIATION AS ATTORNEY-IN-FACT

Section 13.1. Each and every Owner hereby irrevocably constitutes and appoints the Association as such Owner's true and lawful attorney-in-fact in such Owner's name, place and stead for the purpose of dealing with the Improvements on the Common Area upon damage or destruction as provided in Article XIV or a complete or partial taking as provided in Article XV below. Acceptance by any grantee of a deed or other instrument of conveyance from Declarant or from any Owner will constitute appointment of the Association as attorney-in-fact as provided in this Article. As attorney-in-fact, the Association will have full and complete authorization, right, and power to make, execute and deliver any contract, assignment, deed, waiver or other instrument with respect to the interest of any Owner that may be necessary or appropriate to exercise the

powers granted to the Association as attorney-in-fact.

ARTICLE XIV

DAMAGE OR DESTRUCTION

Section 14.1 Damage or Destruction of Common Area.

4.1.1. Estimate of Damages or Destruction. As soon as practical after an event causing damage to or destruction of any part of the Common Area, unless such damage or destruction is minor, the Association will obtain an estimate or estimates that it deems reliable and complete of the costs of repair and reconstruction of that part of the Common Area so damaged or destroyed. "Repair and reconstruction" as used in this Article will mean restoring the damaged or destroyed Improvements to substantially the same condition in which they existed prior to the damage or destruction.

14.1.2. Funds for Repair and Reconstruction. The proceeds received by the Association from any hazard insurance will be used for the purpose of repair, replacement and reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Association may, pursuant to Section 9.4, levy, assess and collect in advance from all Owners, a Special Assessment sufficient to provide funds to pay such estimated or actual costs of repair and reconstruction. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair and reconstruction.

14.1.3. Disbursement of Funds for Repair and Reconstruction. The insurance proceeds held by the Association and the amounts received from the Special Assessments provided for in Section 9.4 constitute a fund for the payment of the costs of repair and reconstruction after casualty. It will be deemed that the first money disbursed in payment for the costs of repair and reconstruction will be made from insurance proceeds, and the balance from the Special Assessments. If there is a balance remaining after payment of all costs of such repair and reconstruction, such balance will be distributed to the Owners in proportion to the contributions each Owner made as a Special Assessment to the Association under Section 9.4, or if no Special Assessments are made, then in proportionate shares on the basis of the allocation to the Owners of Common Expenses under Section 9.3.2, first to the Mortgagees and then to the Owners, as their interests appear.

14.1.4 Decision Not to Rebuild. If during the Period of Declarant Control, Declarant, and at all times, Owners representing at least sixty-seven percent (67%) of the votes in the Association agree in writing not to repair and reconstruct damage to the Common Area and no alternative Improvements are authorized, then and in that event the Property will be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition, and any remaining insurance proceeds will be distributed in proportionate shares on the basis of the allocation to the Owners of the Common Expenses under Section 9.3.2, first to the Mortgagees and then to the Owners, as their interests appear.

Section 14.2. Damage or Destruction Affecting Peppertree Crossing. In the event of damage or destruction, the Owner thereof will promptly repair and restore the damaged Improvements to their condition prior to such damage or destruction.

14.2.1. In the event of Damage or Destruction to the improvements located on any Lot within Peppertree Crossing, if the damage or destruction is to only one Dwelling Unit, the Owner will promptly repair and restore the damaged Improvements to their condition prior to such damage or destruction. If such repair or restoration is not commenced within one hundred eighty (180) days from the date of such damage or destruction, or if repair and reconstruction is commenced but then abandoned for a period of more than ninety (90) days, then the Association may, after notice and hearing as provided in the Bylaws, impose a fine accruing at the rate of One Thousand and No/100 Dollars (\$1,000) per day or such other rate imposed by the Board in compliance with the Act, charged against the Owner of the Lot until repair and reconstruction is commenced, unless the Owner can prove to the satisfaction of the Association that such failure is due to circumstances beyond the Owner's control. Such fine will be a Default Assessment and lien against the Lot as provided in Section 9.6 above.

14.2.2. In the event the damage or destruction to the Improvements is to more than one Dwelling Unit within Peppertree Crossing, the Association shall assist in coordinating the reconstruction of the damaged Improvements. As soon as practicable after an event causing damage to or destruction of more than one of the Dwelling Units within Peppertree Crossing, unless such damage or destruction is minor, the Association will obtain an estimate or estimates that it deems reliable and shall contract for the repair and reconstruction of the damaged Improvements. The Improvements shall be repaired and restored to their condition prior to such damage or destruction. The Owner of each such Dwelling Unit shall be responsible for his or her portion of the costs of such repair and reconstruction and shall fund to the Association in advance in increments deemed necessary by the Association to complete such repair and reconstruction. In the event the Association receives proceeds from any hazard insurance, such proceeds shall be used for the purpose of repair and reconstruction of the damaged Improvements. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair and reconstruction, the Owners of such Dwelling Units shall be responsible for the funding to the Association of any shortfalls. In the event there is a balance remaining after payment of all costs of such repair and reconstruction, such balance will be distributed to the Owners of such Dwelling Units as determined by the Association.

ARTICLE XV

CONDEMNATION

Section 15.1. Rights of Owners. Whenever all or any part of the Common Area is taken or conveyed in lieu of and under threat of condemnation by any authority having the power of condemnation or eminent domain, each Owner will be entitled to notice of the taking, but the Association will act as attorney-in-fact for all Owners in the proceedings incident to the condemnation proceeding, unless otherwise prohibited by law.

Section 15.2. Partial Condemnation; Distribution of Award; Reconstruction. The award made for such taking will be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which Improvements have been constructed, then, unless, within sixty (60) days after such taking, Declarant, during the Period of Declarant Control, and, at all times, Owners representing at least sixty-seven percent (67%) of the votes in the Association otherwise agree, the Association will restore or replace such Improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor, in accordance with plans approved by the Board

of Directors. If such Improvements are to be repaired or restored, the provisions in Article XIV above regarding the disbursement of funds with respect to casualty damage or destruction that is to be repaired will apply. If the taking does not involve any Improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds will be distributed in proportionate shares on the basis of the allocation to the Owners of Common Expenses under Section 9.3.2, first to the Mortgagees and then to the Owners, as their interest appear.

Section 15.3. Complete Condemnation. If all of Peppertree Crossing is taken, condemned, sold, or otherwise disposed of in lieu of or in avoidance of condemnation, then the regime created by this Declaration will terminate, and the portion of the condemnation award attributable to the Common Area will be distributed as provided in Section 15.2.

ARTICLE XVI

EXPANSION AND WITHDRAWAL

Section 16.1. Reservation of Right to Expand. Declarant reserves the right, but will not be obligated, to expand the effect of this Declaration to include all or part of the Expansion Property. The consent of the existing Lot Owners and Mortgagees will not be required for any such expansion, and Declarant may proceed with such expansion without limitation at its sole option. Declarant will have the unilateral right to transfer to any other person this right to expand by an instrument duly recorded. Declarant will pay all taxes and other governmental assessments relating to the Expansion Property as long as Declarant is the owner of such property.

Section 16.2. Incorporation of Additional Expansion Property. Declarant also reserves the right to incorporate into Peppertree Crossing real property that is not part of the Expansion Property, subject to the limitations and requirements of the Act.

Section 16.3. Declaration of Annexation. Any expansion of Peppertree Crossing may be accomplished by recording a Declaration of Annexation and one or more supplemental Plats in the records of the office of Clerk of Court, before the expiration of the Period of Declarant Control. The Declaration of Annexation will describe the real property to be expanded, submitting it to these Covenants and provide for voting rights and Assessments allocations as provided in this Declaration. Specifically, each such Lot will be allocated one vote and liability for the Common Expenses equal to the liability allocated to each of the other Lots, and the proportionate voting interest and allocation of Common Expenses for the other Lots will be adjusted accordingly. Such Declaration of Annexation will not require the consent of Owners. Any such expansion will be effective upon the filing for record of such Declaration of Annexation, unless otherwise provided therein. The expansion may be accomplished in stages by successive supplements or in one supplemental expansion.

Upon the recordation of any such Declaration of Annexation, the definitions used in this Declaration will be expanded automatically to encompass and refer to Peppertree Crossing as expanded. Such Declaration of Annexation may add supplemental covenants peculiar to the Expansion Property in question, or delete or modify provisions of this Declaration as it applies to the Expansion Property added. However,

this Declaration may not be modified with respect to that portion of the Property already subject to this Declaration, except as provided below for amendment.

Section 16.4. Withdrawal of Property. Declarant reserves the right to withdraw from the jurisdiction of these Covenants any parcel of the Property (including the Expansion Property), provided, however, that no portion of any real estate incorporated into the Property by this Declaration or by Declaration of Annexation may be withdrawn after a Lot in that phase of the development has been conveyed to a purchaser.

ARTICLE XVII

MORTGAGEE PROTECTIONS

Section 17.1. First Mortgagees' Rights.

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

17.1.2. Cure of Delinquent Assessments. A First Mortgagee will be entitled to cure any delinquency of the Owner of the Lot encumbered by the First Mortgagee in the payment of Assessments. In that event, the eligible Mortgage Holder will be entitled to obtain a release from the lien imposed or perfected by reasons of such delinquency.

Section 17.2. Title Taken by First Mortgagee. Any First Mortgagee who obtains title to a Lot pursuant to the remedies provided in the First Mortgage, including foreclosure of the First Mortgage, will be liable for all Assessments due and payable as of the date title of the Lot vests in the First Mortgagee under the statutes of Georgia governing foreclosures. Except as provided in the Act, such First Mortgagee will not be liable for any unpaid dues and charges attributable to the Lot which occurred prior to the date such title vests in the First Mortgagee; provided, however, that the unpaid share of an Assessment or Assessments shall be deemed to be a Common Expense collectable from all of the Owners, including such First Mortgagee.

