

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
THE FAIRWAYS AT SAVANNAH QUARTERS
SAVANNAH, CHATHAM COUNTY, GEORGIA**

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**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE FAIRWAYS AT SAVANNAH QUARTERS (the "Declaration") is hereby made this ___ day of _____, 2008, by The Fairways at Savannah Quarters, LLC, a Georgia limited liability company (the "Declarant").

W I T N E S S E T H:

WHEREAS, Declarant is the owner of the real property described on Exhibit "A," (the "Property") which is attached hereto and incorporated herein by this reference. This Declaration imposes upon the Property mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of each portion of the Property and establishes a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the Property. In furtherance of such plan, this Declaration provides for the creation of The Fairways at Savannah Quarters Townhome Association, Inc. to own, operate and maintain Common Areas and to administer and enforce the provisions of this Declaration and the By-Laws (capitalized terms are defined in Article 1 below).

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens set forth in this Declaration.

1. DEFINITIONS.

Generally, terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the Georgia Nonprofit Corporation Code. Unless the context other wise requires, the terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall have the following meanings:

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- (a) Additional Property shall mean all interests, rights and title to the property or any portion of the property, described in Exhibit “B” attached hereto and incorporated herein, including, without limitation, all improvements, buildings, structures, fixtures, equipment, machinery and apparatus located thereon, and all hereditaments and appurtenances thereto.
- (b) Architectural Control Committee or ACC shall mean the committee established to exercise the architectural review powers set forth in Paragraph 9 hereof.
- (c) Area of Common Responsibility shall mean and refer to the Common Areas, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other person or entity become the responsibility of the Association. The Area of Common Responsibility specifically includes, but is not limited to, all obligations of the Association under the terms of the Master Declaration.
- (d) Articles or Articles of Incorporation shall mean the Articles of Incorporation of the Association, which have been filed with the Secretary of State of the State of Georgia.
- (e) Association shall mean The Fairways at Savannah Quarters Townhome Association, Inc., a Georgia nonprofit corporation, its successors or assigns.
- (f) Board or Board of Directors shall mean the elected body responsible for management and operation of the Association.
- (g) Bylaws shall mean the Bylaws of the Association.
- (h) Common Areas shall mean all real and personal property, including easements and licenses, which the Association owns, leases or holds possessory or use rights in for the common use and enjoyment of the Owners. No representation from any party or sales agent, including those of the Declarant, or other entity, as to the existence of a Common Area, size, shape or composition of a Common Area, other than those provided herein or provided in writing by the Declarant, shall be relied upon, nor shall it in any way require the Declarant to comply with that representation. The Property may not contain Common Areas, and the fact that there are provisions in this Declaration referencing Common Areas shall not be deemed to infer the existence or planned existence of Common Areas in the Property nor shall it obligate the Declarant to acquire or set aside Common Areas for the Property.
- (i) Common Expenses shall mean the expenses incurred or anticipated to be incurred by

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the Association for the general benefit of the Property, including but not limited to those expenses incurred for maintaining, repairing, replacing, and operating the Common Areas.

- (j) Declarant shall mean The Fairways at Savannah Quarters, LLC, a Georgia limited liability company, which is the owner of the Property and has executed this Declaration. The term “Declarant” includes any successor-in-title thereto who comes to stand in the same relation to the Property as the Declarant, specifically including any Person who acquires the Declarant’s interest pursuant to the foreclosure of a deed to secure debt or similar instrument encumbering Declarant’s interest in the Property. From the time of the recordation of any amendment to the Declaration adding Additional Property to this Declaration, all persons who execute that amendment or on whose behalf that amendment is executed shall also come within this definition. This term does not include, in its capacity as such, any mortgagee, any lien holder, any person having an equitable interest under any contract for the sale and/or lease of a Townhome, or any occupant of a Townhome under a lease.
- (k) Development Period shall mean the period of time during which the Declarant owns any Lot which is subject to this Declaration and held for the purpose of resale in the common market. The Declarant may, but shall not be obligated to, unilaterally relinquish its rights under this Declaration and terminate the Development Period by recording a written instrument in the Public Records.
- (l) Lot shall mean and refer to any plot of land shown on the Plat, together with the improvements thereon, which shall be conveyed as a separately designated and legally described fee simple estate.
- (m) Majority means those eligible votes, Owners, or other group, as the context may indicate, totaling more than fifty (50%) percent of the total eligible number.
- (n) Master Association shall mean the Westbrook at Savannah Quarters Community Association, Inc., a Georgia non-profit corporation, and its successors or assigns.
- (o) Master Declaration shall mean that certain Declaration of Covenants, Conditions, and Restrictions for Westbrook at Savannah Quarters, as amended, declared by Southwest Quadrant Development Company, LLC, a Georgia limited liability company and recorded in Deed Book 222-R, Page 369, Chatham County, Georgia records.
- (p) Mortgage shall refer to any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of seeming the performance of an obligation; including, but not limited to, a transfer or conveyance of fee title for such purpose.

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- (q) Mortgage Holder shall mean the holder of any Mortgage.
- (r) Occupant shall mean any Person occupying all or any portion of a Townhome for any period of time, regardless of whether such Person is a tenant or the Owner of such Townhome.
- (s) Owner shall mean the record title holder of a Lot within the Property, including any Townhome structure located upon such Lot, but shall not include a Person who is only a Mortgage Holder.
- (t) Person shall mean any individual, corporation, firm, association, partnership, trust, or other legal entity.
- (u) Plat or Survey shall mean that certain subdivision plat entitled "Phase 1A, The Fairways at Savannah Quarters, a Portion of Parcel 2A, Blue Moon Crossing, Savannah Quarters, 8th G.M. District, City of Pooler, Chatham County, Georgia", prepared by Ward Edwards, Inc., dated September 26, 2008, and recorded in Plat Book _____, page _____, Chatham County, Georgia records, as may be revised and amended.
- (v) Public Records shall mean the Records of the Office of the Clerk of Superior Court of Chatham County, Georgia.
- (w) Townhome shall mean a such portion of any building located on a Lot, which may be independently owned and conveyed and which is intended for use and occupancy as an attached or detached residence for a single family.

2. PROPERTY SUBJECT TO THIS DECLARATION

- (a) Lots Hereby Subjected to this Declaration. The Declarant, for itself, its successors and assigns, hereby covenants that the Property shall hereafter be held, transferred, sold, conveyed, used, leased, occupied, mortgaged or otherwise encumbered subject to all of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in this Declaration as applicable to the Lots. All of the terms, provisions, liens, charges, easements, covenants and restrictions set forth in this Declaration as applicable to the Lots shall be a permanent charge thereon, and shall run with the Lots.
- (b) All Lots Bear the Burdens and Enjoy the Benefits of this Declaration. Every person who is a record owner of a fee or undivided fee interest in any Lot does, by acceptance of a deed or other conveyance thereto, and by acceptance of such

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ownership, and by taking record title to such Lot, agreed to all of the terms and provisions of this Declaration. Each of the Lots is subject to all the burdens, and enjoys all the benefits, made applicable hereunder.

3. COMMON AREAS

(a) Common Areas. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Areas, which are appurtenant to and shall pass with the title to each Lot, subject to:

(i) This Declaration;

(ii) Any restrictions or limitations contained in any deed conveying such property to the Association;

(iii) The right of the Board to adopt, amend and repeal rules regulating the use and enjoyment of the Common Areas, including rules limiting the number of guests who may use the Common Areas;

(iv) The right of the Board to suspend the right of an Owner to use any facilities within the Common Areas during any period in which any assessment which is due to the Association from such Owner remains unpaid, and such period as the Board of Directors may consider appropriate for any infraction of its published rules and regulations; and

(v) The right of the Association, acting through the Board, to dedicate or transfer all or any portion of the Common Areas.

Any Owner may extend his or her right of use and enjoyment to the members of his or her family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Board. An Owner who leases his or her Townhome shall be deemed to have assigned all such rights to the lessee of such Townhome. However, the Owner will remain responsible for and obligated to pay any and all assessments and all other charges.

