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WINDERMERE

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STATE OF MISSISSIPPI

CITY OF LAUREL

SECOND JUDICIAL DISTRICT,
JONES COUNTY

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

WINDERMERE

THIS DECLARATION is made this _____ day of _____, 2000, by Bush Farms, Inc., a Mississippi corporation (hereinafter referred to as “Owner Declarant”) and Neill Homes, LLC, a Mississippi limited liability company (hereafter referred to as “Contractor Declarant”) and both may be referred to as “Declarants”.

WITNESSETH:

WHEREAS, Declarants are the owners of certain real property situated in the City Laurel, Second Judicial District, Jones County, Mississippi, more particularly described on Exhibit A attached hereto, and desire to create and develop thereon a residential community with designated common areas and with common facilities, for the benefit of the community; hereinafter referred to as the “Property”; and

WHEREAS, Declarants desire to provide for the preservation of the values in said community and for the maintenance of certain areas as may be designated by the Owner Declarant and, to this end, desire to subject the Property to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said Property and each owner thereof; and

WHEREAS, the primary purposes of these covenants and the foremost consideration in the origin of same has been the creation of a residential community which is aesthetically pleasing and functionally convenient. Declarants have deemed it desirable for the efficient preservation of the values in said community, to provide for an agency to which would be delegated and assigned the powers of administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created.

NOW, THEREFORE, Declarants declare that the Property is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as the “Covenants and Restrictions”) hereinafter set forth.

ARTICLE I.

DEFINITIONS

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

- (a) “Additional Property” shall mean the real property described in Exhibit as modified from time to time as permitted by Section 5 of Article XIII.
- (b) “Assessment” shall mean an Owner’s share of the common expenses from time to time assessed such Property Owner by the Association. Assessment or Assessments refer to annual, replacement or special assessment or any combination thereof.
- (c) “Association” shall mean and refer to Windermere Owners Association, a non-profit corporation, incorporated under the laws of the State of Mississippi for the purpose of effecting the intents and objectives herein set forth, its successors and assigns.
- (d) “Board of Directors” or the “Board” shall mean and refer to the Board of Directors of the Association.
- (e) “Bylaws” shall mean the bylaws of the Association as they exist from time to time.
- (f) “Common Area” shall mean all real property (including the improvements thereon) owned by the Association for the common use of the Owners.
- (g) “Common Facilities” shall mean all buildings and improvements constructed on any portion of the Common Area for the common use, benefit and enjoyment of the Members.
- (h) “Contractor Declarant” shall mean and refer to Neill Homes, LLC, its successors and assigns.
- (i) “Declarants” shall mean and refer to Bush Farms, Inc., its successors and assigns and Neill Homes, LLC, its successors and assigns.
- (j) “Declaration” shall mean this instrument as it is from time to time amended.
- (k) “Developers” shall mean each person who is successor in title to any portion of the Property or a Lot from the Owner Declarant and is engaged in the business of the development, improvement and sale of any Lot including the construction and sale of a Dwelling and related improvements on any Lot.
- (l) “Dwelling” shall mean a single family residential detached house or a town or a garden or a zero lot line house.
- (m) “Eligible Mortgage Holder” shall mean those holders of a first mortgage on a Lot who have requested, in writing, the association to notify them on any proposed action that requires the consent of a specified percentage of eligible mortgage holders or of any assessment or installment thereof, which shall become and remain delinquent for a period in excess of sixty (60) days.

- (n) “Green Space” shall mean certain portions of Common Area which are designed to be maintained in its natural condition so that the natural, scenic and recreational resources, soils, wetland, wildlife, game and migratory birds currently in evidence at Windermere be maintained and enhanced. Such areas are designated as such on the recorded plat.
- (o) “Invitees” shall mean an owner’s tenants, guests, employees, guests or invitees.
- (p) “Limited Common Area” shall mean and include the exclusive use of that portion or portions of the Common Area, if any, reserved for and granted to a specific lot and its respective owner, as provided in Article II, Section 4 hereof to the exclusion of the other lots and the respective owners thereof.
- (q) “Lot” shall mean and refer to any plot or tract of land shown upon the recorded subdivision map or plat of the Property, exclusive of the Common Area, which is designated as a lot therein and which is or may be improved with a residential dwelling.
- (r) “Member” shall mean and refer to each Owner as provided herein Article III.
- (s) “Mortgagee” shall mean a bank, savings and loan association, insurance company, mortgage company, real estate investment trust, pension fund, corporation, recognized institutional type lender or its loan correspondent, agency of the United States government or individuals, which owns or which is the holder of a Recorded First Mortgage.
- (t) “Owner” or “Property Owner” shall mean and refer to the record owner, whether one or more persons or entities, of a fee or undivided fee interest in any Lot which is part of the Properties, including contract sellers, but excluding the Owner Declarant and excluding those persons or entities who hold an interest merely as security for the performances of an obligation.
- (u) “Owner Declarant” shall mean and refer to Bush Farms, Inc., its successors and assigns.
- (v) “Person” shall mean an individual, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof, including Declarants.
- (w) “Property” or “Properties” shall mean and refer to that certain real property above described which is subject to this Declaration and all real property hereafter annexed.
- (x) “Recorded First Mortgage” shall be deemed to mean a mortgage or deed of trust, properly recorded in the office of the Chancery Clerk of the second Judicial district of the Jones County, Mississippi or other public office designated by the statutes and laws of the State of Mississippi for the recording of mortgages in the second Judicial district of Jones County, Mississippi, the lien of which is prior, paramount, and superior to the lien of all other mortgages and deeds of trust.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner’s Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area and Common