ARTICLE XVIII

ENFORCEMENT OF COVENANTS

Section 18.1. Violations Deemed a Nuisance. Every violation of this Declaration or any of the other Peppertree Crossing Documents is deemed to be a nuisance and is subject to all the remedies provided for the abatement of the violation. In addition, all public and private remedies allowed at law or equity against anyone in violation of these Covenants will be available.

Section 18.2. Compliance. Each Owner or other occupant of any part of the Property will comply with

the provisions of the Peppertree Crossing Documents as the same may be amended from time to time.

Section 18.3. Failure to Comply. Failure to comply with the Peppertree Crossing Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Reasonable notice and an opportunity for a hearing as provided in the Bylaws will be given to the delinquent party prior to commencing any legal proceedings.

Section 18.4. Who May Enforce. Any action to enforce the Peppertree Crossing Documents may be brought by Declarant, the Board, or the Manager in the name of the Association on behalf of the Owners. If, after a written request from an aggrieved Owner, none of the foregoing persons or entities commences an action to enforce the Peppertree Crossing Documents, then the aggrieved Owner may bring such an action.

Section 18.5. Nonexclusive Remedies. All the remedies set forth herein are cumulative and not exclusive.

Section 18.6. No Waiver. The failure of the Board of Directors, Declarant, the Manager, or any aggrieved Owner to enforce the Peppertree Crossing Documents will not be deemed a waiver of the right to do so for any subsequent violations or of the right to enforce any other part of the Peppertree Crossing Documents at any future time.

Section 18.7. No Liability. No member of the Board of Directors, the Declarant, the Manager or any Owner will be liable to any other Owner for the failure to enforce any of the Peppertree Crossing Documents at any time.

Section 18.8. Recovery of Costs. If legal assistance is obtained to enforce any of the provisions of the Peppertree Crossing Documents, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of the Peppertree Crossing Documents or the restraint of violations of the Peppertree Crossing Documents, the prevailing party will be entitled to recover all costs incurred by it in such action, including reasonable attorneys' fees (and legal assistant fees) as may be incurred, or if suit is brought, as may be determined by the court.

ARTICLE XIX

RESOLUTION OF DISPUTES

Section 19.1. If any dispute or question arises between Members or between Members and the Association or relating to the interpretation, performance or nonperformance, violation, or enforcement of the Peppertree Crossing Documents, such dispute or violation may be subject to a hearing and determination by the Board in accordance with the procedures set forth in the Bylaws.

(Continued on following page)

ARTICLE XX

GENERAL PROVISIONS

Section 20.1. Control by Declarant. NOTWITHSTANDING ANY OTHER LANGUAGE OR PROVISION TO THE CONTRARY IN THIS DECLARATION, IN THE ARTICLES OF INCORPORATION, OR IN THE BY-LAWS OF THE ASSOCIATION, during any Period of Declarant Control Declarant hereby retains the right to appoint and remove any member or members of the Board of Directors of the Association and any officer or officers of the Association. Every grantee of any interest in the Property, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and remove directors and officers of the Association in accordance with the foregoing provisions. Upon the expiration of the Period of Declarant Control, such right to remove and appoint directors and officers shall automatically pass to the Owners, including Declarant if Declarant then owns one or more Lots, and a special meeting of the Association shall be called at such time. At such special meeting the Owners shall elect a new Board of Directors which shall undertake the responsibilities of the Board of Directors and Declarant shall deliver all books, accounts and records, if any, which Declarant has kept on behalf of the Association and any agreements or contracts executed by or on behalf of the Association during such period and which Declarant has in its possession. Any management contract or any other contract or lease executed by or on behalf of the Association during the period of Declarant's right to control the Association shall be subject to cancellation and termination at any time during the twelve (12) months next immediately following the expiration of such Period of Declarant Control by the affirmative vote of the Owners to whom a majority of the votes in the Association appertain, unless the Owners by a like majority shall have theretofore, following the expiration of such period, expressly ratified and approved the same.

Section 20.2 Amendments by Declarant. During any Period of Declarant Control, Declarant may amend this Declaration by an instrument in writing filed and recorded in the Office of the Clerk of Superior Court of Glynn County, Georgia, without the approval of any Owner or ; provided, however, that, (i) in the event such amendment materially alters or changes any Owner's right to the use and enjoyment of his Lot, such Lot's appurtenant Limited Common Areas, or the Common Areas as set forth in this Declaration, adversely affects the title to any Lot, changes the boundaries of any Lot, changes the number of votes in the Association pertaining thereto or the liability for Common Expenses pertaining to a Lot or Lots, such Amendment shall be valid only upon the written consent thereto by two-thirds of the then existing Owners affected thereby , or (ii) in the event that such amendment would materially and adversely affect the security title and interest of any , such amendment shall be valid only upon the written consent thereto of all such Mortgagees so affected. Any amendment made pursuant to this Section 20.2 shall be certified by Declarant as having been duly approved by Declarant and such Owners and Mortgagees, if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot, agrees to be bound by such amendments as are permitted by this Section 20.2 and further agrees that, if requested to do so by Declarant, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Development (i) if such amendment is necessary to bring any provision hereof or thereof into compliance or conformity with the provisions of any applicable governmental statute, rule or regulation or any judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any 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 any Lot subject to this Declaration, or (iv) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration.

Section 20.3. Amendments by Association. Amendments to this Declaration, other than those authorized by Section 20.2 hereof, shall be proposed and adopted in the following manner:

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

(b) At such meeting, a resolution adopting a proposed amendment by either the Board of Directors or by Members of the Association. Such amendment must be approved by Owners holding at least two-thirds (2/3) of the total votes in the Association; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Mortgagee must be approved by such Mortgagee, and (ii) the Declarant shall be unilaterally entitled to amend this Declaration to comply with any applicable law or to correct any scrivener's errors in this Declaration. During any period in which Declarant has the right to appoint and remove officers and directors of the Association, such amendment must also be approved by Declarant.

(c) No amendment of this Declaration shall require approval of Owners to which more than eighty percent (80%) of the Association vote pertains and the Mortgagees holding eighty percent (80%) of the voting interest of mortgaged Lots.

(d) The agreement of the required percentage of the Owners and, where required, the Declarant and any Mortgagee, to any amendment of this Declaration shall be evidenced by their execution of such amendment, or, in the alternative, and provided that Declarant does not then have the right to approve such amendment, the sworn statement of the President and any Vice President or the Secretary of the Association attached to or incorporated in the amendment executed by the Association, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained and that all notices required by the Act or this Declaration were properly given. Any such amendment of this Declaration shall become effective only when recorded or at such later date as may be specified in the amendment itself.

(e) The approval of any proposed amendment by a Mortgagee shall be deemed implied and consented to if the Mortgagee fails to submit a response to any written proposal for an amendment within thirty (30) days after the Mortgagee receives notice of the proposed amendment.

Section 20.4. Enforcement. Each Owner shall comply strictly with the By-Laws and with the published rules and regulations of the Association adopted pursuant to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Declaration and in the deed to his Lot, if any. Failure to comply with any of the same shall be grounds for imposing fines, for suspending voting rights or rights to use and enjoy recreational facilities within the Common Areas, or for instituting an action to recover sums due, for damages, and/or for injunctive relief, such actions to be maintainable by Declarant, the Board of Directors on behalf of the Association, or, in a proper case, by an aggrieved Owner. Should Declarant or the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys'

fees, shall be paid by the violating Owner. Inasmuch as the enforcement of the provisions of this Declaration, the By-Laws and the rules and regulations of the Association are essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof may not adequately be compensated by recovery of damages, and that Declarant, the Association or any aggrieved Owner, in addition to other remedies, may require and shall be entitled to the remedy of injunction to restrain any such violation or breach or any threatened violation or breach. No delay, failure, or omission on the part of Declarant, the Association or any aggrieved Owner in exercising any right, power or remedy herein provided shall be construed as an acquiescence thereto or shall be deemed a waiver of the right to enforce such right, power or remedy thereafter as to the same violation or breach, as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone whatsoever against Declarant or the Association for or on account of failure to bring any action on account of any violation or breach, or threatened violation or breach, by any occupant of the provisions of this Declaration, the By-Laws or any rules and regulations of the Association, however long continued.

Section 20.5. Duration. The provisions of this Declaration shall run with and bind title to the Property, shall be binding upon and inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, legal representatives, successors and assigns, and shall be and remain in effect perpetually to the extent permitted by Georgia law; provided, however, that so long as Georgia law limits the period during which covenants restricting lands to certain uses may run, any provision of this Declaration affected thereby shall run with and bind title to the property so long as permitted by law and it shall be the duty of the Board of Directors of the Association to cause this Declaration to be amended of record when necessary by filing a document bearing the signatures of Owners having a majority of the voting interest in the Association reaffirming and newly adopting such provisions in order that the same may continue to be covenants running with title to the Property. Such adoption by a majority shall be binding upon all the Owners. Every purchaser or grantee of any interest in any property made subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration shall run with and bind title to the property as provided hereby.

ARTICLE XXI

MISCELLANEOUS PROVISIONS

Section 21.1. Severability. This Declaration, to the extent possible, will be construed or reformed so as to give validity to all of its provisions. Any provision of this Declaration found to be prohibited by law or unenforceable will be ineffective to the extent of such prohibition or unenforceability without invalidating any other part hereof.