4. ASSOCIATION MEMBERSHIP AND ALLOCATION OF VOTES.

All Lot Owners, by virtue of their ownership of a fee or undivided fee interest in any Lot, excluding Persons holding such interest under a Mortgage, are members of the Association, and, except as otherwise provided herein or in the Bylaws, shall be entitled to vote on all matters upon which members of the Association are entitled to vote pursuant to this Declaration. Subject to the provisions of contained herein, each Owner shall be entitled to one (1) vote for each Lot in which he

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or she holds the interest required for membership. If the Declarant expands the Property to include any portion of the Additional Property, then the vote allocated to each Lot shall be reallocated so that the Owner of each Lot after the addition of the portion of the Additional Property shall be entitled to (1) vote.

Furthermore, each Owner, by acceptance of a deed to a Lot, acknowledges that in addition to being subject to and bound by this Declaration, he or she is subject to the Master Declaration, and further acknowledges that the Association is a member of and subject to assessment by the Master Association.

5. ALLOCATION OF LIABILITY FOR COMMON EXPENSES.

- (a) Except as provided below, the amount of all Common Expenses shall be assessed equally against all the Lots, with each Lot being assessed 1/50th of the Common Expenses. If the Declarant expands the Property to include any portion of the Additional Property, then the liability for Common Expenses allocated to each Lot hereof shall be reallocated so that each Lot in the Property, after the addition of the portion of the Additional Property, shall be liable for Common Expenses based upon the assessments set forth by the Board of Directors and Declarant for like Lots equal to the set ratios of each such Lot, including additional Lots. New Lots' assessments shall be based upon the assessments and ratios set by the Board of Directors and Declarant for the Lots.

- (b) The Board of Directors shall have the power to assess specially pursuant to this Paragraph as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Paragraph shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Paragraph in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Paragraph.
 - (i) Any Common Expenses benefiting less than all of the Lots or significantly disproportionately benefiting all Lots may be specially assessed equitably among all of the Townhomes which are benefited according to the benefit received.

 - (ii) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the Occupant(s), licensees or invitees of any such Lot or Lots may be specially assessed against such Lot or Lots.

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6. ASSOCIATION RIGHTS AND RESTRICTIONS.

In addition to and not in limitation of all other rights it may have, the Association, acting through its Board of Directors, shall have the right and authority:

- (a) to enter the Townhomes for maintenance, emergency, security or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. This right shall extend to correct, repair and replace any water meter reading devices located in a Townhome. Except in an emergency situation, entry shall be only during reasonable hours and after reasonable notice to the Owner or Occupant of the Townhome;
- (b) to make and to enforce reasonable rules and regulations governing the use of the Property, including the Lots, Townhomes and Common Areas;
- (c) to enforce use restrictions, other Declaration and Bylaws provisions, and rules and regulations by the imposition of reasonable monetary fines and suspension of use and voting privileges of non-complying Owners;
- (d) to grant permits, licenses, right of way, utility easements, and other easements;
- (e) to control, manage, operate, maintain, improve and replace all portions of the Common Areas;
- (f) to act on behalf of and in the name of the Property in the event of damage or destruction as a result of casualty loss, in accordance with the provisions of this Declaration;
- (g) to acquire, hold, and dispose of tangible and intangible personal property and real property;
- (h) to close permanently or temporarily any portion of the Common Areas with thirty (30) days prior notice to all Owners, except that, in emergency situations requiring a temporary closing, prior notice shall not be required so long as notice is given within three (3) days after the closing explaining the reason for the closing. Notwithstanding the above, the Owners may re-open closed Common Areas by a majority of the total Association vote, cast at a duly called special or annual meeting; and

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- (i) to collect and pay assessments levied by the Master Association pursuant to the Master Declaration, and fulfill any other duties and obligations required under the Master Declaration.

The Master Association shall have the power to veto any action taken or contemplated to be taken by the Association which the Board of the Master Association reasonably determines to be adverse to the interests of the Master Association or its members or inconsistent with the Community-Wide Standard, as defined in the Master Declaration. The Master Association also shall have the power to require that specific action be taken by the Association in connection with its obligations and responsibilities, such as requiring specific maintenance or repairs or aesthetic changes by effectuated and to require that a proposed budget include certain items and that expenditures be made therefor. The Association shall take appropriate action required by the Master Association in a written notice within the reasonable time frame set by the Master Association in the notice. If the Association fails to comply, the Master Association shall have the right to effect such action on behalf of the Association and levy specific assessments to cover the costs, as well as an administrative charge and sanctions.

7. ASSESSMENTS.

- (a) Purpose of Assessment The Association shall have the power to levy assessments as provided herein. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Lots in the Property as may be more specifically authorized from time to time by the Board.
- (b) Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed thereof whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments, such assessments to be established and collected as hereinafter provided; and (iii) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including but not limited to reasonable fines imposed in accordance with the terms of this Declaration.

All such assessments, together with charges, interest, costs and reasonable attorney's fees actually incurred, and if the Board so elects, rents, in the maximum amount permitted by the Act, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment left due, Each Owner and his or her grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance.

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Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors; unless otherwise provided, the annual assessments shall be paid in equal monthly installments due on the first day of each calendar month. No Owner shall exempt himself or herself from liability for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, non-use of the Common Areas, the Association's failure to perform its obligations required hereunder, or inconvenience or discomfort arising from the Association's performance of its duties. The lien provided for herein shall have priority as provided in the Act.

- (c) Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(i) If any monthly installment of annual assessments or any part thereof is not paid in full by the tenth (10th) day of the month or if any other charge is not paid within ten (10) days of the due date, a late charge equal to the greater of ten (\$10.00) dollars or ten (10%) percent of the amount not paid, or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner and interest at the rate of ten (10%) percent per annum or such highest rate as may be permitted by the Act shall accrue from the due date.

(ii) If part payment of assessments and related charges is made, the amount received may be applied first to costs and attorney's fees, then to late charges, then to interest, then to delinquent assessments, and then to current assessments.

(iii) If assessments, fines or other charges or any part thereof due from an Owner remain delinquent and unpaid for a period greater than fifteen (15) days from the date due, a notice of delinquency may be given to that Owner stating that if the assessment, fine or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board of Directors may accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment and of any special assessment. If an Owner fails to pay all assessments and related charges currently due within ten (10) days of the date of the notice of delinquency, the Board of Directors may then accelerate and declare immediately due all installments of the annual assessment and of any special assessment, without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the annual assessment in monthly installments for that fiscal year.

(iv) If assessments and other charges or any part thereof remain unpaid more than thirty (30) days after the assessment payments first become delinquent, the Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of this Declaration and Georgia law and suspend

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the Owner's and/or Occupant's right to vote and the right to use the Common Areas; provided, however, the Board may not limit ingress or egress. Enforcement under this subparagraph is not dependent upon or related to other restrictions and/or other actions.

- (d) Computation of Operating Budget and Assessment. Prior to the beginning of the Association's fiscal year, it shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Property during the coming year. The Board shall cause the budget and notice of the assessments to be levied against each Lot for the following year to be delivered to each member at least thirty (30) days prior to the Association's annual meeting. The budget and the assessment shall become effective unless disapproved at a duly called and constituted annual meeting of the Association by a vote of a majority of the total Association vote; provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at this meeting.

Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. In such case, the Board may propose a new budget at any time during the year at a special meeting of the Association. The proposed budget and assessment shall be delivered to the members at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings.

Enforcement under this subparagraph is not dependent upon or related to other restrictions and/or other actions.

- (e) Special Assessments. In addition to the annual assessment provided for in subparagraph (b) above, the Board, at any time, and in addition to any other rights it may have, may levy a special assessment against all Owners, notice of which shall be sent to all Owners. Any special assessment which would cause the average total of special assessments levied in one fiscal year to exceed two hundred (\$200.00) dollars per Lot, shall be approved by a majority of the total Association vote prior to becoming effective.
- (f) Capital Budget and Contributions. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect

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both to amount and timing by equal annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within the budget and assessment as provided in subparagraph (d) of this Paragraph. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

Upon each transfer of title to a Lot, the Association shall collect a non-refundable contribution to the capital fund of the Association from the purchaser of such Lot in the amount of two (2) months of the general assessments. Notwithstanding any other provisions of this Declaration, during the Developmental Period, Declarant shall not be required to prepare a capital budget, set any other capital contribution, or otherwise collect amounts for capital reserves. Any capital contribution collected by the Association shall not be collected against a Mortgagee which takes title to a Lot pursuant to foreclosure. The Association shall endeavor to collect such special assessment at each closing of the purchase of a Lot however, the failure to collect such special assessment at that time shall not excuse the obligation to make such payment.