Facilities which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association, acting by and through its Board of Directors, to levy reasonable admission and other fees for the use of any Common Facilities (excluding streets, roads, and parking areas which have been accepted by a governing authority for maintenance) situated upon the Property by the Members and their families, tenants and guests; provided, however, that any such fees shall be charged on a uniform basis for each Member; and
- (b) the right of the Association, acting by and through its Board of Directors, to suspend any Member's voting rights and any Member's rights to use the Common Areas and Common Facilities (except rights to use streets, roadways, and parking areas, which latter rights shall not be subject to suspension for any reason) for any period during which any assessment remains unpaid and for any of the published rules and regulations of the Association; and
- (c) the right of the Association to dedicate or transfer all or any part of the Common Area except for streets which may be dedicated pursuant to Section I of this Article II to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless sixty percent (60%) of each class of the then Members of the Association consent to such dedication, transfer, purpose and conditions, at a special meeting of the Members duly called for such purpose or an instrument agreeing to such dedication or transfer signed by sixty percent (60%) of each class of Members has been recorded.
- (d) the right of the Association, in accordance with its Charter of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Areas and Common Facilities in a manner designed to promote the enjoyment and welfare of the Members, and in aid thereof to mortgage any of the Common Areas and Common Facilities, provided, however, that no such borrowing shall be done and no such mortgage shall be executed unless and until same has been approved by the vote of at least sixty percent (60%) of each Class; and
- (e) the right of the Association, acting by and through its Board of Directors, to take such steps as are reasonably necessary to protect the property of the Association against mortgage default and foreclosure; provided, however, that any such steps are in conformity with the other provisions of this Declaration; and
- (f) the right of the Association, acting by and through its Board of Directors, to adopt reasonable rules respecting use of the Common Areas and Common Facilities and to reasonably limit the number of guests of Members who may use any facilities on the Property; and
- (g) the right of the Association, acting by and through its Board of Directors, to grant licenses, rights-of-way and easements for access or

for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Developers or any other person, provided, however, that no such licenses, rights-of-way or easements shall be unreasonably and permanently inconsistent with the rights of the Members to the use and enjoyment of the Common Areas and Common Facilities; and

- (h) the right of the Association, acting by and through its Board of Directors, to open the Common Areas and Common Facilities, or any portions thereof, to a wider group of persons, all for such purposes and on such basis as the Board of Directors may from time to time consider appropriate; and
- (i) the rights of the Owners of Lots to perpetual easements over and upon any of the Common Areas and Common Facilities for such portions of their dwellings that may overhang or otherwise encroach upon any of the Common Areas or Common Facilities, for support, for the purpose of necessary repairs and maintenance, for maintenance of reasonable appurtenances to the dwellings, and for reasonable ingress and egress to and from any dwelling through and over the Common Areas and Common Facilities; and
- (j) the right of each Member to use the streets, roadways, and vehicular parking areas situated upon the Common Areas and Common Facilities; provided, however, that each Member shall comply in all respects with the laws and regulations of the City of Laurel, Second Judicial District of Jones County, Mississippi and also comply with all supplementary rules and regulations which are not inconsistent with the provisions of this Declaration and which the Board of Directors of the Association may from time to time adopt and promulgate with respect to parking and traffic control upon the Common Areas and Common Facilities.

Section 2. Rights Not Subject to Suspension. Notwithstanding anything in this Declaration to the contrary, the Association shall have no authority to suspend, either temporarily or permanently, any of the rights specified in subparagraphs (i) and (j) of Section 1 of this Article II for any reason whatsoever.

Section 3. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family who reside permanently with him, his tenants, or contract purchasers who reside on the Property and guests, all subject to such reasonable rules and regulations as the Board of Directors of the Association may adopt and uniformly apply and enforce. Owners or family must accompany invited guests when using the facilities of Windermere.

Section 4. Limited Common Area. Ownership of certain lots shall entitle the Owners or Owner thereof permanent exclusive use of certain portions of the

Common Area designated on the subdivision plat as Limited Common Area. The assignment of the Limited Common Area to a Lot shall be included in the supplement annexing said subdivision to the Declaration. Owners may not claim a right to use the Limited Common Area assigned to other owners by virtue of the general easements or property rights granted in Article II hereof.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. The Members of the Association shall be and consist of each and all of the following, to-wit:

- (a) Every person who is, or who hereafter becomes, an owner of record of the fee title to a Lot. The expression “owner of record of the fee title to a Lot” shall include a contract seller of any such Lot, but shall not include any person who owns such title solely as security for the performance of an obligation or payment of a debt.
- (b) The Association shall have two classes of voting membership:
 - Class A. Class A Members shall be all Members with the exception of the Owner Declarant and its nominee or nominees, if any. Class A Members shall be entitled to one vote for each Lot owned. When more than one person or entity holds an interest or interests in any Lot, all such persons or entities shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.
 - Class B. The Class B Members shall be the Owner Declarant and its nominee or nominees, if any. The Class B Members shall be entitled to four (4) votes for each Lot owned. When the total votes outstanding in the Class A membership equal the votes outstanding the Class B membership, then the Class B membership shall cease and be converted into Class A membership. Notwithstanding the foregoing, on December 31, 2014, all Class B memberships shall cease and be converted into Class A membership.

Section 2. Voting Rights. The voting rights of the Members shall be as follows, to-wit:

- (a) Class A Members. Each person, other than the Owner Declarant, who is or who hereafter becomes the Owner of a Lot shall be a Class A Member of the Association. Class A Members shall be entitled to one vote for each Lot owned. Any owner building on two lots will have one vote and one assessment upon occupying the residence.
- (b) Class B Member. The Owner Declarant and its nominee or nominees, if any, shall be Class B Members of the Association. Class B Members shall be entitled to four votes for each Lot owned.