Section 21.2. Construction. In interpreting words in this Declaration, unless the context will otherwise provide or require, the singular will be construed to include the plural, the plural will include the singular, and the use of any gender will include all genders, and the necessary grammatical changes required to make provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

Section 21.3. Headings. The headings are included only for purposes of convenient reference, and

they will not affect the meaning or interpretation of this Declaration.

Section 21.4. Waiver. No failure on the part of the Association or the Board to give notice of default or to exercise or to delay in exercising any right or remedy will operate as a waiver, except as specifically provided above in the event the Board fails to respond to certain requests. No waiver will be effective unless it is in writing and signed by the President or Vice President of the Board on behalf of the Association.

Section 21.5. Limitation of Liability. Neither the Association nor any officer or member of the Board will be liable to any party for any action or for any failure to act with respect to any matter arising by, through or under the Association if the action or failure to act was made in good faith. The Association will indemnify all of the officers and Board members with respect to any act taken in their official capacity to the extent provided in this Declaration, the Articles of Incorporation, the Bylaws, and as allowed by law.

Section 21.6. Conflicts Between Documents. In case of conflict between this Declaration and the Articles of Incorporation or the Bylaws, this Declaration will control. In case of conflict between the Articles of Incorporation and the Bylaws, the Articles of Incorporation will control.

Section 21.7. Assignment. Subject to the requirements and limitations of the Act, Declarant may assign all or any part of the Special Declarant Rights or any of Declarant's other rights and reservations hereunder to any successor who takes title to all or part of the Property in a bulk purchase for the purpose of development and sale. Such successor will be identified, the particular rights being assigned will be specified, and, to the extent required, concomitant obligations will be expressly assumed by such successor, all in a written instrument duly recorded in the records of the office of the Clerk of Court.

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

21.9. Mortgage Consent; Exercise of Declarant's Rights. Notwithstanding any provision to the contrary hereinbefore contained in this Declaration, Declarant shall neither exercise, from time to time, nor surrender, from time to time, any right granted, reserved or otherwise given or appertaining to Declarant under this Declaration without the prior written consent of any Mortgagee holding a mortgage of first lien priority with respect to the interest then held by Declarant in the real property described in Exhibit "A" annexed hereto, including, without limitation, the giving of any consent or approval or disapproval and the exercise of any option or election or power by Declarant, and the exercise by Declarant of any of such right without such prior written consent shall be void and of no force or effect. This provision shall not be amended without the prior written consent of the aforesaid Mortgagee, notwithstanding any other provision to the contrary hereinbefore contained in this Declaration.

(Continued on following page)

IN WITNESS WHEREOF, the undersigned limited liability company does hereby execute this Declaration acting by and through its duly authorized Manager, on this the day and year first above written.

Signed, sealed and delivered
this 1st day of May, 2002
in the presence of:

[Signature]

Unofficial Witness

Carol P. Howington

Notary Public

(Affix Seal and Date Commission Expires) _____

PEPPERTREE CROSSING, LLC

BY: PYRAMID PROJECTS INCORPORATED, its Manager

BY: [Signature]

Its President

(CORPORATE SEAL)

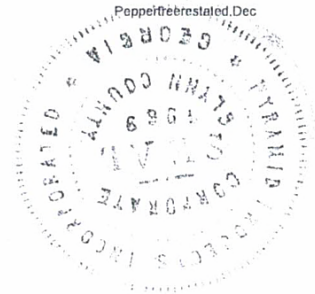
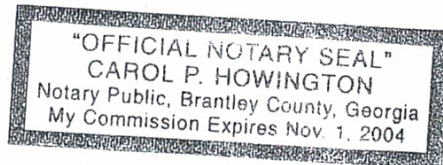


Exhibit A

All that certain parcel or tract of land situate, lying and being in Georgia Militia District Number 26, Glynn County, Georgia, and shown as "Parcel One, 611,452 square feet 14.04 acres wooded and vacant" on a plat titled "A Portion Of Brunswick Peninsula Tract "H" 26th District, G.M., Glynn County, Georgia" prepared for Pyramid Projects Incorporated" dated June 9th, 2000, and certified by Charles L. Johnson, Georgia Registered Land Surveyor Number 2640, which survey is recorded in the Office of the Clerk of Superior Court, Glynn County, Georgia, in Plat Book 26, as map 165, and which property is more particularly described as follows: to find the point of beginning, commence at a point on the western boundary of the 108 foot right-of-way of Altama Avenue, having a coordinate value (Georgia Plane Coordinate System East Zone of Georgia-NAD 27) of $N = 444688.65$ $E = 714972.59$, which point is marked by a one-half inch rebar; from such point proceed north $89^{\circ} 58' 53''$ west for a distance of 1091.85 feet to the place and POINT OF BEGINNING, which point is marked by a one-half inch pipe; from such place and point of beginning, proceed south $00^{\circ} 01' 07''$ west for a distance of 683.11 feet to a point marked by a one-half inch pipe; thence south $61^{\circ} 28' 22''$ west for a distance of 796.87 feet to a point marked by a one-half inch pipe; thence north $00^{\circ} 01' 07''$ east for a distance of 422.10 feet to a point marked by a one-half inch rebar; thence north $00^{\circ} 01' 07''$ east for a distance of 80.98 feet to a point marked by a one-half inch rebar; thence north $00^{\circ} 01' 07''$ east for a distance of 570.82 feet to a point marked by a one-half inch pipe; thence south $89^{\circ} 58' 53''$ east for a distance of 700.00 feet to the place and point of beginning.

EXHIBIT B (1)

CONSENT AND JOINDER

The undersigned, FLAG BANK, a State bank having its principal place of business in Forsyth County, Georgia ("Lender"), the holder of those certain Deeds to Secure Debt, all between Peppertree Crossing, LLC and Lender, recorded in the Public Records of Glynn County, described on SCHEDULE ONE attached hereto, does hereby evidence its consent and joinder in and to the annexed Declaration of Covenants, Conditions and Restrictions for Peppertree Crossing Rowhouse Community and acknowledges and agrees that the aforesaid Deeds to Secure Debt are subordinate to such Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Joinder this 6th day of MAY, 2002.

FLAG BANK, a State bank of Georgia

By: Dan H. Wright

Name: DAN H. Wright

Its: Vice President

[CORPORATE SEAL]

Signed, sealed and delivered
in the presence of:

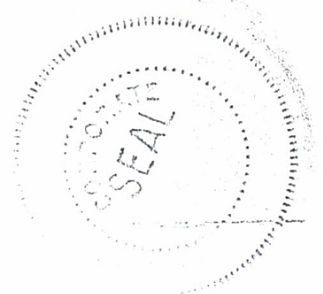
[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

Affix Seal and date Commission Expires:

Notary Public, Glynn County Georgia
My Commission Expires February 8, 2006.

Notary Public, Glynn County Georgia
My Commission Expires February 8, 2006.



SCHEDULE ONE

1. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated April 26, 2001, and recorded in Deed Book 780, Page 488, *et seq.*, in the Office of the Clerk of Superior Court, Glynn County, Georgia;
2. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 167, *et seq.*, aforesaid records;
3. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 176, *et seq.*, aforesaid records;
4. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 185, *et seq.*, aforesaid records;
5. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 194, *et seq.*, aforesaid records;
6. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 203, *et seq.*, aforesaid records;
7. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 212, *et seq.*, aforesaid records;
8. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 221, *et seq.*, aforesaid records;
9. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 230, *et seq.*, aforesaid records;
10. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 237, *et seq.*, aforesaid records;
11. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 246, *et seq.*, aforesaid records.

EXHIBIT B (2)

CONSENT AND JOINDER

The undersigned, DOROTHY O. WRIGHT, a resident of Glynn County, Georgia ("Lender"), the holder of that certain Deed to Secure Debt dated June 28, 2001, and , recorded in the Public Records of Glynn County in Deed Book 809, Page 253, *et seq.*, does hereby evidence her consent and joinder in and to the annexed Declaration of Covenants, Conditions and Restrictions for Peppertree Crossing Rowhouse Community and acknowledges and agrees that the aforesaid Deed to Secure Debt is subordinate to such Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Joinder this 3rd day of May, 2002.

Dorothy O. Wright (L.S.)
Dorothy O. Wright

Signed, sealed and delivered
in the presence of:

[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

Affix Seal and date Commission Expires:

Notary Public, Glynn County, Georgia
My Commission Expires January 10, 2004.

Peppertreeconsent.2

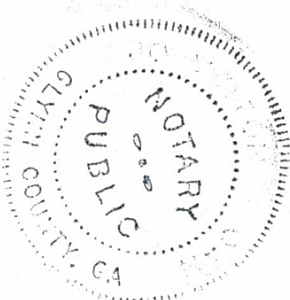


EXHIBIT C

CERTIFICATE OF OWNERSHIP

I, S. Larry Phillips, Esquire, an attorney licensed to practice law in the State of Georgia hereby certify that I have examined the title to property described in Exhibit A to the Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community as of May 8, 2002 and, based upon such examination, I find that title to such property is vested solely in Peppertree Crossing, LLC, a Georgia limited liability company, subject to those certain Deeds to Secure Debt from Peppertree Crossing, LLC to Flag Bank and to Dorothy O. Wright, described on SCHEDULE ONE attached hereto.

A handwritten signature in dark ink, appearing to read 'S. Larry Phillips', is written over a horizontal line.