- (g) Statement of Account Any Owner, Mortgagee, Person having executed a contract for the purchase of a Lot, or lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Lot. The Association shall respond in writing within five (5) days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding ten (\$10.00) dollars, as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein.
- (h) Surplus Funds and Common Profits. Common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, either be distributed to the Owners or credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Lot, or added to the Association's reserve account.
- (i) Cost Sharing Agreements. There may be certain residential, nonresidential, or recreational areas, including without limitation single family residential developments, recreational, retail, commercial, or business areas, which are not subject to this Declaration (hereinafter the "Adjacent Properties"). The owners of such Adjacent Properties shall not be members of the Association, shall not be entitled to vote and shall not be subject to assessment pursuant to this Declaration. However, the Association may enter into cost sharing agreements with the owners or operators of portions of the

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Adjacent Properties to permit use of any recreational or other facilities located on the Adjacent Properties by Owners; and/or to establish rules and regulations regarding the use of areas that benefit jointly the owners or operators of such Adjacent Properties and the Owners within the Property. If the Association is obligated to share costs incurred by the owners of the Adjacent Properties, such payments by the Association shall constitute a Common Expense of the Association. The owners or operators of the Adjacent Properties shall not be subject to assessment by the Association, except in accordance with any such cost sharing agreement.

8. INSURANCE AND CASUALTY LOSSES.

- (a) Association Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority but not the obligation to obtain insurance for all insurable improvements located on the Common Areas, including coverage for (i) loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard, and (ii) comprehensive general liability insurance covering all of the Common Areas. The Board shall also have the authority, but not the obligation to obtain director's and officer's liability insurance. Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee, for the respective benefited parties. Such insurance shall be governed by the provisions hereinafter set forth:

(i) All policies shall be written with a company authorized to do business in Georgia.

(ii) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(iii) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

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- (iv) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually by one or more qualified Persons, at least one of whom must be in the real estate industry and familiar with construction in the county where the Property is located.
- (b) Damage and Destruction - Lots. The damage or destruction by fire or other casualty to all or any portion of a Townhome or of any other improvement on a Lot shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Such reconstruction efforts by the Owner shall proceed as rapidly as possible and the completed product shall be in at least as good a condition as existed immediately prior to such damage or destruction
- (c) Insurance Deductible. The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be allocated among the persons who are responsible hereunder, or under any declaration or contract requiring the Association to obtain such insurance, for maintenance of the damaged or destroyed property.
- (d) Owner Insurance. The owner of each Lot shall obtain and maintain in effect at all times a master multi-peril policy of property insurance covering all insurable portions of such Lot, including but not limited to the Townhome structure located upon the Lot, on a replacement cost basis in an amount of not less than one hundred percent (100%) of the insurable value, based upon replacement cost, of the same.

9. ARCHITECTURAL CONTROL.

- (a) During Developmental Period. During the Developmental Period, there shall be no Architectural Control Committee and all encroachments onto the Common Areas, any change, alteration or construction in or on any Lot (other than re-painting or redecoration of the interior surface of a Townhome), and any erection, placement or posting of any object, sign, antenna, stereo speaker, clothesline, light, flag, or thing on the exterior of any Townhome, in any windows (except window treatments as provided herein), or on any Common Areas, must receive the prior written approval of the Declarant. Granting or withholding such approval shall be within the sole discretion of the Declarant.
- (b) After Developmental Period. After such time as the Developmental Period ends, an Architectural Control Committee (the "ACC") shall be appointed by the Board of Directors and, except for the Declarant, no Owner, Occupant, or any other person may make any encroachment onto the Common Areas or make change, alteration, or

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construction in or on any Lot (other than re-painting or redecoration of the interior surface of a Townhome), nor erect, place or post any object, sign, antenna, stereo speaker, clothesline, playground equipment, light, fountains, flags, or thing on the exterior of any Townhome, in any windows (except window treatments as provided herein), on any other Common Areas, without first obtaining the written approval of the ACC. The standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, Townhomes and structures, and the location in relation to surrounding structures and topography.

(i) Applications. Application for approval of any such architectural modification shall be in writing and shall provide such information as the ACC may reasonably require. The ACC shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction which is not in conformance with approved plans. The Board or ACC may publish written architectural standards for exterior and Common Element alterations or additions, and any request in substantial compliance therewith shall be approved provided, however, each such requested change shall be in harmony with the external design of the existing buildings and Townhomes and the location in relation to surrounding structures and topography of the vicinity. In the event that the ACC fails to approve or to disapprove such application within forty-five (45) days after the application and all information as the ACC may reasonably require have been submitted, its approval will not be required and this subparagraph (i) will be deemed complied with; provided, however, even if the requirements of this subparagraph are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the rules and regulations.

(ii) Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interests, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration. In the discretion of the Board or ACC, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interests.

(iii) Limitation of Liability. Review and approval of any application pursuant to this Paragraph is made on the basis of aesthetic considerations only, and neither the Declarant, the Board of Directors nor the ACC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, or for

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ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, the ACC, nor any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Townhome structure.

(iv) No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and ACC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. The approval of either the Board of Directors or the ACC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors, or the ACC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

(v) Enforcement. Any construction, alteration, or other work done in violation of this Paragraph shall be deemed to be nonconforming. Upon written request from the Board or the ACC, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or its designees shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof; including reasonable attorney's fees, may be assessed against the benefited Lot and collected as an assessment pursuant to this Declaration.

In addition to the foregoing, the Board of Directors shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Paragraph and its decisions.

10. USE RESTRICTIONS.

Each Owner of a Lot shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of the Declaration and the rules and regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and, promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants or Occupants, as a result of such person's violation of the Declaration or rules and regulations, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the

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Owner's family, guests, tenants or Occupants.

In addition to the following use restrictions, the Board of Directors may adopt rules and regulations in accordance with the terms hereof and as specified in the Bylaws.

- (a) Use of Townhomes. Each Townhome shall be used primarily for residential purposes, and no trade of business of any kind may be conducted or allowed in a Townhome or any part of the Property, including business uses ancillary to a primary residential use, except as provided herein. An Owner or Occupant residing in a Townhome zoned for residential use may conduct such ancillary business activities within the Townhome so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the Townhome; (ii) the business activity is limited to and conforms to all other zoning requirements for home operations; (iii) the business activity does not involve visitation of the Townhome by clients, customers, employees, suppliers or other business invitees; (iv) the business activity does not increase traffic in the Property other than deliveries by couriers, express mail carriers, parcel. delivery services and other such delivery services; (v) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (vi) the business activity is consistent with the primarily residential character of the Property and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors; and (vii) the business activity does not result in a materially greater use of Common Area facilities or Association services.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore.

- (b) Alteration of Townhomes. Subject to the other provisions of this Declaration, Townhome Owners may make alterations to the interiors of their Townhomes, relocate the boundaries between adjoining Townhomes, and subdivide their Townhomes as follows:
- (i) Alterations of the Interior of Townhomes. Except to the extent prohibited by this Declaration and subject to any restrictions and limitations specified therein, any Owner may make any improvements or alterations within his or her Townhome that do

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not materially impair the structural integrity of any structure or otherwise materially lessen the support of any portion of the Townhome structure. No Owner shall do anything which would change the exterior appearance of his Townhome, Lot or of any other portion of the Property.