Wherever any provision of the Declaration or the By-Laws requires a vote of a specified percentage of the voting power of each class of Members, then such provisions shall require a separate vote by the specified percentage of the voting power of the Class A Members and by the specified percentage of the voting power of the Class B Members. Whenever any provisions of the Declaration requires a vote of a specified percentage of the voting power of the Members, then such provision shall require a vote by the specified percentage of the combined voting power of all Members.

Section 3. Memberships Appurtenant to Real Property. In every case, the membership of both Class A and Class B Members shall be appurtenant to the ownership of a Lot. A membership shall not be held, assigned, transferred, pledged, hypothecated, encumbered, conveyed or alienated in any manner except in conjunction with and as an appurtenance to the ownership, assignment, transfer, pledge, hypothecation, encumbrance, conveyance, or alienation of the Lot to which the membership is appurtenant.

Section 4. Termination and Reinstatement of Class B Members. If on any one or more occasions all Class B membership should terminate, and if after any such termination the Owner Declarant, by annexation to the Property in accordance with the Declaration, should add additional property to the Property theretofore subject to the Declaration, then on each such occasion the status of the Owner Declarant as Class B Members shall be fully reinstated, and following each such occasion the Owner Declarant, or the nominee or nominees, if any, of the Owner Declarant, shall continue to be Class B Members until such time as the total votes outstanding of Class A and Class B Members resulting from the newly added property has been equalized. At such time, the Class B membership resulting from such addition shall cease and be converted to Class A memberships, and for so long thereafter as the Class B memberships shall continue to exist, the Owner Declarant, shall have all rights and powers of Class B membership, as herein prescribed.

Section 5. Other Voting Provisions. If the fee title to a particular Lot is owned of record by more than one person or entity, then the vote appurtenant to such Lot may be exercised by any one of the fee owners thereof, unless the other owner or owners of such fee title shall object prior to the completion of voting upon the particular matter under consideration. In the case of any such objection, the vote appurtenant to said Lot shall not be counted.

ARTICLE IV

COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarants, for each Lot owned by them within the Properties, hereby covenant and agree, and each purchaser of any Lot by acceptance of a deed thereof, whether or not it

shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree, to pay to the Association: (1) annual maintenance assessments or charges for purposes set forth in Article IV, Section 2 and (2) special assessments as set forth in Article IV, Section 4 such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual maintenance and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents of the Properties, and in particular for the supervision, maintenance and improvement of the Common Area and Common Facilities; and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for the management and supervision of the Common Area and Common Facilities, including but in no way limited to the following:

- (a) the amount of all operating expenses for operating the Common Area and Common Facilities and furnishing the services furnished to or in connection with the Common Areas and Common Facilities, including charges by the Association for any services furnished by it; and
- (b) the cost of necessary management and administration of the Common Area and Common Facilities, including fees paid to any managing agents; and
- (c) the amount of all taxes and assessments levied against the Common Areas and Common Facilities; and
- (d) the cost of fire and extended coverage and liability insurance on the Common Areas and Common Facilities and the cost of such other insurance as the Association may place in force with respect to the Common Areas and Common Facilities; and
- (e) the cost of maintaining, replacing, repairing and landscaping the Common Areas and Common Facilities including, without limitation, the cost of maintaining, replacing, and repairing the sidewalks, streets, other than those accepted by the City of Laurel, Second Judicial District of Jones County, Mississippi or other governmental authority having jurisdiction for maintenance, and open areas in the Property, and the cost of such equipment as the Board of Directors shall determine to be necessary and proper in connection therewith; and
- (f) the cost of funding all reserves established by the Association, including, when appropriate, a general operating reserve and a reserve for replacement.

Section 3. Maximum Annual Assessment. Immediately following the conveyance of the first Lot to an Owner, there will be three levels of assessment:

Lots 100 through 127 will have an assessment of \$300.00 per year. (these lots are considered estate lots)

Lots 301 through 324 and Lots 401 through 406 will have a maximum assessment of \$270.00 per year. (these are considered garden lots or wooded single family)

Lots 500 through 523 will have a maximum assessment of \$225.00 per year. (these lots are considered the single family lots)

This is intended for the garden lots to pay 90% of estate lots and single family lots pay 75% of estate lots.

Annual assessments shall be due in each January. Lots purchased during any year shall be pro-rated until the following January. The Board of Directors may accept quarterly or semi annual payments if they so desire.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 10% above the maximum assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above ten percent (10%) by a vote of sixty percent (60%) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum assessment permitted under the provisions of Section 3 (a) of Article IV.

Section 4. Special Assessments.

- (a) Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvement upon the Common Area and Common Facilities, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of sixty percent (60%) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.
- (b) Special Assessments for Willful or Negligent Acts. Upon an affirmative vote of sixty percent (60%) of each class of Membership, the Association may levy special assessments against individual Lot Owners, for reimbursement for repairs of Common Areas and Common Facilities occasioned by the willful or negligent acts of the Lot Owners and not ordinary wear and tear.
- (c) Special Assessments for Work Performed by Owner Declarant or the Association. The Association is hereby authorized to assess any Lot for the cost of all work or activity performed on any such Lot pursuant to Article IV, Article IX, Section 4 or Article XI, Section 15.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than 30 days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Annual and Special Assessments. Both annual and special capital assessments must be fixed at a uniform rate for all Lots. Uniform rate is to be at same percent of the annual assessment as set out in Section 3 of this Article. Unless sixty percent (60%) of each class of Members and fifty-one percent (51%) of the Eligible Mortgage Holders have given prior written approval, the Board of Directors of the Association shall not change the pro rata interest or obligations of any Lot (or owner thereof) for the purposes of levying annual and special capital assessments and charges.

Section 7. Date of Commencement of Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots, excepting all lots owned by Owner Declarant and except Lots owned by Developers, on the first day of the month following the conveyance of the Common Area. Assessments on Lots owned by Developers shall commence as provided in Section 16 hereof. The first annual assessment shall be prorated according to the number of months remaining in the calendar year. The due dates shall be established by the Board of Directors.