S. Larry Phillips
GA Bar No. 576800

SCHEDULE ONE

1. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated April 26, 2001, and recorded in Deed Book 780, Page 488, *et seq.*, in the Office of the Clerk of Superior Court, Glynn County, Georgia;
2. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 167, *et seq.*, aforesaid records;
3. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 176, *et seq.*, aforesaid records;
4. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 185, *et seq.*, aforesaid records;
5. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 194, *et seq.*, aforesaid records;
6. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 203, *et seq.*, aforesaid records;
7. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 212, *et seq.*, aforesaid records;
8. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 221, *et seq.*, aforesaid records;
9. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 230, *et seq.*, aforesaid records;
10. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 237, *et seq.*, aforesaid records;
11. Deed to Secure Debt from Peppertree Crossing, LLC to Flag Bank of Atlanta, dated June 28, 2001, and recorded in Deed Book 809, Page 246, *et seq.*, aforesaid records;
12. Deed to Secure Debt from Pyramid Projects Incorporated to Dorothy O. Wright, dated June 15, 2000, and recorded in Deed Book 684, Page 033, *et seq.*, aforesaid records.

BYLAWS
OF
PEPPERTREE CROSSING OWNERS' ASSOCIATION, INC.

ARTICLE I – NAME AND LOCATION

Section 1. Name. The name of the association is Peppertree Crossing Owners' Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 95 PEPPERTREE CROSSING AVE., BRUNSWICK, GA 31525, but meetings of members and directors may be held at such places within Glynn County, Georgia, as may be designated by the Board of Directors.

ARTICLE II – DEFINITIONS

Section 1. "Association" shall mean and refer to Peppertree Crossing Owners' Association, Inc., its successors and assigns.

Section 2. "Owner" means the owner of record, whether one or more persons or entities, of fee simple title to any Lot, or the tenant or lessee under a ground lease having a term of over fifty years, but does not mean or refer to any person or entity who holds such interest merely as security for the performance or repayment of a debt or other obligation, including a Mortgage, unless and until such person or entity has acquired fee simple title pursuant to foreclosure or other legal proceedings. The term "Owner," as used herein, shall include the masculine or feminine gender, singular or plural usage, or corporate or any other inanimate ownership entity, as the context requires or permits.

Section 3. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community recorded in the Office of the Clerk of the Superior Court, Glynn County, Georgia, and all other supplemental amendments to be applied by law, for the purpose of submitting the Property to the provisions of the Georgia Property Owners' Act (O.C.G.A. §44-3-222, et seq.).

Section 4. "Property" shall mean and refer to that certain real property described in the Declaration, and improvements thereon, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 5. "Lot" shall mean and refer to any plot or parcel of land, other than a Common Area, designated for separate ownership and occupancy and shown as a Lot on any recorded Final Subdivision Plat of Peppertree Crossing Rowhouse Community.

Section 6. "Declarant" shall mean and refer to Peppertree Crossing, LLC, or its successors and assigns.

Section 7. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 8. "Board of Directors" shall mean and refer to the Board of Directors of the Association.

Section 9. "Book of Resolutions" or "Standing Rules" shall mean and refer to those rules, regulations, and policies adopted or amended from time to time by the Board of Directors.

ARTICLE III – MEETING OF MEMBERS

Section 1 – Annual Meetings. The Annual Meeting of the members of the Association shall be held within one year from the date of incorporation of the Association, and each subsequent regular meeting of the Members shall be held on a designated day each year thereafter at the hour and place designated by the Board of Directors in the notice provided below.

Section 2 – Special Meetings. Special meetings of the Members may be called at any time by the Board of Directors, or by the President, or upon written request of a majority of the members who are entitled to vote.

POA states 21 days

Section 3 – Notice of Meetings. The Secretary shall give written notice of each meeting to those voting members either by hand-delivery to each unit, or by electronic mail (permission being granted by the member), or by mailing a copy of such notice, postage prepaid, no less than ten (10) or more than twenty (20) days before such meeting. Notices will be mailed using the Members' addresses last appearing on the books of the Association. Said notice shall specify the place, date, and hour of the meeting and in the case of a special meeting, the purpose of the meeting.

Section 4 – Voting. Unless an owner's voting rights have been suspended (Declaration, Article IV, Section 4.8 and Article X, Section 10.2-c), members shall be entitled to one vote for each Lot owned on all membership matters, as set forth in the Declaration and in the Articles of Incorporation.

Section 5 – Quorum. Fifty-one percent (51%) of all members, either in person or by proxy, shall constitute a quorum for any action, unless otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, until a quorum as aforesaid shall be present.

Section 6. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Association secretary prior to the meeting. Proxies may be revoked by the subject member if the member is present for the meeting. No person shall be permitted to hold more than ten (10) proxies for any one meeting.

Section 7. Waiver and Consent. Whenever the vote of Members at a meeting is required or permitted, the meeting and vote may be dispensed with if the applicable percentage of the members who would have been required to vote upon the action, if such meeting were held, shall consent in writing to such action being taken. Any such consent shall be distributed in accordance with rules and regulations adopted by the Board of Directors and an executed copy placed in the Book of Resolutions/Standing Rules.

ARTICLE IV – BOARD OF DIRECTORS

Section 1 – Term. The affairs of the Association shall be managed by a Board of Directors of not less than five (5), but no more than seven (7), all of whom shall be Members of the Association.

Section 2 – Method of Nomination. An election procedure shall be adopted by the Board of Directors at a regularly scheduled meeting.

Section 3 – Election. Voting shall be according to the Election Procedure adopted by the Board of Directors. The Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and/or the Articles of Incorporation. Cumulative voting is not permitted. Those persons receiving the largest number of votes shall be elected.

Section 4 – Resignation and Removal. The unexcused absence of a Director from three (3) consecutive regular meetings of the Board shall be deemed a resignation. Any Director may be removed from the Board, with or without cause, by a majority vote of the members of the Association.

Section 5 – Vacancies. In the event of death, resignation or removal of any elected Director, his successor shall be selected by the remaining elected Directors and shall serve for the unexpired term of his predecessor.

Section 6 – Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 7 – Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the approval of a majority of the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

ARTICLE V – MEETING OF DIRECTORS

Section 1 – Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, the Board will choose an alternate date.

Section 2 – Special Board Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3 Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VI – POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

- a) Adopt and publish rules and regulations governing the use of the Common Areas and Limited Common Areas, as well as those governing the personal conduct of the Members and their guests thereon, and to include these in the Book of Resolutions/Standing Rules.
- b) Subject to the provisions of the Declaration, suspend the right of an Owner to use the common areas during any period in which the Owner shall be in default for more than thirty (30) days after notice of the payment of any assessment is levied by the Association. Such rights may be suspended from Members, after notice and hearing, for a period not to exceed sixty (60) days for infraction of the Declaration or any regulation set forth in the Book of Resolutions/Standing Rules.
- c) Cause to be kept a complete record of all its corporate affairs, including the Book of Resolutions/Standing Rules, making sure such records are available for inspection by any Member or his agent, and each officer shall present an annual report to the Members at the Annual Meeting.
- d) Supervise all officers, agents and employees of the Association and see that their duties are properly performed.
- e) Issue upon demand by any Member, a certificate setting forth whether or not any assessment has been paid and giving evidence thereof for which a reasonable charge may be made.
- f) Designate depositories for Association funds, designate those officers, agents and/or employees who shall have authority to withdraw funds from such account on behalf of the Association, and cause persons to be bonded, if, in the sole discretion of the Board of Directors, it is deemed appropriate.
- g) Prepare and approve the proposed annual budget and submit the same to the membership for comments and approval.

- h) Fix annual general assessments and special assessments at an amount sufficient to meet the obligations imposed by the Declaration.
- i) Annually adopt the budget and set the date or dates assessments will be due and decide what, if any, interest is to be applied to delinquent assessments.
- j) Send written notice of each special assessment to every Owner, or legal assignee, at least thirty (30) days in advance of the due date of the assessment, or of the first installment thereof.
- k) May cause a lien against any Lot for which assessments are not paid within thirty (30) days after due date, to be filed and foreclosed, or cause an action at law to be brought against the Owner personally obligated to pay the same.
- l) Cause the Common Areas and Limited Common Areas to be maintained in accordance with the Declaration.
- m) Procure and maintain adequate liability and hazard insurance on all property owned by the Association, and such other insurance as they deem necessary or as required by the Declaration.
- n) Enter into mortgage loan agreements and obtain capital debt financing subject to the provisions of the Declaration.
- o) Appoint such committees as prescribed herein and such other committees as the Board of Directors may, from time to time, deem necessary or appropriate.
- p) Enforce and administer all of the provisions of the Declaration and the rules and regulations as contained in the Book of Resolutions/Standing Rules.

ARTICLE VII – OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice President, who shall at all times be members of the Board of Directors, a Secretary and a Treasurer and such other officers as the Board of Directors may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each Annual Meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board of Directors and each shall hold office for one year, or until his successor shall be elected and take office. Should an officer resign, or be removed, or otherwise be disqualified to serve, the Board has the right to fill this position.

Section 4. Special Appointments. The Board of Directors may elect such other appointees as the affairs of the Association may require, each of whom shall hold office for such period as required, have such authority, and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or any later time specified therein.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of President and Secretary may not be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

- a) President. The President shall preside at all meetings of the Homeowners and Board of Directors; shall serve as an ex-officio member of all Association committees; shall see that orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, deeds to secure debt, deeds, and other written instruments; and shall execute, in his capacity as President, all promissory notes and contracts as the Board of Directors may approve from time to time. Prior to the end of each fiscal year, the Board shall appoint an Audit Committee which shall make its report to the Board of Directors.
- b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.
- c) Secretary. The Secretary shall record actions taken and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; maintain the Book of Resolutions/Standing Rules; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; attest to the signature of the President or Vice President on all documents requiring such attestation; and shall perform such other duties as required by the Board of Directors.
- d) Treasurer. The Treasurer, or designee approved by the Board, shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed; keep proper books of account; transfer unexpended funds at the end of the year into a General Reserve Fund; shall prepare an Annual Budget; and prepare a

statement of income and expenditures to be presented monthly to the Board of Directors and to the membership at its regular Annual Meeting.