(ii) Combining Two Townhomes. If any Owner acquires an adjoining Townhome, such Owner shall have the right (subject to the prior written approval of the Mortgagees of the Townhomes involved) to remove all or any part of any intervening partition or to create doorways or other apertures therein, notwithstanding the fact that such partition may, in whole or in part, be part of the Common Areas, so long as all applicable building codes are complied with and no portion of any Common Areas is damaged, destroyed or endangered, other than that partition and any chutes, flues, ducts, conduits, wires or other apparatus contained therein, which items shall be relocated by such Owner if such facilities serve any other part of the Property. The alterations permitted by this subparagraph shall not be deemed an alteration or relocation of boundaries between adjoining Townhomes, therefore, any Owner combining two Townhomes shall have two votes in the Association, a total undivided interest in the Common Areas equal to the sum of the undivided interests of the two combined Townhomes and a liability for Common Expenses equal to the sum of the liability for Common Expenses of each of the two combined Townhomes.

(iii) Subdivision of Townhomes. No Owner, other than Declarant, may subdivide its Townhome. The Declarant shall have the right to subdivide Townhomes owned by the Declarant or its affiliates without the approval of the Association, and the Association shall execute required amendment to the Declaration.

- (c) No Outbuildings. No structure of a temporary character, trailer, tent, shack, carport, garage, barn or other building shall be erected by an Owner or Occupant on any portion of a Lot, the Common Areas or the Property, other than by Declarant, at any time, either temporally or permanently, without the written approval of the Board.
- (d) Use of Common Areas Including Amenities. There shall be no obstruction of the Common Areas, nor shall anything be kept on, parked on, stored on or removed from any part of the Common Areas without the prior written consent of the Board, as specifically provided herein. This prohibition shall not apply to the Declarant.
- (e) Use of Stoops and Patios. There shall be no planting other than potted plants on front stoops or decks. Objects over forty-two (42) inches in height, except as may be specifically authorized by the Board, are prohibited from front stoops, decks and backyard areas. Grilling shall only be permitted in accordance with municipal and county ordinances.

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- (f) Prohibition of Damage, Nuisance and Noise. Without the prior written consent of the Board of Directors, nothing shall be done or kept on the Common Areas, or any part thereof, which would increase the rate of insurance on the Property or any Townhome or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses.

Noxious, destructive or offensive activity shall not be carried on upon the Property. No Owner or Occupant of a Townhome may use or allow the use of the Townhome or any portion of the Property at any time, in any way or for any purpose which may endanger the health, unreasonably annoy or disturb or cause embarrassment, or discomfort to other Owners or Occupants, or in such a way as to constitute, in the sole opinion of the Board of Directors, a nuisance. In addition, no Owner or Occupant of a Townhome may use or allow the use of the Townhome, the Lot or the Common Areas in any manner which creates disturbing noises, including, without limitation, use of stereo speakers or equipment that will, in the sole discretion of the Board of Directors, interfere with the rights, comfort or convenience of the other Owners or Occupants. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his or her property or personal rights.

No Owner, Occupant or agent of such Owner or Occupant shall do any work which, in the reasonable opinion of the Association's Board of Directors or its designee, would jeopardize the soundness or safety of the Property, the Common Areas, a Lot, Townhome or any structure created thereon, would reduce the value thereof; or would impair any easement or other interest in real property thereto, without in every such case the unanimous prior written consent of all members of the Association and their Mortgagees.

No damage to or waste of the Common Areas, or any part thereof, shall be permitted by any Owner or member of his or her family or any invitee of any Owner. Each Owner shall indemnify, and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, members of his or her family, guests, invitees, or Occupants of his or her Townhome.

- (g) Firearms and Fireworks. The display or discharge of firearms or fireworks on the Common Areas or Lots is prohibited; provided, however, that the display of lawful firearms on the Common Areas is permitted by law enforcement officers and also is permitted for the limited purpose of transporting the firearms across the Common Areas to or from the Owner's Townhome. The term "firearms" includes "B-B" guns, pellet

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guns, and other firearms of all types, regardless of size. The term “fireworks” shall include those items listed in O.C.G.A. § 25-10-1, as amended.

- (h) Pets. No animals, poultry, swine, reptiles, livestock, birds, or fowl shall be kept or maintained on any part of the Property except dogs, cats, pet fish and birds which may be kept thereon in reasonable numbers (not to exceed two [2]) as pets for the pleasure and use of the Townhome Owner or Occupant but not for any commercial use or purpose. All animals, when off of an Owner’s premises, must be kept on a leash as required by the laws and ordinances of Chatham County or the City of Pooler and must not become a nuisance to other residents by barking or other acts. No exotic animals shall be permitted nor shall any animal known as a breed to have a reputation for ferocity or brutality be permitted. Specifically prohibited are any member of the breed or breeds of dog known categorically or commonly as "Pit Bull Terriers, Chows or Rottweilers." Each Owner and Occupant who keeps an animal on the Property agrees to indemnify and hold the Association and its directors, officers and agents harmless from any loss, claim or liability of any kind whatsoever arising by reason of such animal.

- (i) Parking. The Association shall have the right to promulgate rules regulating parking. Vehicles must be parked in driveways, garages, or designated, lined parking spaces only. All driveways and garages may only be used by the appurtenant Lot Owner or Occupants and their guests and family.

Disabled or stored vehicles, commercial vehicles, boats and other watercraft, trailers, and recreational vehicles (RV’s, campers and motor homes) are prohibited from being parked anywhere on the Property except within a garage. For purposes of this subparagraph, a vehicle shall be considered “disabled” if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered “stored” if it remains on the Property without being driven for fourteen (14) consecutive days or longer without prior written Board permission. This section shall not apply to emergency vehicle repairs or to commercial vehicles that are temporarily parked for the purpose of servicing Townhomes, Lots or the Property.

If any vehicle is parked on any portion of the Property in violation of this subparagraph (i) or in violation of the Association’s rules and regulations, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of the person or entity which will do the towing and the name and telephone number of a person to contract regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the Owner or user of the vehicle.

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If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's driveway, is obstructing the flow of traffic, is parked on any grassy area, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed in accordance with this subparagraph, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

- (j) Signs. Except as may be required by legal proceedings, and except for signs which may be erected by Declarant related to the development and sale of Lots, no signs, advertising posters or billboards of any kind shall be erected, placed, or permitted to remain on the Property without the prior written consent of the Board or its designee. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.
- (k) Rubbish, Trash, and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Townhome and shall not be allowed to accumulate therein. Rubbish, trash, and garbage shall be disposed of in sealed bags and in proper receptacles designated by the Board for collection or removed from the Property. No rubbish, trash or garbage may be kept, stored or placed on any deck, stoop, Lot or lawn area. No garbage or trash shall be placed on the Common Areas outside the Townhome except on trash collection days. On collection days, receptacles may be placed on driveways for collection and shall be promptly returned after collection to the Townhome's garage area.
- (l) Unightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, but not limited to the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the Townhome. Appropriate outdoor items, such as outdoor furniture, may only be kept on patios and porches and are subject to such rules and regulations pertaining to exterior aesthetics and Lot appearance as may be adopted by the Board.
- (m) Garage sales, yard sales, flea markets, or similar activities are prohibited.
- (n) Window Treatments. No bed sheets, newspaper or similar material shall be used as a window treatment
- (o) Antennas. No transmission antenna of any kind, may be erected anywhere on the Property unless first approved in writing by the Declarant or the Architectural Control Committee, as applicable. No direct broadcast satellite (DBS) antenna or multi-channel

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multi-point distribution service (MMDS) antennas larger than one (1) meter in diameter may be placed, allowed or maintained upon any portion of the Property, including a Townhome. DBS and MMDS antennas one (1) meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and rules and regulations of the Association authorized by the FCC or both, as may be amended from time to time.

- (p) Abandoned Personal Property. Personal property, other than vehicles as provided for in subparagraph (i) shall not be kept, or allowed to remain for more than twenty-four (24) hours upon any portion of the Common Areas without prior written Board permission. If the Board determines that a violation exists, then, not less than two (2) days after written notice is placed on the personal property and/or on the front door of the property owner's Townhome, if known, the Board may remove and either discard or store the personal property in a location which the Board may determine and shall have no obligation to return, replace or reimburse the owner of the property. The notice shall include the name and telephone number of the person or entity which will remove the property and the name and telephone number of a person to contact regarding the alleged violation.

The Board, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the location of the property within three (3) days after the property is removed.