Section 8. Duties of the Board of Directors with Respect to Assessments.

- (a) The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association.
- (b) Written notice of the assessment shall thereupon be delivered or mailed to every owner subject thereto.
- (c) The Board of Directors shall, upon demand at any time, furnish to any Owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Said certificates shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificates.

Section 9. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association.

- (a) If any assessment or any part thereof is not paid on the date when due, then the unpaid amount of such assessment shall, together with such interest thereon and cost of collection thereof as hereinafter provided, become a continuing lien on the Lot of the non-paying Owner, which lien shall be binding upon such Lot and the Owner thereof, his heirs, executors, devisees, personal representatives and assigns. The Association shall have the right to reject partial payments of an assessment and demand the full payment thereof. The obligation of the then existing Owner to pay such assessment, however, shall remain his personal obligation and shall not be extinguished by transfer of title. The lien for unpaid assessments shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by abandonment of his Lot.
- (b) The Association shall give written notification to the holder (s) of the mortgage on the Lot of the non-paying Owner of such Owner's default in paying any assessment when such default has not been cured within sixty (60) days, if such mortgagee has requested same pursuant to Article XIV, Section 7 of this Declaration.
- (c) If any assessment or part thereof is not paid within thirty (30) days after the due date, the unpaid amount of such assessment shall bear interest from the date of delinquency at the maximum interest rate per annum which can be charged to individuals and the Association may, at its election, bring an action at law against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the Property subject thereof after giving Notice to the holder of any Recorded First Mortgage as set out in Article XIV. There shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and attorney's fee to be fixed by the court, together with the costs of the action and/or all costs of foreclosure, including a reasonable attorney's fee.

Section 10. Reserves for Replacements. The Association shall establish and maintain a reserve fund for replacements of the Common Areas and Common Facilities, and shall allocate and pay to such reserve fund whatever amount may be designated from time to time by the Board of Directors. Amounts paid into such fund shall be conclusively deemed to be a common expense of the Association, and all such amounts may be deposited in any banking institution, the accounts of which are guaranteed by the FDIC, or, in the discretion of the Board of Directors, may be invested in obligations of , or obligations fully guaranteed as to principal by, the United States of America. The reserve for replacements is for the purpose of providing funds for replacement of the Common Areas and Common Facilities, for major repairs to any sidewalks, parking areas, streets, boat ramps, clubhouse, roadways, and dams on the Common Area, for equipment replacement, and for start-up expenses and operating contingencies of an non-

recurring nature relating to the Common Areas and Common Facilities. The Association may establish such other reserves for such other purposes as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of each Member in any such reserves shall be considered as appurtenance to his Lot, and shall not be withdrawn, assigned or transferred separately from or otherwise than as an appurtenance to the Lot to which it appertains, and shall be deemed to be transferred with such Lot.

Section 11. Subordination of the Lien to Mortgages. The lien of the assessments provided herein shall be subordinate to the lien of any Recorded First Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 12. Exempt Property. The following Property subject to this Declaration shall be exempt from the assessments, charge and lien created herein:

- (a) All properties dedicated and accepted by the local public authority and devoted to public use.
- (b) All areas unplatted or reserved by the Owner Declarant on the recorded plat of the Property.
- (c) The Common Area and Common Facilities.

Section 13. Dwelling and Lawn Maintenance. Generally, this Declaration does not contemplate that the Association shall have any responsibility for the maintenance or repair of any Dwelling or its appurtenances or for the maintenance and care of lawn, garden and landscaped areas on any Lot, and the Association shall have the responsibility and duty only for the maintenance, repair and care of the Common Area and Community Facilities. However, the Association may provide the exterior maintenance and repair of Dwellings and their appurtenances and/or the maintenance and care of lawn, garden and landscaped areas of certain Lots pursuant to (i) a determination by the Board of Directors either on its own recommendation or initiative or the recommendation or request of Owners of certain Lots, or (ii) the provisions of a Supplement which annexes all or a portion of the Additional Property to the Property and provides that the Association shall perform such maintenance, repair and care in or on a specified portion of the annexed Additional Property. The cost of such maintenance, repair and care shall be included in the annual maintenance Assessments of such Lots and a charge and a lien upon each such Lot and the Owners of such Lots. In no event shall the Association maintain and care for lawn, garden and landscaped areas in or on any enclosed portion of any Lot which is intended for use only by the occupants of the Dwelling of such Lot.

Section 14. Equitable Adjustments. If a Supplement is filed for record which annexes any portion of the Additional Property to the Property and specifies that a greater or lesser level of use, benefit or enjoyment of the Common Area or Common Facilities or

of services shall be available or provided by the Association with respect to any portion of the annexed Additional Property, then the Supplement may provide a different method or basis for the establishment, determination and calculation of the annual maintenance or special Assessments under Section 3, Section 4, or Section 13 with respect to such annexed Additional Property. In such event, the Association shall have the authority and the duty to make equitable adjustments in and to the procedures described in this Article IV for the establishment, determination and calculation of the maintenance and special Assessments to reflect any such different level of use, benefit and enjoyment of the Common Area or Common Facilities or services available or provided by the Association.

Section 15. Assessments Are Not Dues. No portion of the annual maintenance and special Assessments provided in or permitted by this Article IV are intended to be, or shall be construed to be, dues for membership in the Association.

Section 16. Assessment of Developers. Any Lot owned by a Developer shall not be subject to Assessment by the Association until the earlier of three hundred sixty five (365) days after the date a deed for such Lot is delivered to the Developer or upon closing of house and lot with home owner. The Owner Declarant shall not be subject to Assessment by the Association.

ARTICLE V.