ARTICLE VIII – COMMITTEES

The Board of Directors shall appoint committees, and other appointees, as deemed appropriate in carrying out its purposes, including those committees outlined in the Declaration.

ARTICLE IX – FISCAL YEAR

The Fiscal Year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first Fiscal Year shall begin on the date of incorporation.

ARTICLE X – ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. Subject to the provisions of the Declaration, the assessment shall bear interest from the date of delinquency at an interest rate equal to the highest rate allowed by law, or as otherwise determined by the Board of Directors. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such delinquent assessment.

ARTICLE XI – DOCUMENT CONFLICT

Conflict arising between or among the provisions of the Declaration, the Articles of Incorporation, or the Bylaws of the Association, the Declaration shall control, except where in violation of Georgia law. These Bylaws may be amended henceforth by the Board of Directors.

ARTICLE XII – PARLIAMENTARY AUTHORITY

The rules contained in Robert's Rules of Order Newly Revised shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws, Articles of Incorporation, the Declaration of Covenants, Resolutions/Standing Rules, or laws of the State of Georgia.

REVISED BY BOARD ON June 5, 2013 (Date)

REVISION APPROVED BY OWNERS ON June 25, 2013 (Date)

Doyle Mathis President's Signature

Prepared by and after recording, return to:
S. Larry Phillips
777 Gloucester St., Ste. 415
Brunswick, GA 31520

Filed and Recorded 02/03/2009 at 03:27:17 PM
CFN #632009001216 Transaction#34186
Clerk of Superior Court Glynn County County, GA
Deed BK 2532 PG 352 - 360, Lola Jamsky #1

**DECLARATION OF ANNEXATION AND
AMENDMENT TO AMENDED AND
RESTATED DECLARATION OF
COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR PEPPERTREE CROSSING ROWHOUSE COMMUNITY**

(An Adult Community)

This Amendment is made as of this 29th day of January, 2009, by PC 2, LLC, a Georgia limited liability company.

WHEREAS, Peppertree Crossing, LLC heretofore subjected certain property owned by it to a Declaration of Covenants, Conditions, Restrictions And Easements For Peppertree Crossing Rowhouse Community, dated June 20, 2001, and recorded in Deed Book 0802, Page 330, *et seq.*, in the Office of the Clerk of Superior Court, Glynn County, Georgia (the "Original Declaration"); and

WHEREAS, Peppertree Crossing, LLC amended and restated the Original Declaration by instrument captioned "Amended And Restated Declaration Of Covenants, Conditions, Restrictions And Easements For Peppertree Rowhouse Community (An Adult Community), dated May 1, 2002, and recorded in Deed Book 0945, Page 389, *et seq.*, aforesaid records (the "Declaration"); and

WHEREAS, PC 2, LLC, a Georgia limited liability company, is the successor in interest to Peppertree Crossing, LLC, a Georgia limited liability company, having acquired all assets of the said Peppertree Crossing, LLC including, without limitation, the rights and obligations of Peppertree Crossing, LLC as Declarant under the Declaration, all as set forth in that certain Agreement for and Assignment of Declarant's Interest, dated January 1, 2007, and recorded in Deed Book 2229, Page 210, aforesaid records; and

WHEREAS, PC 2, LLC (hereinafter referred to as "Declarant") owns real property adjacent to the property now subject to the Declaration (the "Expansion Property"), and is desirous of annexing said Expansion Property in order to make it an integral part of the single family rowhouse community of Peppertree Crossing, as contemplated by Article I, Section 1.3 of the Declaration; and

WHEREAS, pursuant to the provisions of Article XVI of the Declaration, Declarant has the right to expand the effect of the Declaration to include the Expansion Property by recording a Declaration of Annexation and one or more supplemental plats in the records of the Office of the Clerk of Superior Court, Glynn County, Georgia, before the expiration of the Period of Declarant Control; and

WHEREAS, the Period of Declarant Control has not expired and Declarant has, on September 17, 2008, filed a subdivision plat with respect to the Expansion Property, said plat being designated "Final Plat of Peppertree Crossing Phase II (A Rowhouse Community) 9.874 acres", dated September 19, 2007, and recorded in Plat Book 30, Page 473, aforesaid records (the "Phase II Plat"); and,

WHEREAS, the Declarant, pursuant to Article XX of the Declaration, is authorized during any Period of Declarant Control to amend the Declaration without the approval of any Owner so long as any such amendment does not (i) materially alter or change any Owner's right to the use and enjoyment of his Lot, such Lot's appurtenant Limited Common Areas, or the Common Areas (ii) adversely affect the title to any Lot, (iii) change the boundaries of any Lot, or (iv) change the number of votes in the Association pertaining thereto or the liability for Common Expenses pertaining to a Lot or Lots ("Declarant Amendments"); and

WHEREAS, the Declarant is desirous of amending the Declaration to effect certain Declarant Amendments, as set forth below:

NOW, THEREFORE, Declarant hereby amends the Declaration, as set out below, to be effective when this instrument, together with the certificate of a Georgia licensed attorney as to the ownership of the Expansion Property, attached hereto as Exhibit A, is filed for record in the Office of the Clerk of Superior Court, Glynn County, Georgia.

1. Annexation of Expansion Property. The Expansion Property, as shown and described on Exhibit A, attached hereto and made a part hereof, is hereby annexed, incorporated into and made a part of Peppertree Crossing Subdivision, by this Declaration of Annexation, subject to all provisions of the Declaration, as hereby amended. Each Lot in the annexed Expansion Property will be allocated one vote and liability for the Common Expenses equal to the liability allocated to each of the other Lots (in Phase I and Phase II) and the proportionate voting interest and allocation of Common Expenses for the other Lots will be adjusted accordingly, it being the intent of Declarant that the effect of annexing the Expansion Property will be to make Peppertree Crossing Subdivision one community.

2. Imposition of Covenants. Declarant hereby declares that, from the date of recording this Declaration of Annexation forward, the Expansion Property will become and be a part of a rowhouse community created under the Georgia Property Owners' Association Act, known as Peppertree Crossing, an Adult Community, and will be held, sold and conveyed as an adult community subject to all the covenants, conditions, restrictions and easements (collectively, the "Covenants") set forth in the Declaration, as amended from time to time. The Covenants will run with the land and will be binding upon all persons or entities having any right, title or interest in all or any part of the property shown and described on the Phase II Plat and in Exhibit A, attached hereto (including Declarant) and their heirs, successors, and assigns, and their tenants, employees, guests and invitees. The Covenants will inure to the benefit of each owner of any portion of such property.

3. Antennae. Article VII, Section 7.17 is hereby amended by deleting such Section, in its entirety, and substituting therefor the following: "Section 7.17. Antennae. To the extent possible, all

distribution devices will be placed upon a Lot, or improvements upon a Lot, in a location that is the least visible from the street abutting such Lot, provided that installation in such preferred location does not impose unreasonable expense or delay or preclude reception of an acceptable signal quality".

4. Commencement of Assessments. Article IX, Section 9.3.4, is hereby amended by deleting the second sentence thereof and substituting therefor the following: "The Annual Assessments will commence for Lots contained in each phase of any Expansion Property incorporated into the Property on the first day of the month following the date when any Lot in such property is conveyed by Declarant, or by any entity or person with whom Declarant has contracted with or conveyed such property to for the sole purpose of constructing a Dwelling Unit thereon ("Construction Agent"), to the initial purchaser of such completed Dwelling Unit, and will be pro-rated according to the number of months remaining in the calendar year. At the time of such conveyance, Declarant (or the Construction Agent, as applicable) will collect a capital contribution in the amount of \$1,500.00 from such initial purchaser on behalf of, and to be paid to, the Association."

5. Joinder. Declarant has heretofore conveyed certain Lots to 55Plus, LLC, its Construction Agent as of the date of this Declaration, for the purpose of having Dwelling Units constructed thereon. Specifically, those Lots are 10, 11, 12, 13 and 14, as shown on the Phase II Plat, and 55Plus, LLC joins in this Declaration for the purpose of submitting those Lots to the Declaration, as hereby amended.

In Witness Whereof, the undersigned limited liability company does hereby execute this Declaration, acting by and through its duly authorized Operating Manager, on this the day and year first above written.

PC2, LLC

By: 

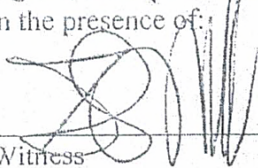
John R. Wright, its Operating Manager

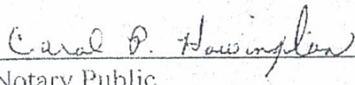
55Plus, LLC

By: 

Kenneth Rogers, its Operating Manager

Signed, sealed and delivered
in the presence of:


Witness


Notary Public
Affix seal and date commission expires

wpldcs\PeppertreeAmend.doc 01/30/09



Exhibit A

All that certain lot, tract or parcel of land situate, lying and being in Glynn County, Georgia, described and identified as 9.874 acres, according to the Final Plat of Peppertree Crossing Phase II (a Rowhouse Community) made by Atlantic Survey Professionals and certified by Ernest C. Johns, Jr., Georgia Registered Land Surveyor No. 2774, dated September 19, 2007, and recorded in the Office of the Clerk of Superior Court, Glynn County, Georgia on September 17, 2008, in Plat Book 30, Page 473.