Neither the Association nor any officer or agent thereof shall be liable to any person with any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

- (q) Sale Period. Notwithstanding any provisions contained in this Declaration to the contrary, during the period of the sale of the Lots it shall be expressly permissible for Declarant, its contractors, agents, employees, assigns and representatives, to maintain and carry on, upon such portion of the Property as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the completion and sale of the Lots, including, but without limitation, business offices, signs, model Lots and sales offices. The right to maintain and carry on such facilities and activities shall include specifically the right to use the parking facilities on the Property for such purposes and to use the Townhomes owned by Declarant as model Townhomes and as offices for the sale of the Lots and related activities and the right to keep the entrance gate unlocked and open during the sales office hours.

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(r) Sex Offenders.

(i) Neither a Lot nor the Common Areas, nor any portion of either thereof, may be occupied or resided therein or thereon, for any purpose, either temporarily or permanently, by any person who, under Official Code of Georgia Annotated Section § 42-1-12: (A) has been convicted of a criminal offense against a victim who is a minor or any dangerous sexual offense; (B) has been convicted under the laws of another state or territory, under the laws of the United States, under the Uniform Code of Military Justice, or in a tribal court of a criminal offense against a victim who is a minor or a dangerous sexual offense; (C) was designated as a sexually violent predator; or (D) is determined by the Sexual Offender Registration Review Board to be at risk of perpetrating any future dangerous sexual offense;

Each of whom is referred to herein as a "sex offender".

(ii) The violation of the foregoing restriction shall entitle the Declarant or Declarant's successors or assigns, the Association, and each Lot Owner, the right to enjoin such sex offender from occupying, or continuing to occupy, or residing in or continuing to reside upon a Lot or on the Common Areas. The violation of the foregoing restriction shall entitle the Association to institute and prosecute to conclusion, in the name of the Owner or Owners of a Lot which a sex offender occupies or is residing in, as the Owner or Owner's agent for this sole purpose, proceedings to evict such person occupying or residing in that Lot.

(iii) Each Lot Owner, by acquisition of a fee simple interest in a Lot, understands and agrees that the remedies at law for damages in the event of the violation of the provisions of this Section are inadequate in that an award of damages would not resolve the problems inherent in having a sexual offender occupying space in or residing in the Property, and that irreparable harm to all other Lot Owners would result from the occupancy or the residency of a sex offender in the Property.

(iv) Notwithstanding the foregoing, the party seeking relief pursuant to the provisions of Section (ii) hereof shall be entitled to recover all costs of enforcement, including court costs and reasonable attorney fees.

(v) In the case of the Association seeking and obtaining relief pursuant to this Section, the costs of enforcement shall be a charge on the Lot occupied by or resided in by the sex offender, and the subject of a Special Assessment against that Lot and its Owner or Owners, and a lien thereon by Georgia law and as provided in this Declaration with respect to the violation of restrictions.

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(vi) The foregoing restriction if not intended to create nor shall it be interpreted to create a duty by the Declarant, any Lot Owner, the Association, or the Board, to inquire about, to take any affirmative action to determine the status of, or to disclose the occupancy or residency, of a sex offender in the Property.

(s) Party Walls and Similar Structures.

(i) General Rules of Law to Apply. Each wall built as a part of the original construction of any dwelling or on any Townhome which shall serve and separate any two (2) adjoining Townhomes or dwellings shall constitute a party wall and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

(ii) Sharing and Repair Maintenance. Excluding those portions of party walls maintained by the Association, if any, the cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the party wall in equal proportions.

(iii) Damage and Destruction. If a party wall is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, the Association or any Owner who has used or was benefited by the party wall may restore it, and the other Owner or Owners thereafter who are benefited by the party wall shall contribute to the cost of restoration thereof in equal proportions. However, such contribution will not in any way prejudice the right of any such Owners to call for a larger contribution from the other Owner or Owners using or benefiting by such party wall under any rule of law regarding liability for negligent or willful acts or omissions. In the event that the Association repairs or restores a party wall, the Owner or Owners using or benefiting from such wall shall thereafter be jointly and severally responsible for any and all costs of repair or restoration of the wall plus a ten percent (10%) administrative fee. Such costs shall be due and payable ten (10) days after the wall has been constructed and shall constitute a specific assessment.

(iv) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

11. LEASING.

In order to protect the equity of the individual Lot Owners at the Property, and to preserve the character of the Property as a community of predominantly owner-occupied homes and by

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preventing the Property from assuming the character of a renter-occupied apartment complex, and to comply with the eligibility requirements for financing in the secondary mortgage market insofar as such criteria provide that the project be substantially owner-occupied, leasing of Townhomes shall be governed by the restrictions imposed by this Paragraph. **Except as provided herein, the leasing of Townhomes shall be prohibited.**

(a) Definitions.

(i) The terms “leasing”, “lease” or “leased” shall mean the regular, exclusive occupancy of a Townhome by any person(s) other than the Owner, for which the Owner receives any consideration or benefit including, but not limited to, a fee, service, or gratuity. For purposes hereof; occupancy by a roommate of an Owner Occupant shall not constitute leasing,

(ii) Open Leasing Status shall authorize a Townhome to be leased at any time. Each Townhome shall have Restricted Leasing Status unless Open Leasing Status has been conferred upon a Townhome as provided in subparagraph (b) below.

(iii) Restricted Leasing Status shall subject a Townhome to the restrictions on leasing contained in subparagraph (b) below.

- (b) General. No Owner of a Townhome in Restricted Leasing Status may lease his or her Townhome if twenty-five (25%) percent or more of the residential Townhomes in the Property are in Open Leasing Status, except as provided in subparagraph (c) below for cases of undue hardship. Any Owner of a Townhome in Restricted Leasing Status may apply in writing to the Board for conversion to Open Leasing Status in accordance with rules and regulations promulgated by the Board. Upon receipt of such written application, the Townhome shall be placed at the end of a waiting list for conversion to Open Leasing Status. At such times as less than twenty-five (25%) percent of the residential Townhomes are in Open Leasing Status, the Board shall notify the Owner of the Townhome at the top of the waiting list of its conversion to Open Leasing Status, and such Owner shall have ninety (90) days within which to lease the Townhome or it shall automatically revert to Restricted Leasing Status. Any residential Townhome in Open Leasing Status shall automatically be converted to Restricted Leasing Status if the Townhome is not subject to an approved lease for ninety (90) or more consecutive days.
- (c) Undue Hardship, Notwithstanding the provisions of subparagraph (b) above, the Board shall be empowered to allow reasonable leasing of a Townhome upon application in accordance with this Paragraph to avoid undue hardship, including, but not limited to the following situations: (1) a Townhome Owner must relocate his or her residence outside the Savannah area and cannot, within six (6) months from the date that the Townhome

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was placed on the market, sell the Townhome except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) where the Owner dies and the Townhome is being administered by his or her estate; and (3) the Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Townhome, in which case the Townhome Owner must reapply every year for renewal of the hardship exception. Those Owners who have complied with this subparagraph, have demonstrated that the inability to lease their Townhome would result in undue hardship, and have obtained the requisite written Board approval may lease their Townhomes for such duration as the Board reasonably determines is necessary to prevent undue hardship.

Any Owner who believes that he or she must lease his or her Townhome to avoid undue hardship shall submit a written application to the Board setting forth the circumstances necessitating the leasing, a copy of the proposed lease, and such other information as the Board may reasonably require. Leasing in the case of undue hardship shall be permitted only upon the Board's written approval of the Owner's application. Any transaction which does not comply with this Paragraph shall be voidable at the Board's option.

- (d) Leasing Provisions. Leasing which is authorized hereunder shall be governed by the following provisions:

(i) Notice. At least seven (7) days prior to entering into the lease of a Townhome, the Owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. In the event a lease is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease in compliance with the Declaration and any rules and regulations adopted pursuant thereto.

(ii) General. Townhomes may be leased only in their entirety no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form which is deemed acceptable. There shall be no subleasing of Townhomes or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than one (1) year, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Townhome, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Townhome. The Owner must provide the lessee copies of the Declaration, Bylaws, and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the

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proposed lease.