GENERAL POWERS AND DUTIES OF BOARD OF DIRECTORS OF THE ASSOCIATION

Section 1. Powers and Duties. The Board of Directors shall have all the powers, authorities and duties necessary or appropriate for the management and administration of the affairs of the Association, and in managing and administering such affairs, the Board of Directors shall have power and authority to do all acts and things except those which by law or by the Declaration or by the Charter or by the By-Laws, as same may be amended from time to time, may be exercised and done only by the Members. The powers, authorities and duties of the Board of Directors shall include, but shall not be limited to, the following:

- (a) To provide for the care and upkeep of the Common Areas and Common Facilities and services in a manner consistent with law and the provisions of the By-Laws and the Declaration; and
- (b) To provide for the establishment, assessment, collection, use and expenditure of assessments and carrying charges from the Members, and for the filing and enforcement of liens therefor in a manner consistent with law and the provisions of the By-Laws and the Declaration; and
- (c) To provide for the designation, hiring and dismissal of the personnel necessary and appropriate for the proper care and maintenance of the Common Areas and Common Facilities and to provide services on the project

- in a manner consistent with law and the provisions of the By-Laws and the Declaration; and
- (d) To provide for the promulgation and enforcement of such rules, regulations, restrictions and requirements as may be deemed proper respecting the use, occupancy and maintenance of the Common Areas and Common Facilities, including but by no means limited to rules, regulations, restrictions and requirements designed to prevent unreasonable interference with the use of the Common Areas and Common Facilities by the Members and others, all of which rules, regulations, restrictions, and requirements shall be consistent with law and with the provisions of the By-Laws and the Declaration; and
 - (e) To authorize, in their discretion, the payment of patronage refunds if and when the funds derived from assessments shall prove to be more than sufficient to meet all reasonably foreseeable needs of the Association during the then current fiscal year; and
 - (f) To purchase insurance upon the Common Areas and Common Facilities in the manner provided for in the By-Laws; and
 - (g) To repair, restore or reconstruct all or any part of the Common Area and Common Facilities after any casualty loss in a manner consistent with law and the provisions of the By-Laws; and
 - (h) To lease and to grant licenses, easements, rights-of way, and other rights of use in all or any part of the Common Areas and Common Facilities; and
 - (i) To purchase Lots and to lease, mortgage or convey the same, subject to the provisions of the By-Laws and the Declaration.
 - (j) To employ for the Association, at their sole discretion, a management agent or manager (herein at times referred to as the “Management Agent”) at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors from time to time shall prescribe. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon thirty (30) days written notice to the other party. The term of any such management agreement shall not exceed one year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

ARTICLE VI

INSURANCE

Section 1. Association Insurance.

- (a) The Association shall obtain fire and extended coverage and comprehensive public liability insurance in such limits, form and companies, as the Board shall deem advisable to adequately insure the Common Areas and Common Facilities and protect the Owners from and against liability in connection with the Common Area and Common Facilities.

- (b) All costs, charges and premiums for all insurance authorized by the Board as provided herein shall be a common expense of all Owners and a part of the assessment.

Section 2. Owners Insurance.

- (a) Each Owner shall keep his residence insured at all times for its replacement value against losses due to fire, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, and smoke, and any other hazards that may be covered under standard extended coverage provisions, and shall furnish the Association proof of such coverage. In every case of a loss due to any of these hazards in which the improvements have not been totally destroyed, each Owner shall promptly repair the improvements, if the improvements have been totally or completely destroyed, Owner shall promptly clean the Lot to a condition acceptable to the Architectural Review Committee. Thereafter, Owner may rebuild by following the procedures established by Article VIII hereof. In the event Owner fails to repair the damage or clean the Lot, the Board of Directors, after thirty (30) days written notice may clear the Lot and levy a special assessment against the Lot for all costs incurred in cleaning said Lot. Repair or reconstruction of the improvements as used here shall mean restoring the improvements to substantially the same condition which existed prior to the damage.
- (b) Each Owner shall be responsible at his own expense and cost for his own personal insurance on the contents of his own residence, garage, carport or parking space, including decorations, furnishings and personal property therein, and his personal property stored elsewhere on the properties; and for his personal liability not covered by liability insurance for all Owners obtained as a part of the common expense.
- (c) Each Owner of any attached residence shall provide said insurance as may be required by the Association.

ARTICLE VII

AD VALOREM PROPERTY TAXES

Each Owner shall be responsible for and promptly pay ad valorem taxes on his Lot. The Association shall pay the ad valorem taxes on the Common Area and Common Facilities.

ARTICLE VIII

ARCHITECTURAL CONTROL

Section 1. Architectural Review.

- (a) No building, fence, wall or other structure shall be commenced, erected, placed, altered or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the proposed plans and specifications showing the nature, kind, shape, height, materials, exterior color or finish, (plot plan showing the proposed location of such building or structure, drives and parking areas), landscape plan, and construction schedule shall have been submitted to and approved in writing by the Architectural Review Committee designated by the Board. No alteration in the exterior appearance of any building or structure shall be made without like approval from the Architectural Review Committee.
- (b) Two (2) copies of all plans and related data shall be furnished the Architectural Review Committee. One copy shall be retained by the committee and the other copy shall be retained by the Property Owner or Builder marked "Approved" or "Disapproved". Approval shall be dated and shall not be effective for construction commenced more than six (6) months after such approval. Disapproval plans and related data shall be accompanied by a reasonable statement of items found unacceptable. In the event the Board, or its designated committee, fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.
- (c) No approval of plans and specifications, and no publication or architectural standards bulletins shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence will be built in a good, workmanlike manner. The Board or Committee may require payment of a cash fee, as established from time to time by the Board, to partially compensate for the expense of reviewing plans or related data, at the time they are submitted for review. No fee will be charged to an exclusive builder as approved by the Owner Declarant. This paragraph shall not apply to any Property utilized by a governmental agency or institution.
- (d) Refusal of approval of plans, specifications, or location may be based by the Architectural Review Committee upon any ground, including purely aesthetic considerations, so long as they are not arbitrary and capricious. Neither the Board nor the Architectural Review Committee shall be liable to a Property Owner or to any other person on account of any claim, liability or expense suffered or incurred by or threatened against a Property Owner or such other person arising out of or in any way relating to the subject matter of any reviews, acceptances, inspections, permissions, consents or required approvals which must be obtained from the Architectural Review Committee or public authorities whether given, granted or withheld.