Reference is hereby made to said map and plan of said subdivision for all purposes of description.

EXHIBIT B (1)

CONSENT AND JOINDER

The undersigned, AMERIS BANK, organized and existing under the laws of the State of Georgia, having a place of business in Glynn County, Georgia ("Lender"), the holder of those certain Deeds to Secure Debt between PC 2, LLC and Lender, and 55Plus, LLC and Lender, recorded in the Public Records of Glynn County, and described as the "Ameris Deeds" on SCHEDULE ONE attached hereto, does hereby evidence its consent and joinder in and to the annexed Declaration of Annexation and Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions for Peppertree Crossing Rowhouse Community (an Adult Community) and acknowledges and agrees that the aforesaid Deeds to Secure Debt are subordinate to such Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Joinder this 29th day of January, 2009.

AMERIS BANK

By: A. Wayne Jones
Name: A. Wayne Jones
Its: Senior Vice President

[CORPORATE SEAL]

Signed, sealed and delivered
in the presence of:

Kristy D. Shah

WITNESS

Diane J. Ellis

NOTARY PUBLIC

Affix Seal and date Commission Expires:

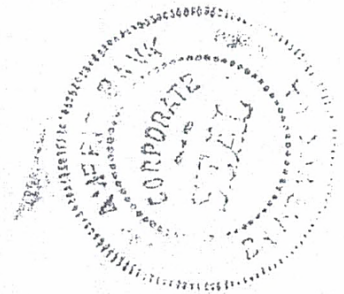
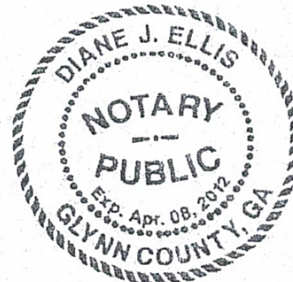


EXHIBIT B (2)

CONSENT AND JOINDER

The undersigned, ATLANTIC NATIONAL BANK, a bank having a place of business in Glynn County, Georgia ("Lender"), the holder of those certain Deeds to Secure Debt between 55Plus, LLC and Lender, recorded in the Public Records of Glynn County, described as the "Atlantic Deeds" on SCHEDULE ONE attached hereto, does hereby evidence its consent and joinder in and to the annexed Declaration of Annexation and Amendment to Amended and Restated Declaration of Covenants, Conditions and Restrictions for Peppertree Crossing Rowhouse Community (an Adult Community) and acknowledges and agrees that the aforesaid Deeds to Secure Debt are subordinate to such Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Joinder this 29 day of January, 2009.

ATLANTIC NATIONAL BANK

By: [Signature]

Name: Jerry E. Butler

Its: SR. VICE PRESIDENT

[CORPORATE SEAL]



Signed, sealed and delivered
in the presence of:

WITNESS

NOTARY PUBLIC

Affix Seal and Commission Expires:

PyramidPeppertreePeppertreecons

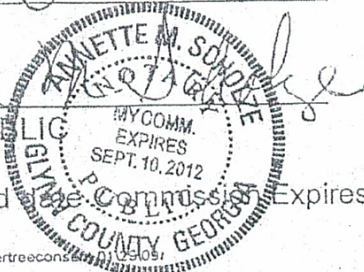


EXHIBIT B (3)

CONSENT AND JOINDER

The undersigned, DOROTHY O. WRIGHT, a resident of Glynn County, Georgia ("Lender"), the holder of that certain Deed to Secure Debt described as the "Wright Deed" on SCHEDULE ONE attached hereto, does hereby evidence her consent and joinder in and to the annexed Declaration of Annexation and Amendment to Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community (an Adult Community) and acknowledges and agrees that the aforesaid Deed to Secure Debt is subordinate to such Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent and Joinder this 29th day of January, 2009.

Dorothy O. Wright (L.S.)
Dorothy O. Wright

Signed, sealed and delivered
in the presence of:

Glenn H. Smith
WITNESS

Dianne James
NOTARY PUBLIC

Affix Seal and date Commission Expires:

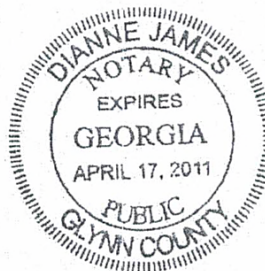


EXHIBIT C

CERTIFICATE OF OWNERSHIP

I, S. Larry Phillips, Esquire, an attorney licensed to practice law in the State of Georgia, hereby certify that I have examined the title to the property described in Exhibit A to the Declaration of Annexation and Amendment to Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community (an Adult Community), as of January 23, 2009 and, based upon such examination, I find that title to such property is vested in PC 2, LLC, a Georgia limited liability company, subject to those certain Deeds to Secure Debt from PC 2, LLC to Ameris Bank and to Dorothy O. Wright, described on SCHEDULE ONE, attached hereto, except for those parcels shown and identified on the Final Plat of Peppertree Crossing Phase II (A Rowhouse Community) recorded in the Office of the Clerk, Glynn County Superior Court, in Plat Book 30, Page 473, as Lots 10,11,12,13, and 14, which Lots are owned by 55Plus, LLC, a Georgia limited liability company, subject to those certain Deeds to Secure Debt from 55Plus, LLC to Ameris Bank and Atlantic National Bank, described in SCHEDULE ONE attached hereto.



S. Larry Phillips
GA Bar No. 576800

SCHEDULE ONE

A. Ameris Deeds:

1. Deed to Secure Debt from PC2, LLC to Ameris Bank, dated May 31, 2007, and recorded in Deed Book 2239, Pages 288-295, in the Office of the Clerk of Superior Court, Glynn County, Georgia.
2. Deed to Secure Debt from 55Plus, LLC to Ameris Bank, dated September 10, 2008, and recorded in Deed Book 2487, Pages 277-285, aforesaid records, conveying Lots 12, 13 and 14.

B. Wright Deed:

1. Deed to Secure Debt from Pyramid Projects Incorporated to Dorothy O. Wright, dated June 15, 2000, and recorded in Deed Book 684, Page 033, *et seq.*, aforesaid records, assigned to and assumed by Peppertree Crossing, LLC by Assumption Agreement dated April 26, 2001, and recorded in Deed Book 780, Page 494, aforesaid records, and further assigned to and assumed by PC 2, LLC by Assumption Agreement, by and among Peppertree Crossing, LLC, PC 2, LLC and Dorothy O. Wright, dated January, 2007.

C. Atlantic Deeds:

1. Deed to Secure Debt from 55Plus, LLC to Atlantic National Bank, dated September 10, 2008, and recorded in Deed Book 2487, Pages 295-303, aforesaid records, conveying Lot 10.
2. Deed to Secure Debt from 55Plus, LLC to Atlantic National Bank, dated September 10, 2008, and recorded in Deed Book 2486, Pages 304-312, aforesaid records, Lot 11,

Prepared by and after recording, return to:
S. Larry Phillips
777 Gloucester St., Ste. 415
Brunswick, GA 31520

Filed and Recorded 12/30/2014 at 04:05:49 PM
CFN #632014012260 Transaction#119857
Clerk of Superior Court Glynn County, GA
Deed BK 3384 PG 251 - 256, Lola Jamsky #1

**LIMITED
AMENDMENT TO AMENDED AND
RESTATED DECLARATION OF
COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR PEPPERTREE CROSSING ROWHOUSE COMMUNITY**

(An Adult Community)

THIS AMENDMENT is made as of this 7 day of August, 2014, by Peppertree Crossing Owners Association, Inc, a Georgia nonprofit corporation.

WHEREAS, Peppertree Crossing, LLC heretofore subjected certain property owned by it to a Declaration of Covenants, Conditions, Restrictions And Easements For Peppertree Crossing Rowhouse Community, dated June 20, 2001, and recorded in Deed Book 0802, Page 330, *et seq.*, in the Office of the Clerk of Superior Court, Glynn County, Georgia (the "Original Declaration"); and

WHEREAS, Peppertree Crossing, LLC amended and restated the Original Declaration by instrument captioned "Amended And Restated Declaration Of Covenants, Conditions, Restrictions And Easements For Peppertree Rowhouse Community (An Adult Community), dated May 1, 2002, and recorded in Deed Book 0945, Page 389, *et seq.*, aforesaid records (the "Declaration"); and

WHEREAS, PC 2, LLC, a Georgia limited liability company, is the successor in interest to Peppertree Crossing, LLC, a Georgia limited liability company, having acquired all assets of the said Peppertree Crossing, LLC including, without limitation, the rights and obligations of Peppertree Crossing, LLC as Declarant under the Declaration, all as set forth in that certain Agreement for and Assignment of Declarant's Interest, dated January 1, 2007, and recorded in Deed Book 2229, Page 210, aforesaid records; and

WHEREAS, PC 2, LLC annexed additional property to the Peppertree Crossing community (the "Expansion Property") by executing and recording that certain Declaration of Annexation and Amendment to Amended and Restated Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community (the "Annexation Declaration"), in Deed Book 2532, Page 352-360, aforesaid records; and

WHEREAS, PC2 LLC, on September 17, 2008, filed a subdivision plat with respect to the Expansion Property, said plat being designated "Final Plat of Peppertree Crossing Phase II (A Rowhouse Community) 9.874 acres", dated September 19, 2007, and recorded in Plat Book 30, Page

473, aforesaid records (the "Phase II Plat"); and,

WHEREAS, the Board of Commissioners of Glynn County has approved the application of PC2 LLC to vacate the Phase II Plat (except for the Lots shown thereon as Lots 1-2 and Lots 10-14) and also approved the amended subdivision plat, with respect to the Expansion Property, said plat being designated "Final Plat of Peppertree Crossing, Phase II," (Revised), dated July 2, 2014, which plat was recorded on December 18, 2014, in Plat Book 32, Page 476, aforesaid records (the "Phase II, Revised Plat"); and

WHEREAS, the Phase II, Revised Plat creates and describes thirty-five single family lots, numbered 1-R through 35-R (the "Revised Lots"), for single-family detached housing, which lots replace lots designated on the original Phase II Plat as Lots 3 through 9 and Lots 15 through 51, which original lots were intended for use as single-family attached housing; and

WHEREAS, Peppertree Crossing Owners Association, Inc. (hereinafter, "Declarant") has succeeded to all rights, duties and responsibilities of Declarant, upon the expiration of the Period of Declarant Control (as defined and set out in the Declaration); and

WHEREAS, the Declarant is desirous of amending the Declaration to effect certain amendments applicable only to the Revised Lots 1-R through 35-R;

NOW, THEREFORE, Declarant hereby amends the Declaration, and the Annexation Declaration, as set out below, to be effective when this instrument is filed for record in the Office of the Clerk of Superior Court, Glynn County, Georgia.