(iii) Liability for Assessments, Use of Common Areas, and Compliance with Declaration, Bylaws, and Rules and Regulations. Each Owner covenants and agrees that any lease of a Townhome shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Townhome, agrees to the applicability of this covenant and incorporation of the following language into the lease:

- (aa) Compliance with Declaration, Bylaws, and Rules and Regulations. Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Lot.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Lot.

- (bb) Use of Common Areas. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to

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use the Common Areas and/or the use of any and all recreational facilities, parking facilities and other amenities pursuant to the terms of any other agreement.

- (cc) Liability for Assessment. When an Owner who is leasing his or her Townhome fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Association all amounts authorized under the Declaration as if lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

- (e) Applicability of this Section. This Section on Leasing shall not apply to any leasing transaction entered into by the Declarant, the Association or the holder of any first Mortgage on a Townhome who becomes the Owner of a Townhome through foreclosure or any other means to the satisfaction of the indebtedness secured by such Mortgage.

12. SALE OF LOTS.

Within ten (10) days after receiving title to a Lot, the purchaser of the Lot shall give written notice to the Board of Directors of his or her ownership of any Lot. Upon failure of an Owner to give the required notice within the ten (10) day time period provided herein, the Board may levy fines against the Lot and the Owner thereof and assess the Owner for all costs incurred by the Association in determining his or her identity.

13. MAINTENANCE RESPONSIBILITY.

- (a) By the Owner. Each Owner shall have the obligation to maintain and keep in good repair all portions of his or her Townhome.

In addition, each Lot Owner shall have the responsibility

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(i) To keep in a neat, clean and sanitary condition all windows, window casings, exterior doors and door frames (including any and all front doors, back doors, sliding glass doors, and garage doors); and all hardware which is part of any window or door; and screens and exterior lights, if any, serving the Owner's Townhome.

(ii) To perform maintenance and repair of those portions of the heating and air conditioning systems serving a Townhome, including the air conditioning compressor and condenser located outside a dwelling, shall be the responsibility of the Owner of such Townhome.

(iii) To keep in a neat, clean and sanitary condition all decks, front stoops, and patios.

(iv) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Lots.

(v) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible.

(vi) To pay for the cost of repairing, replacing and cleaning up any item which is the responsibility of the Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right, but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Owner, his or her family, tenants or guests, with the cost thereof to be added to and become part of the Owner's next chargeable assessment.

(b) By the Association. The Association shall maintain and keep in good repair as a Common Expense the Common Areas which shall include, but need not be limited to:

(i) all Common Area;

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- (ii) all landscaping and other flora, structures, and improvements, including any entry features, security gate, sidewalks, and bike and pedestrian pathways/trails, if any, situated upon the Common Areas;
 - (iii) all furnishings, equipment and other personal property of the Association;
 - (iv) all areas shown as open space on the Plat and any landscaping, structures, paving, and improvements located thereon;
 - (v) those certain areas shown as privately maintained access, utility and drainage easements on the Plat and any landscaping, paving and improvements located thereon;
 - (vi) such additional portions of any property included within the Common Areas as may be dictated by this Declaration, any Supplemental Declaration, or any contact or agreement for maintenance thereof entered into by the Association.
- (c) The Association's responsibility for Common Area maintenance shall also include certain portions of the Lots and the improvements thereon, including:
 - (i) Exterior maintenance of all Townhomes including, but not limited to, painting, repairing, replacing and caring for the following:
 - (aa) roofs (including the roof joists and trusses, crossbeams, roof decking and underlaying, and shingles or other covering and surface materials);
 - (bb) gutters and downspouts; and
 - (cc) exterior walls and surfaces, including the brick, siding, or other building material forming the exterior walls of any Townhome and/or garage (but not including the wood, drywall, plaster or other building material on the inside of any Townhome or garage, and not including foundations and footings below any Townhome or garage).
 - (ii) All grass, landscaping and other flora in the front, side and rear yards of Lots; and
 - (iii) All walkways, parking pads, driveways, and other paved areas.

The Association may, as a Common Expense, maintain other property and improvements which it does not own, including, without limitation, property dedicated to the public, or

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provide maintenance or services related to such property over and above the level being provided by the property owner, if the Board of Directors determines that such maintenance is necessary or desirable.

- (d) The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that (i) such maintenance responsibility is otherwise assumed by or assigned to an Owner or the Master Association, or (ii) such property is dedicated to any local, state, or federal government or quasi-governmental entity; provided, however, that in connection with such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities, if the Board determines that such maintenance is necessary or desirable.

- (e) Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Lots or Common Areas by an Owner or Occupant which is the responsibility of the Association hereunder (including, but not limited to landscaping of Common Areas) shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

The Association and Declarant shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Lots or Common Areas or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to the Owner of any Lot or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Areas. The Association shall not be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Paragraph where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, order or directive of any municipal or other governmental authority.

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The Association shall repair incidental damage to any Townhome resulting from performance of work which is the responsibility of the Association. As finished levels can have varying degrees, such repairs will be complete only to the extent of being “paint-ready.” Components that may require repair or replacement, such as tile and trim, will be reinstated only to the extent of readily available matching or similar materials (trim and such will also be finished to “paint ready”). Due to the uncontrollability of quality of repair, items such as faux paint treatment, wallpaper, ceiling/wall appliqué, and any other finishes that the Board deems unreasonable, will not be the responsibility of the Association. Accessibility around personal belongings for workers to perform such repairs is the responsibility of the Lot Owner. Removal, storage, or other protective measures of personal items are also the responsibility of the Lot Owner. If the removal, storage or other protective measures are not taken by the Lot Owner and damage occurs due to the repair process, the Board will not be liable for such damage, Upon completion of such repairs the Association will perform cursory cleaning. As a level of cleaning is subjective, the Association will not be responsible for a detailed cleaning. The Board has sole discretion on defining what is reasonable for the level, quality and extent of the repair and subsequent cleaning. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

- (f) Moisture Maintenance. Each Owner of a Townhome and the Association, with respect to any area of any building not within a Townhome, agree to (i) immediately repair any water leaks or moisture problems in their respective area of maintenance responsibility in a good and workman-like condition (ii) insure that any building material which has absorbed water or moisture as a result of a water leak and has not been completely dried as part of part of the repair of the water or moisture damage is removed and replaced; (iii) regularly inspect the parts of the Townhome or building which they respectively maintain for the existence of moisture, mold, mildew or fungus; and (iv) promptly and regularly clean any area where moisture, mold, fungus or mildew appear with bleach or other such similar product designed to inhibit the growth of mold, mildew or fungus.

- (g) Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then the Association shall give the Owner written notice of the Owner’s failure or refusal and of the Association’s right to provide necessary maintenance, repair, or replacement at the Owner’s cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board

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of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Lot, and shall be collected as provided herein for the collection of assessments,

If the Board determines that the need for maintenance or repair is in the Common Areas or a Lot and the responsibility for which and is caused through the willful or negligent act of any Owner, or Occupant or their family, guests, lessees, or invitees, then the Association may assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Lot, and such cost shall become a lien against the Lot, and shall be collected as provided herein for the collection of assessments.

(h) Measures Related to Insurance Coverage.

(i) The Board of Directors, upon resolution, shall have the authority to require all or any Lot Owner(s) to do any act or perform any work involving portions of the Property which are the maintenance responsibility of the Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Property, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Owners to install smoke detectors, requiring Owners to make improvements to the Owner's Townhome, and such other measures as the Board may reasonably require so long as the cost of such work does not exceed three hundred (\$300.00) dollars per Townhome in any twelve (12) month period.

(ii) In addition to, and not in limitation of, any other rights the Association may have, if any Owner does not comply with any requirement made by the Board of Directors pursuant to subparagraph (d)(i) above, the Association, upon fifteen (15) days' written notice (during which period the Owner may perform the required act or work without further liability), may perform such required act or work at the Owner's sole cost. Such cost shall be an assessment and a lien against the Lot

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as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subparagraph (d)(i) of this Paragraph, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Townhome, except that access may be had at any time without notice in an emergency situation.