Section 2. Building Sizes and Locations.

- (a) The minimum square feet of living area to be contained within the main house or residential structure constructed on any lot, except as herein provided, shall be set forth on Exhibit C for the Property described in Exhibit A and shall be contained in each supplement for each additional phase annexed to the Declaration.
- (b) No residential building shall be erected on any Lot nearer than twenty-five feet (25') from the front lot line, or five (5) feet on side lot lines, except for buildings constructed on waterfront lots or zero lot line lots. On corner lots, the setback on the side yard (facing the street) must be fifteen (15) feet.
- (c) Building locations on waterfront lots are set forth in Section 3 of Article IX. The Architectural Review Committee shall establish the location of and the size of all buildings to be constructed on all zero lot line lots.
- (d) For some Lots in Windermere it may be impossible or inadvisable to enforce the above stated set-back requirements or those set forth in Section 3 of Article IX due to the natural terrain, lot configurations and/or proximity of adjacent structures. Therefore, notwithstanding anything else herein to the contrary, the Architectural Review Committee may approve specific deviations to said setback requirements which it believes to be beneficial to a specific homesite or to adjacent homesites.

Section 3. Topography. The topography of the Property shall not be altered by removal, reduction, excavation, filling or any other means without the prior written approval of the Architectural Review Committee. Written approval will be granted for the minimum amount of earth movement required in plans and specifications approved pursuant to the provisions of the Declaration.

Section 4. Tree Removal. No trees or shrubs of any kind may be removed without the written approval of the Architectural Review Committee. Approval for the removal of trees located within the proposed site for the main dwelling, accessory building or within ten (10) feet of the approved site for such building(s) will be granted unless such removal will substantially decrease the beauty of the Property.

Section 5. Rules and Regulations, etc.. The Architectural Review Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted to it for approval, and may publish and record such statements of policy, standards, guidelines, and may establish such criteria relative to architectural styles or details, colors, setbacks, materials or other matters or changes relative to architectural review and the protection of the environment, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this Article or any other provision or requirement of this Declaration. The decisions of the Architectural Review Committee shall be final except that any member who is aggrieved by any action or forbearance from action by the Committee (or any policy, standard or guideline established by the Committee) may appeal the decision of the Architectural Review

Committee to the Board of Directors within 30 days by written notice to the Board of Directors and such members shall be entitled to a hearing before the Board of Directors.

Section 6. Environmental Hazards.

To secure the natural beauty of the Property, the Architectural Review Committee may promulgate and amend from time to time rules and regulations which will govern activities which may, in its judgement, be environmental hazards such as the application of fertilizers and pesticides or other chemicals. Failure of any Property Owner or tenant of Property in Windermere to comply with the requirements of such rules and regulations shall constitute a breach of this Declaration.

Section 7. Further Siting Authority. To prevent excessive “run” or drainage from any Lots, the Owner Declarant and the Architectural Review Committee reserve the right to establish a maximum percentage of Property which may be covered by a building, patio, driveway or other structures. In the establishment of such maximum percentage, the Owner Declarant and the Architectural Review Committee shall consider topography, percolation rate of the soil, soil types and conditions, vegetation cover and other relevant environmental factors. Neither this nor any other right reserved herein by the Owner Declarant or the Architectural Review Committee shall be construed however, to be an obligation of either the Owner Declarant or the Association to take any action.

Section 8. Committee Appointment and Operation. The Board of Directors shall appoint an Architectural Review Committee which shall be composed of three (3) or more individuals who shall serve at the pleasure of the Board of Directors. The affirmative vote of a majority of the members of the Architectural Review Committee shall be required in order to adopt or promulgate any rule or regulation or to make any finding, determination, ruling or order, or to issue any permit, consent, authorization, approval or the like pursuant to the authority contained in this Article. The Committee shall have the authority to obtain advice or counsel from consultants as needed.

ARTICLE IX

GREEN SPACE AND WATERFRONT AREAS

Section 1. Intent. It is the intention of the Declarant that the natural, scenic and recreational resources, soils, wetlands, wildlife, game and migratory birds currently in evidence at Windermere be maintained and enhanced by designation of certain areas of the Common Area as “green space” by this Declaration or Supplement thereto or as designated on the plats of the Property filed by the Declarants for record with the Chancery Clerk of Jones County.

Section 2. Wildlife. Pursuant to the aforesaid overall objectives of wildlife conservation, no hunting or trapping shall be permitted on any portion of the property at any time except for undesirable wildlife as authorized and approved by rules and regulations promulgated by the Association from time to time. The Owner Declarant, its successors in title and assigns and/or the Association expressly reserves the right to erect

wildlife feeding stations, to plant small patches of cover and food crops for wildlife, to make access trails or paths or boardwalks through green space and Common Area for the purpose of permitted observation and study of wildlife, hiking and non-motorized bike riding, to erect small signs throughout the green space designating points of interest and attraction, and to take such other steps as reasonably necessary and proper to further the community use and enjoyment of the green spaces. The Owner Declarant, its successors in title and assigns, and/or the Association, shall have the right, but shall not be obligated, to protect from erosion all green space and shoreline on all Lots abutting the lake by planting trees, plants, and shrubs where and to the extent necessary, or by such mechanical means as construction and maintenance of siltation basins, or other means deemed expedient or necessary by the Owner Declarant and/or the Association, respectively. The right is likewise reserved to the Owner Declarant and to the Association to take steps necessary to provide and insure adequate drainage ways in the green space and Common Area, to cut fire breaks, remove diseased, dead or dangerous trees and carry out other similar activities, the cost of which services to be paid by assessment of Association in accordance with Article IV of this Declaration.