1. This limited Amendment is intended, and shall only apply, to Revised Lots 1-R through 35-R, to reflect differences between the applicability of the Peppertree Crossing Rowhouse Community Documents to the Lots for single-family attached Dwelling Units in Peppertree Crossing and the newly created Revised Lots for single-family detached Dwelling Units.

2. Any reference in the Original Declaration, the Declaration, the Annexation Declaration, and this Limited Amendment to "Peppertree Crossing (a Rowhouse Community)" shall be deemed to include the property shown and described on the plats of: (i) Peppertree Crossing (A Rowhouse Community) prepared by Atlantic Survey professionals, dated February 26, 2001, and recorded in Plat Drawer 27, Map No. 154 (Phase I); (ii) Peppertree Crossing Phase II (a Rowhouse Community), prepared by Atlantic Survey Professionals, dated September 19, 2007, and recorded in Plat Book 30, Page 473; and, (iii) the single-family detached Revised Lots shown on the Final Plat of Peppertree Crossing Phase II, (Revised), dated July 2, 2014, prepared by Shupe Survey Company, P.C., and recorded in Plat Book 32, Page 476, aforesaid records.

3. Notwithstanding anything in the Original Declaration, the Declaration, and the Annexation Declaration to the contrary, the Revised Lots 1-R through 35-R shall be single-family lots for the construction of single-family detached Dwelling Units. Any provisions of the Original Declaration

and the Annexation Declaration that are unique, and only applicable, to single-family attached housing including, without limitation, Sections 5.13 and 10.8, shall not be deemed applicable to Revised Lots 1-R through 35-R.

4. Section 9.3.1 shall be amended by adding the following two sentences at the end of the existing language of such Section: "Calculation of annual assessments, with regard to the Revised Lots, shall not include premiums for hazard insurance coverage for such lots but shall include a prorata share of insurance premiums for any Common Properties. In the calculation of annual assessments for each of the Revised Lots, that portion of the assessment allocable to landscape maintenance shall be calculated as an amount equal to the amount charged for each rowhouse lot multiplied by 1.25."

5. Article, XI, Section 11.1 shall be amended by deleting said section in its entirety and substituting therefor the following: "Section 11.1. General Provisions. Notwithstanding anything in the Declaration to the contrary, until such time as PC2, LLC, or its successors and assigns, have sold all of the Revised Lots to a third party Owner, ⁽²⁾ or the tenth (10th) anniversary of the execution of this Limited Amendment, whichever shall first occur, PC2, LLC shall have all of the Special Declarant Rights and Additional Reserved Rights set out below, in Article XI, except for the right to appoint officers or directors of the Association, as set out in Section 11.1.5 and, with respect to any rights set out in Section 11.2 to be exercised in connection with the exercise of any Development Rights, such rights shall pertain only to the property described and shown on the Phase II, Revised Plat. For purposes of this Section 11.1, any reference to PC2, LLC shall be construed to mean and include any successors and assigns of PC2, LLC with respect to undeveloped Revised Lots bought in bulk for resale to third party purchasers ("Special Declarant"). Until the expiration of such Special Declarant Rights, Special Declarant shall not be required to pay any annual or special assessments for any Revised Lots that have not been sold to a third party purchaser provided, however, during such period of Special Declarant Rights, Special Declarant shall be responsible for basic landscape maintenance, such as grass cutting, of common areas and unsold lots in Peppertree Crossing, Phase II, as well as costs of electricity for street lights constructed in Peppertree Crossing, Phase II (Revised), subsequent to the adoption of this Amendment, until not less than 18 Dwelling Units have been constructed in Phase 2 by third party purchasers, at which time the costs of electricity for street lights shall be assumed by the Peppertree Crossing Owners Association, Inc."

6. Until such time as all of the Revised Lots 1-R through 35-R have been sold by Special Declarant, Special Declarant shall serve as, and perform all functions of, the Peppertree Crossing Owners' Association's Design Review Committee (as defined in Article II, Section 2.21) unless such rights are earlier waived by Special Declarant by a notice, in writing, to the Association. Provided, however, such rights shall only apply to Revised Lots 1-R through 35-R, as shown and described on the Phase II, Revised Plat and, provided further, any Design Guidelines (as defined in Article II, Section 2.20) promulgated by Special Declarant, acting in its capacity as the Design Review Committee, shall be based on criteria generally in keeping with the style and color palette of existing improvements in the Peppertree Crossing community as of the date of this Amendment. Notwithstanding anything in the foregoing to the contrary, Special Declarant shall submit any final plan approved by it for improvements on a Revised Lot to the Peppertree Crossing Owners'

Association's Design Review Committee for final approval by that Committee and no construction will be commenced pursuant to such plan until final approval by the Committee has been obtained. In the event the said Design Review Committee shall fail to act upon the submission of a final plan for approval within three (3) business days after such submission, the final plan shall be deemed approved and construction pursuant to such plan can be commenced.

7. Section 4 of the Declaration of Annexation shall be amended by deleting such Section, in its entirety, and substituting therefor the following: "4. Commencement of Assessments. The Annual Assessments will commence for the Revised Lots on the first day of the month following the date when any Revised Lot in such property is conveyed by Special Declarant to the initial purchaser of such Revised Lot, and will be pro-rated according to the number of months remaining in the calendar year. At the time of such conveyance, Special Declarant will collect a capital contribution in the amount of \$1,886.00 from such initial purchaser on behalf of, and to be paid to, the Association. Until a Dwelling Unit is constructed on a Revised Lot that has been conveyed by Special Declarant to the initial third party purchaser, or the expiration of three (3) years from the date the Revised Lot is conveyed to such third party purchaser, whichever shall first occur (the "Limited Assessment Period"), the Annual Assessment (pro-rated according to the number of months remaining in the calendar year) shall not exceed an amount equal to twenty per cent (20%) of the then current regular annual assessments for the Revised Lots. Provided, however, until such time as the first dwelling unit has been constructed on one of the Revised Lots, the pre-construction Annual Assessment amount referred to herein shall not exceed Six Hundred (\$600.00) Dollars. Upon the expiration of the Limited Assessment Period, each such Revised Lot will be assessed in the same manner, and in the same amount, as all other Revised Lots with completed Dwelling Units.

8. All fire, hazard and extended coverage insurance policies relating to the Dwelling Units constructed on any of the Revised Lots will be obtained by the respective owners of such Revised Lots, at their expense. Article XII is hereby amended, to that effect, to the extent it now requires such insurance to be obtained by the Association, but only with respect to the Revised Lots. All other provisions of Article XII, relating to the standards of insurance to be obtained, and the insurance provisions for the Common Properties, shall continue to apply to the Revised Lots, as well as all other Lots in Peppertree Crossing, as applicable.

9. Section 14.2.2 shall be deemed not to apply in any instance of damage or destruction to improvements on any of the Revised Lots.

10. Except as specifically amended hereby, all other provisions of the Declaration, as amended by the Declaration of Annexation, shall remain in full force and effect. The purpose of this Amendment is to facilitate the integration by Special Declarant of single family detached housing into a community formerly designed, developed and built as a community of single family attached housing and, in the event of any conflict in the interpretation of the Declaration, the Annexation Declaration, and this Amendment, such conflicts shall be resolved by a construction of such instruments that will accommodate the purposes set forth above.

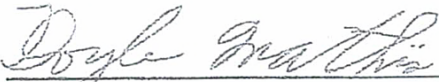
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EXHIBIT A

AFFIDAVIT

In re Property described
in Amended And Restated Declaration
of Covenants, Conditions, Restrictions And
Easements For Peppertree Crossing Rowhouse
Community (An Adult Community), recorded
in Deed Book 945, Page 389, *et seq.*,
Glynn County Records

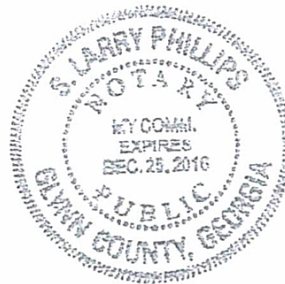
Before me, the undersigned attesting authority in and for said State and County, came Doyle Mathis, who being first duly sworn deposes and says on oath the he is the President of the Peppertree Crossing Owners' Association, Inc., a Georgia nonprofit corporation (the "Association") and that the Amendment captioned "LIMITED AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR PEPPERTREE CROSSING ROWHOUSE COMMUNITY" (the "Amendment"), to which this Affidavit is attached, was executed by Peppertree Crossing Owners' Association Inc. (The "Association") and, pursuant to O.C.G.A. §44-3-226, by agreement of the required majority of members, as of August 7, 2014, which agreement was lawfully obtained at a Special Meeting of Members on June 18, 2014, after all notices required by O.C.G.A. § 44-3-226 were given. The Amendment was adopted for certain limited purposes described therein. Original signatures of the Owners who voted to adopt the Amendment are on file with the Association.