14. MORTGAGE HOLDER'S RIGHTS.

The following provisions are for the benefit of holders, insurers, and guarantors of first Mortgages on Lots in the Property. The provisions of this Paragraph apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

- (a) Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Townhome to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:
- (i) Any condemnation loss or any casualty loss which affects a material portion of the Property or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;
 - (ii) Any delinquency in the payment of assessments or charges owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of 60 days, or any other violation of this Declaration relating to such Lot or the Owner which is not cured within 60 days;
 - (iii) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or
 - (iv) Any proposed action which would require the consent of a specified percentage of Eligible Holders.
- (b) No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Areas.
- (c) Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

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- (d) Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board of Directors to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.
- (e) HUD/VA Approval. The following actions shall require the prior approval of the U.S. Department of Housing and Urban Development or the U.S. Department of Veterans Affairs, if either such agency is insuring or guaranteeing the Mortgage on any Townhome: merger, consolidation, or dissolution of the Association; dedication, conveyance, or mortgaging of the Common Area; or material amendment of this Declaration or the Bylaws. The granting of easements for utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a conveyance within the meaning of this Section.

15. GENERAL PROVISIONS.

- (a) Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the Property; however, each Owner, for himself or herself and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security on the Property. It shall be the responsibility of each Owner to protect his or her person and property and all responsibility to provide such security shall lie solely with each Lot Owner. Neither Declarant nor the Association shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of safety measures undertaken. Each Owner further acknowledges that Declarant will not be responsible or liable for any loss or damage resulting from any gates or entrances being open to allow access for construction vehicles, work crews, and sales activities.
- (b) Dispute Resolution. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, a Lot Owner or Occupant must request and attend a hearing with the Board of Directors. Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or the property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for

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a date not less than seven (7) nor more than twenty-one (21) days from the date of receipt of the request.

- (c) Consensus for Association Litigation. Except as provided in this Paragraph, the Association shall not commence a judicial or administrative proceeding without first providing written notice of such proposed action to each Member and obtaining the approval of at least seventy-five percent (75%) of the Members. This Paragraph shall not apply, however, to (i) actions brought by the Association to enforce the Declaration (including, without limitation, the foreclosure of liens); (ii) the collection of assessments; (iii) proceedings involving challenges to ad valorem taxation; or (iv) counterclaims brought by the Association in proceedings instituted against it. This Paragraph shall not be amended unless such instrument is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.
- (d) Parking Spaces and Vehicles. Neither the Declarant nor the Association shall be held liable for loss, or damage to any property, including but not limited to any vehicle and any items in any vehicles, placed or kept in any driveway or parking space in the Property. Each Owner or Occupant who places or keeps a vehicle and/or any personal property in a vehicle or parking area does so at his or her own risk.
- (e) Townhome Keys. Each Owner, by acceptance of a deed to a Lot, agrees to provide the Association with a key to the Townhome to be used by the Association for pest control and for maintenance, emergency, security or safety purposes as provided herein. Neither the Declarant nor the Association shall be liable for any loss or damage due to its holding such key, or use of such key for the purposes described above, and each Owner shall indemnify and hold harmless the Declarant, the Association and its officers and directors against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon the Declarant, the Association or its officers or directors in connection with any action, suit, or other proceeding (including settlement of any such action, suit or proceeding) brought by the Owner or the Owner's family, tenants, guests, employees, invitees, or licensees against the Declarant, the Association, its officers or directors arising out of or relating to its holding or use of such key for the purposes described above.
- (f) Use of Names. No person shall use the name "The Fairways at Savannah Quarters" or any derivative of such name in any printed or promotional material's without Declarant's prior written consent. However, Owners may use the name "The Fairways at Savannah Quarters" in printed or promotional materials where such term is used solely to specify the particular property is located within The Fairways at Savannah Quarters and the Association shall be entitled to use the words "The Fairways at Savannah Quarters" in its name. The Association shall not use any mark of Declarant or its affiliates without prior

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written consent. Any use by the Association of names, marks or symbols of Declarant or any of its affiliates shall inure to the benefit of Declarant or such affiliate and shall be subject to periodic review for quality control. The Association shall enter into license agreements with Declarant, terminable with or without cause and in a form specified by Declarant in its sole discretion, with respect to any permissive use of any such names, marks or symbols.

- (g) Conflict Provision. In the event of any conflict between or among this Declaration or any governing documents or policies related thereto, and the Governing Documents, as defined in the Master Declaration, the Governing Documents, as defined in the Master Declaration, shall control.

16. EASEMENTS.

- (a) Use and Enjoyment. Each Lot Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Areas (including the right of access, ingress and egress to and from his or her Lot over those portions of the Property designated for such purpose), and such easement shall be appurtenant to and shall pass with the title to such Lot, subject to the right of the Association to control the use and enjoyment of the Common Areas as provided by the terms of this Declaration including, but not limited to, the right of the Association to suspend voting and use privileges, as provided herein, and the right of the Association to permit other persons who are not residents of any Townhomes to use the Common Areas upon such terms and conditions, and for the payment of such fees, as shall be determined by the Board of Directors.
- (b) Encroachments. If any portion of the Common Areas encroaches upon any Lot, or if any Townhome encroaches upon any other Townhome or upon any portion of the Common Areas, as a result of the construction, reconstruction, repair, renovation, restoration, shifting, settlement or movement of any portion of the Property, a valid easement for the encroachment and for the maintenance, repair and replacement thereof shall exist so long as the encroachment exists. In the event that any building, any Townhome, any adjoining Townhome, or any adjoining portion of the Common Areas 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, due to such repair or reconstruction, shall be permitted, and valid easement for such encroachments and the maintenance, repair and replacement thereof shall exist
- (c) Rights of Association. There shall be a general easement in favor of the Association, its directors, officers, agents, and employees (including, without limitation, any manager employed by the Association) to enter upon the Property or any portion thereof and to

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take access through the Lots for the installation, maintenance, repair and replacement thereof and for the purpose of performing their respective duties. Each Owner shall afford to other Owners and to the Association, their respective Owner's Lot as may be reasonably necessary to enable them to exercise and discharge their respective powers and responsibilities. Except in the event of emergencies, such easements are to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with the permission of the Owner or occupant of a Townhome directly affected thereby. The Board of Directors of the Association shall have the power to grant and accept easements over and through the Property and over and through property adjoining the Property, as may be applicable, for the installation, maintenance, repair and replacement of utilities and for other public purposes consistent with the intended use of the Common Areas.

- (d) Support. Every portion of a Townhome contributing to the support of an abutting Townhome shall be burdened with an easement of support for the benefit of such abutting Townhome.
- (e) Pest Control. The Association may, but shall not be obligated to, dispense chemicals for the extermination of insects and pests within the Townhomes, Lots and Common Areas. In the event the Association chooses to provide such pest control, the Association and its duly authorized contractors, representatives, pad agents shall have an easement to enter Townhomes for the purpose of dispensing chemicals for the exterminating of insects and pests within the Townhomes, Lots and Common Areas. Owners shall either provide a key to the Townhome for purpose of such entry or have someone available at such times as are designated by the Board of Directors to allow entry into the Townhome for this purpose. The Association shall not be liable for any illness; damage, or injury caused by the dispensing of these chemicals for this purpose.
- (f) Declarant Easements. During the Development Period, Declarant and its duly authorized contractors, representatives, agents, and employees shall have: (1) an easement for the maintenance of signs, a sales office, a business office, promotional facilities and model Townhomes on the Property, together with such other facilities as in the opinion of Declarant may be reasonably required, convenient or incidental to the completion, renovation, improvement, development or sale of the Lots; and (2) a transferable easement on, over, through, under and across the Common Areas for the purpose of making improvements on the Property or any portion thereof, for the purpose of installing, replacing repairing and maintaining all utilities serving the Property, and for the purpose of doing all things reasonably necessary and proper in connection therewith. The Declarant shall specifically have the right to maintain the security gate in an open position during all hours that the sales office is open.