Section 3. Waterfront Areas. To preserve the natural character of Windermere, there is hereby established construction and clearing restrictions on all properties which front on the lake and that portion of the Property comprising the lake, swamp and flooded area (hereinafter collectively referred to as "lake") shall be preserved substantially in its present natural state except for moderate clearing for view and breeze as approved by the Architectural Review Committee. Notwithstanding the foregoing, the Owner Declarant hereby reserves to itself, its successors in title and assigns, the right to exempt properties from said construction and clearing restrictions in those cases where the Architectural Review Committee in its discretion, determines, in manner neither arbitrary nor capricious, that such exemption will not materially lessen the natural appearances and scenic beauty of the lake or determines that such exemption is necessary to protect the shoreline from erosion or from pollution. The following horizontal construction set-back restriction from the lake is hereby established; (I) except for buildings constructed on zero lot line lots, or lots as described in Article VIII, Section 2, no house sites, no building or other structure shall be constructed or maintained on any Property within thirty (30) feet of the lake and no parking areas designated to accommodate more than two automobiles shall be constructed or maintained on any Property within seventy-five feet of the lake. (II) In Common Area and Green Space, no building or other structures shall be constructed or maintained within twenty (20) feet of the lake and no parking areas designated to accommodate more than two automobiles shall be constructed or maintained within forty (40) feet of the lake except for gazebos and recreational facilities constructed by the Owner Declarant and/or approved by the Architectural Review Committee. All piers shall be constructed in accordance with the design and building criteria adopted by the Architectural Review Committee and the location and extension of same into the lake shall be approved by the Architectural Review Committee prior to commencement of construction, provided however, all piers and docks shall be constructed within the extended boundaries of the side lot lines and in no event shall any structure extend into the lake more than six (6) feet from the existing natural water line of

the Lot. (12 x 12 deck with 6 feet on land and 6 feet over the water). No pier should cover more than 72 square feet of water surface from the water edge.

Section 4. Shoreline Stabilization. Within two years from the date an Owner receives a deed to a waterfront lot, said Owner shall establish the shoreline of said Lot according to the shoreline stabilization criteria adopted by the Architectural Review Committee or such other plan as may be submitted by the Owner and approved by the Architectural Review Committee. Preferred stabilization plans will consist of grassing and natural plantings. Retainer walls will not be acceptable except in unusual circumstances. In the event such Property Owner has not complied with the requirements of this Section 4 within said three year period of time, the Association or the Owner Declarant shall have the option, but not the obligation, to stabilize said shoreline in accordance with the shoreline stabilization criteria adopted by the Architectural Review Committee and charge the cost of said work to the Property Owner as a special assessment against said Lot. The Association and/or the Owner Declarant, severally, their heirs, successors and assigns and agents shall have the right to enter upon Lot for the purpose of performing said work, provided however that prior to exercising such rights to enter upon such Lot for the purpose of performing said work, the Owner Declarant or the Association, as the case may be, shall give the property owner the opportunity to stabilize the shoreline by giving such Property Owner notice that the work must be completed within a reasonable time or that such work shall be performed by the Association or the Owner Declarant, as the case may be. Such notice shall specify the work to be done and the time by which such work must be completed.

Section 5. Other Regulations. The use of the Common Areas, Common Facilities, green areas and lakes by the property owners, their guests and invitees shall be governed by the applicable rules, regulations and polices as from time to time promulgated by the Association. Only non-motorized boats will be permitted on the lakes. The Owner Declarant and the Association shall have the right and authority to lower the level of the lake at such times as they or either of them believe it to be in the best interest of the lake and property, for construction or maintenance of sewer or water lines, for the maintenance, preservation and development of the shore lines and the maintenance and preservation of fish and other wildlife. The Owner Declarant and/or the Association shall not be liable for any matter or claim of any nature whatsoever arising directly or indirectly from the exercise of the right and authority thereby reserved.

ARTICLE X

EASEMENTS

Section 1. Utility Easements. The Owner Declarant, the Association, and each utility providing service to the Property shall have and is granted or reserved non-exclusive easements and rights-of-way in, through, across, on, over, and under the portions of the Property which are not improved with Dwellings, buildings or other structures, including full rights of ingress and egress, for the installation, operation, use, maintenance, repair and removal of utilities and drainage facilities and floodway

easements located in utility or drainage easements as listed on the Schedule of Easements attached hereto as Exhibit D, which are hereby granted and reserved by Owner Declarant pursuant to this Section 1 or as shown and designated on the Plat, and the right to remove any obstruction in any utility or drainage easement which may interfere either with the use of any utility or drainage easement or with the installation, operation, use, maintenance, repair and removal of such utility or drainage facility.

The Owner Declarant shall have non-exclusive easements and rights-of-way in, through, across, on, over, and under the portion of the Common Area which is not improved with buildings or structures to store building supplies and materials, install, construct, maintain, reconstruct and repair sewers, water pipes, irrigation pipes, electrical wires or cables, telephone wires or cables, gas lines, storm drains, television cables, underground conduits, and any related improvements or appurtenances and for all other purposes reasonably related to the completion of construction and the provision of public or private utility services to any portion of the Property. Any and all conveyance documents from the Owner Declarant to the Association with respect to the Common Area and Common Facilities shall be conclusively deemed to incorporate the provisions of this Section 1, whether or not specifically contained in such conveyance documents. At the Owner Declarant's request, the Association shall from time to time execute, acknowledge, and deliver to the Owner Declarant such documents, as the Owner Declarant considers necessary to implement the provisions of this Section 1.