Deponent / Doyle Mathis

Sworn to and subscribed
before me, this 29th day
of December, 2014


Notary Public

Affix seal and date commission expires:



IN WITNESS WHEREOF, the undersigned Peppertree Crossing Owners Association, Inc. does hereby execute this Amendment, acting by and through its duly authorized officers and with the approval of not less than two-thirds of its Members (see Affidavit attached hereto as Exhibit A), on this the day and year first above written.

Signed, sealed and delivered

in the presence of:

PEPPERTREE CROSSING OWNERS
ASSOCIATION, INC.

Carol A. Wages

Witness

[Signature]

Notary Public

Affix seal and date commission expires

By: Doyle Grathis
Its President

Attest: Julia W. Clelland
Its Secretary

LtdAmendDec.Peppertree



Prepared by and after recording, return to:
S. Larry Phillips
777 Gloucester St., Ste. 415
Brunswick, GA 31520

**LIMITED
AMENDMENT TO DECLARATION OF
COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR PEPPERTREE CROSSING ROWHOUSE COMMUNITY
(An Adult Community)**

THIS AMENDMENT is made as of this 15th day of July, 2019, by Peppertree 3, LLC, a Georgia limited liability company.

WHEREAS, Peppertree Crossing, LLC, PC 2, LLC, and Peppertree Crossing Owners' Association, Inc. heretofore subjected Phase I and Phase II of the subdivision known as "Peppertree Crossing Rowhouse Community" ("Peppertree Crossing") to certain covenants, conditions, restrictions and easements by instruments dated: June 20, 2001, recorded in the Office of Clerk, Glynn County Superior Court in Deed Book 0802, Page 330; dated May 1, 2002, recorded in Book 0945, Page 389; January 29, 2009, recorded in Deed Book 2532, page 352; and, August 7, 2014, recorded in Deed Book 3384, Page 251 (collectively, the "Declaration"); and

WHEREAS, the instrument referred to above, dated August 7, 2014, and recorded in Deed Book 3384, Page 251 was a limited amendment (the "Limited Amendment") to the Declaration directly affecting only those Lots located in Phase II of Peppertree Crossing and described as Lots 1-R through 35-R (the "Revised Lots"), as shown on an amended subdivision plat designated as "Final Plat of Peppertree Crossing, Phase II (Revised)", dated July 2, 2014, and recorded in Plat Book 32, Page 476, aforesaid records (the "Phase II Revised Plat"); and

WHEREAS, the Limited Amendment was executed by Peppertree Crossing Owners' Association, Inc., in its capacity as [successor] Declarant and on behalf of its Members, after having been affirmatively approved by the requisite majority of Members at a duly called Special Meeting; and

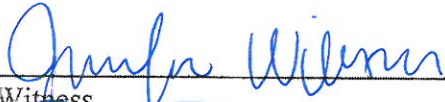
WHEREAS, the Limited Amendment established and empowered Peppertree 3, LLC as "Special Declarant" with certain specified Special Declarant Rights for a period ending on the sale of all of the Revised Lots by the Special Declarant or on the tenth anniversary of the execution of the Limited Amendment, whichever shall first occur, and neither of which have occurred as of the date hereof; and

4. Except as specifically amended hereby, all other provisions of the Declaration, as amended by prior recorded Amendments including, without limitation, the Limited Amendment to Declaration of Covenants, Conditions, Restrictions and Easements for Peppertree Crossing Rowhouse Community, dated August 7, 2014, shall remain in full force and effect. The sole purpose of this Amendment is to clarify the intent that, after the consolidation of four of the existing Revised Lots into three larger Lots, the resulting Lots shall be subject to and governed by the Declaration, as previously amended. In the event of any conflict in the interpretation of the Declaration, as so amended, such conflicts shall be resolved by a construction of such instruments that will accommodate the purposes set forth above.

IN WITNESS WHEREOF, the undersigned Peppertree 3, LLC, as Special Declarant, does hereby execute this Amendment, acting by and through its duly authorized Managing Member on this the day and year first above written.


Signed, sealed and delivered
in the presence of:

PEPPERTREE 3, LLC
Special Declarant



Witness

By: **L.M. Curry Jr. Family LLLP**
Managing Member



Notary Public
Affix seal and date commission expires

By: 

Louie M. Curry, Jr., its Sole General Partner

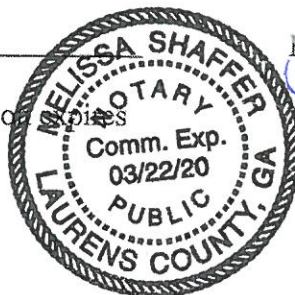


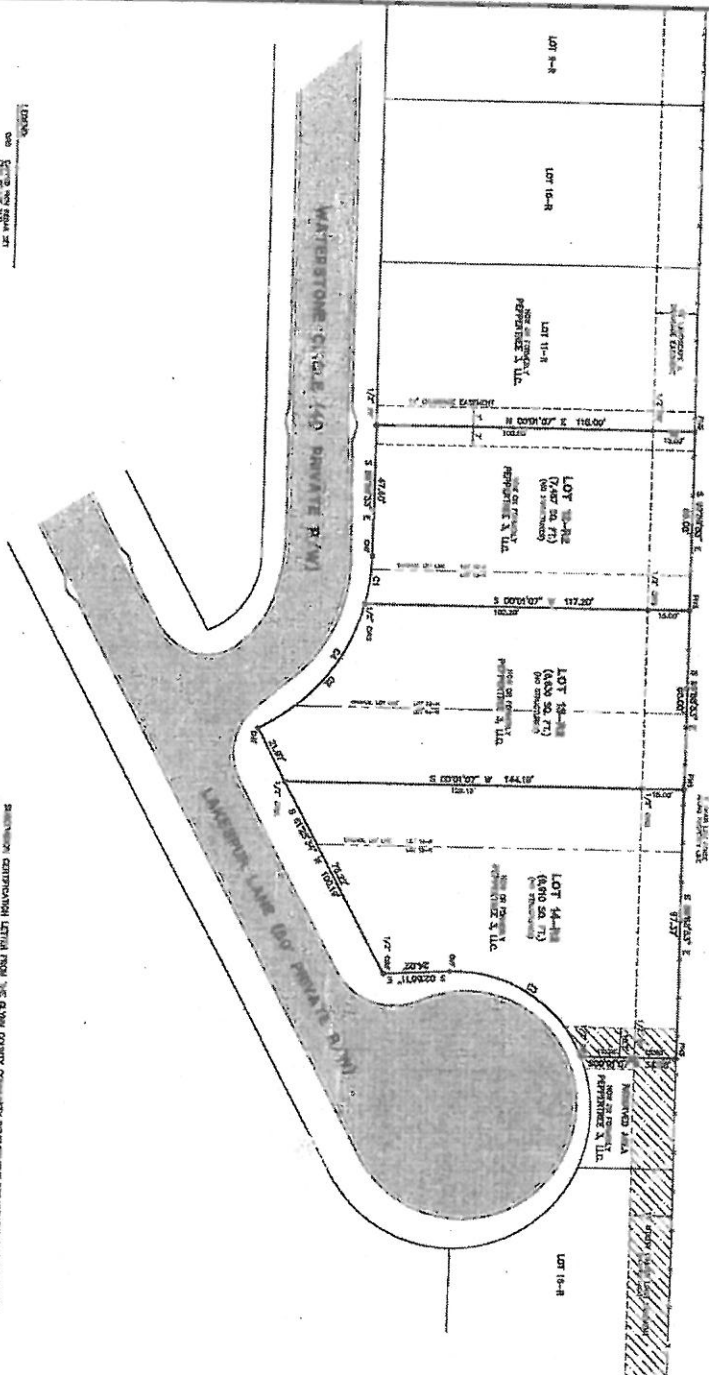
EXHIBIT A
[See Attached Copy of new R2 Plat]

**LOTS 12-R2, 13-R2 & 14-R2,
PEPERTREE CROSSING, PHASE II (REVISED)**
(FORMERLY LOTS 12-R, 13-R, 14-R, PEPERTREE CROSSING, PHASE II)
(MAY, 20, 2005 BOARD MEETING)

COLONY ELEMENT 001
12, 13-R2
SSING, PHA
ROUGH 15-R, PEPPERTEE
26, QUM COUNTY, X
1984 - 20,000 sq. ft.

Table 1. Continued

CLARK COUNTY BOARD OF EDUCATION

[illegible][illegible]

SURVEYOR'S CERTIFICATION

ACTIVATION

PEPPER TREE 3, LLC

LOT 12-02, 13-02, 14-02, PEPPER TREE DRIVE, PHASE 2 (OFF-ROAD)
CITY 11534 DIST 11524 DIST 11510
T.O.D. ROAD DISTRICT 02/27/10
SAY CORRECTION 02/27/10

BRUCE SHRYVING COMPANY, P.C.
2637 OLIVE HWY.
SUNSHINE, OREGON 97133
912-261-0502

913-200-0652

Diagram illustrating the focal length of a lens. A ray of light is shown passing through a lens and converging at a point labeled "2x focal length".

VICINITY MAP



4607

- [illegible]