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- (g) Utility Easement. There is hereby created a blanket easement upon, across, over, through and under the Property for ingress, egress, installation, replacement, repair and maintenance of all utility and service lines and systems, including but not limited to water, sewers, gas, telephones, electricity, television, cable or communication lines and systems. By virtue of this easement it shall be expressly permissible for the Declarant, the Association or the providing utility or service company to install and maintain facilities and equipment on said Property, to excavate for such purposes and to affix and maintain wires, circuits, and conduits on, in and under all Lots and the roofs and exterior walls of all Townhomes, provided all disturbed areas are restored to the condition in which they were found. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utility service lines or facilities for such utilities may be installed or relocated on the Property except as planned and approved by the Declarant and as shown on the Plat or otherwise as approved by the Board of Directors. This easement shall in no way affect any other easements on said Property which may be created by a separately recorded instrument or subdivision or other plat.
- (h) Electric Meters. There is hereby created a blanket easement upon, across, over, through and under the Property, each Lot and the exterior walls of the Townhomes for the location, installation, ingress, egress, replacement, repair and maintenance of electric utility boxes for the provision of electricity to the Townhomes. By virtue of this easement it shall be expressly permissible for the Declarant, the Association or the providing utility or service company to install and maintain equipment and utility boxes on said Property, to excavate for such purposes and to affix and maintain wires, circuits, and conduits on, in and under all Lots and the exterior walls of all Townhomes, provided all disturbed areas are restored to the condition in which they were found. Notwithstanding anything to the contrary contained in this paragraph no electrical lines or meter boxes may be installed or relocated on the Property except as planned and approved by the Declarant and as shown on the Plat or otherwise as approved by the Board of Directors. This easement shall in no way affect any other easements on said Property which may be created by a separately recorded instrument or subdivision or other plat.
- (i) Maintenance Easement. There is hereby created a blanket easement upon, across, over, through and under the Property and each Lot for ingress, egress, improvement, replacement, and repair as necessary for the exterior maintenance of each Townhome and the maintenance of the Common Areas, including that for exterior paint and building surfaces, roofs, gutters, down spouts, trees shrubs, grass, walks and other exterior improvements. By virtue of this easement it shall be expressly permissible for the Declarant, the Association or the providing service company to install and maintain facilities and equipment on said Property and each Parcel, in and under all lots and the

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roofs and exterior walls of all Townhomes, provided all disturbed areas are restored to the condition in which they were found. This easement shall in no way affect any other easements on said Property which may be created by a separately recorded instrument or subdivision or other plat.

17. AMENDMENTS.

Except as otherwise provided herein or by any requirement of a Governmental Authority, this Declaration may be amended at any time and from time to time by the members of the Association holding not less than sixty percent (60%) of the total votes in the Association, voting in person or by proxy at a meeting duly called and held for such purpose. Notwithstanding anything to the contrary contained in this Section, however, this Declaration may not be amended if such amendment would have the effect of (i) materially and adversely affecting the value and marketability of the Property; (ii) materially and adversely affecting the means of ingress and egress to and from any Lot; (iii) materially increasing the cost of the construction and development of the improvements on the Property, which construction and development of said improvements have been previously approved by the Declarant or the Architectural Control Committee; or (iv) materially altering or changing the design and/or layout plans for the improvements proposed to be constructed and developed on the Property as such plans have been previously approved by the Declarant or the Architectural Control Committee; or (v) materially and adversely delaying an Owner's ability to develop its Lot in accordance with plans that have been previously approved by the Declarant or the Architectural Control Committee.

- (a) Notwithstanding anything to the contrary contained in this Declaration, any amendment to this Declaration which would change, alter, modify or rescind any right, title, interest or privilege herein expressly granted to a Mortgagee, shall require the prior written approval of such Mortgagee.
- (b) Amendments made pursuant to the provisions of this Section shall inure to the benefit of and be binding upon Declarant, all Owners, and Occupants and their respective Mortgagees.

18. SEVERABILITY.

Invalidation of any one, of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provisions(s), which shall remain in full force and effect

19. PROPERTY EXPANSION.

- (a) Declarant hereby reserves the option, to be exercised in its sole discretion, to submit

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and subject at any time, or from time to time, the Additional Property, which is described in Exhibit 'B', or any portion or portions thereof to the provisions of this Declaration and thereby to cause the Additional Property or any portion or portions thereof to become part of the Property and subject to this Declaration on one or more occasions. This option may be exercised by Declarant in accordance with the following rights, conditions and limitations which are the only conditions and limitations on such option to add any portion of the Additional Property to the Property.

Portions of the Additional Property and portions of the tracts located within the Additional Property may be added to the Property at different times, and there are no limitations fixing the boundaries of those portions or regulating the order, sequence or location in which any of such portions may be added to the Property. The exercise of the option to submit a portion of the Additional Property to the Declaration shall not bar the future exercise of this option as to the other portions of the balance of the Additional Property. If the Additional Property or any portion thereof is added to the Property, any improvements developed therein and any dwellings constructed thereon will be subject to the standards and restrictions set forth herein.

DECLARANT SHALL NOT BE OBLIGATED TO IMPOSE ON THE ADDITIONAL PROPERTY OR ANY PORTION OF IT THE COVENANTS, CONDITIONS OR RESTRICTIONS CONTAINED HEREIN OR ANY COVENANTS, CONDITIONS AND RESTRICTIONS SIMILAR TO THOSE CONTAINED HEREIN, AND THE PROPERTY NOT SUBMITTED TO THIS DECLARATION WILL BE FREE OF ANY COVENANTS OR CONDITIONS WHATSOEVER UNLESS OTHERWISE AFFIRMATIVELY IMPOSED BY DECLARANT.

The option reserved by Declarant to cause all or any portion of the Additional Property to become part of the Property shall in no way be construed to impose upon the Declarant any obligation to add all or any portion of the Additional Property to the Subdivision or to construct thereon any improvements of any nature whatsoever or to restrict or limit its use in any manner.

The option reserved under this Section may be exercised by Declarant only by the execution of an amendment to this Declaration which shall be filed in the Office of the Clerk of Superior Court of Chatham County, Georgia. Any such amendment shall expressly submit or subject the Additional Property or such portion of it as the Declarant desires to all provisions of this Declaration, and upon the exercise, if any, of such option or options the provisions of this Declaration shall then be construed as embracing the property described in Exhibit "B" and the Additional Property or such portion or portions thereof so submitted to the terms hereof.

Improvements to be constructed on the Additional Property which may be subjected to the Restrictions hereunder shall be of comparable style, quality, size and cost to those improvements

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which have been constructed on the Property which is already subject to this Declaration.

20. PREPARER.

This Declaration was prepared by Jennifer Vardeman Mafera of Hunter Maclean, 200 East St. Julian Street, Savannah, Georgia 31401.

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IN WITNESS WHEREOF, Declarant has executed this Declaration this ____ day of _____, 2008.

DECLARANT:

The Fairways at Savannah Quarters, LLC

By: _____
Francis J. Curran, CEO

Signed, sealed, and delivered this ____ day of _____, 2008, in the presence of:

Witness

Notary Public

[Notarial Seal]

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Exhibit "A"

ALL THAT CERTAIN lot, tract or parcel of land situate, lying and being in the City of Pooler, Chatham County, Georgia, and shown as **PHASE 1A, THE FAIRWAYS AT SAVANNAH QUARTERS**, on that subdivision plat entitled "Phase 1A, The Fairways at Savannah Quarters, a Portion of Parcel 2A, Blue Moon Crossing, Savannah Quarters, 8th G.M. District, City of Pooler, Chatham County, Georgia", prepared by Ward Edwards, Inc., dated September 26, 2008, and recorded in Plat Book _____, page _____, Chatham County, Georgia records. Said plat is incorporated herein and made a part hereof by this reference.

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**Exhibit "B"
Additional Property**

ALL THAT CERTAIN lot, tract or parcel of land situate, lying and being in the City of Pooler, Chatham County, Georgia, and shown as **REMAINING PORTION OF PARCEL 2A, 9.81 acres**, on that subdivision plat entitled "Phase 1A, The Fairways at Savannah Quarters, a Portion of Parcel 2A Blue Moon Crossing, Savannah Quarters, 8th G.M. District, City of Pooler, Chatham County, Georgia", prepared by Ward Edwards, Inc., dated August 13, 2008, and recorded in Plat Book _____, page _____, Chatham County, Georgia records. Said plat is incorporated herein and made a part hereof by this reference.