The reservations and rights in this Section 1 expressly include the right to (i) cut any trees, bushes, or shrubbery, (ii) make any gradings of the soil, and (iii) take any other similar action reasonably necessary to provide economical and safe utility and drainage facility installment, repair and maintenance and to maintain reasonable standards of health, safety and appearance.

Section 2. Damage and Ingress and Egress. Any entry by the Owner Declarant, the Association or any utility upon any Lot for the purposes permitted or contemplated by this Article X shall be made with as little inconvenience to the Owner as reasonably practical, and all physical damage to any Lot or improvement shall be promptly repaired and restored.

Section 3. Maintenance and Support Easements. Where Dwellings are permitted on or in close proximity to the boundaries of a Lot, the Common Area and Common Facilities and each Lot and Dwelling on such Lot shall be subject to irrevocable easements for the benefit of the Association and the Owners of the adjoining Lots and abutting Dwellings for (i) drainage, (ii) the maintenance and unobstructed and uninterrupted use of any and all pipes, ducts, flutes, chutes, conduits, cables and wire outlets and utility lines, (iii) maintenance and lateral support of adjoining and abutting buildings and improvements, (iv) such portions of any building or improvement that may overhang a Lot or any portion of the Common Area and Common Facilities, and (v) the walks and sidewalks serving such adjoining and abutting areas.

Section 4. Common Drive or Driveway and Walkway Easements. Declarants hereby create for the Owners of all Lots, a perpetual non-exclusive easement for ingress and egress over and across the drive common to or used by Owners of Lots as shown on any subdivision plat of the Property, and Declarants further create for the Owners a perpetual, non-exclusive easement for pedestrian traffic over and across the walkway, bike and jogging trails or ways, as shown on any subdivision plat of the Property.

ARTICLE XI

USE RESTRICTIONS

The Property shall be subject to the following use restrictions:

Section 1. Use of Lots and Dwellings. Except as permitted by Section 9 hereof, or except for lots that may in the future be conveyed by the Owner Declarant to the Owners Association for additional Common Area, each Lot and dwelling shall be used for single family residential purposes only, and no trade and business of any kind may be carried on therein, except as authorized or permitted pursuant to the applicable zoning ordinances and subject to approval by the Association. Lease or rental of a dwelling for residential purposes shall not be considered to be a violation of this covenant so long as the lease (i) is for not less than the entire dwelling and all the improvements thereon, (ii) is for a term for at least six (6) months, and (iii) is otherwise in compliance with the rules and regulations as may be promulgated and published from time to time by the Board of Directors. All leases shall be required to be in writing, and prior to commencement of any such lease, the Property Owner shall provide the Association and the managing agent of the Association, if any, with copies of such lease. Any lessee or tenant shall in all respects be subject to the terms and conditions of this Declaration and the rules and regulations adopted hereunder. Notwithstanding any provisions in this Section 1 to the contrary, Owner Declarant, its successors or assigns, if the right is so transferred by the Owner Declarant, shall have the perpetual right to designate in writing to the Association from time to time dwellings in the development which may be leased for such period of time as the Owner Declarant shall determine for these dwellings, Owner Declarant shall not be required to supply copies of the leases therefore to the Association.

Section 2. Exterior Appearances.

- (a) Except for maintenance areas within the Common Area and those fences erected by Owner Declarant or the Association, no chainlink fences shall be permitted within the development unless approved by the Architect Review Committee. Unenclosed garages shall not be allowed. Further, no foil, sunscreens, or other reflective materials shall be permitted. When not in use, all garage doors shall be kept closed. No projections of any type shall be placed or permitted above the roof of any improvement except improved chimneys or vents or other objects as may be approved by the Architectural Review Committee.
- (b) Each Property Owner shall provide a screened area to serve as a service yard and an area in which garbage receptacles or similar storage receptacles,

electric and gas meters, air conditioning equipment and other unsightly objects must be placed or stored in order to conceal them from view from the road and adjacent properties. Plans for such screened area delineating the size, design, texture, appearance and location must be approved by the Architectural Review Committee prior to construction. Planting of plants is acceptable for screening.

Section 3. Signs. Except for uniform mail boxes and house numbers approved by the Architectural Review Committee and such signs as may be required by legal proceedings, no signs, advertising or ornaments of any kind shall be maintained or permitted within any windows, on the exterior of any windows located within the development or elsewhere on any portion of the Property. The Property Owner, a realtor, or Developer may place "For Sale" signs on the designated property. Such signs are restricted to 4 square feet, must be kept in good repair and must be approved by the Architectural Review Committee. Inappropriate signs or signs not in good repair will be removed. Notwithstanding the foregoing, the restrictions of this Section 3 shall not apply to Owner Declarant, his agents or assigns, so long as Declarant shall own any of the Lots. In addition, the Board of Directors, on behalf of the Association, shall have the right to erect reasonable and appropriate signs on any portion of the Common Area and within those easement areas established under the Declaration.

Section 4. Other Building and Vehicles. No tent, trailer, manufactured home, barn or other similar outbuilding or structure, shall be placed on any Lot or on any other area at any time, either temporarily or permanently without prior approval of the Architectural Review Committee. Each Owner shall provide for parking for at least two automobiles in addition to a garage for owner vehicles for each Lot owned. The Board of Directors shall have authority to promulgate rules and regulations to govern or prohibit the outside storage or parking upon any Lot, Dwelling or within any portion of the Common Areas, (other than areas provided therefore within the Common Areas, if any) of motor homes, tractors, trucks, (other than pickup trucks) commercial vehicles of any type, campers, motorized campers or trailers, boats or other water craft, boat trailers, ATV's, motorcycles, motorized bicycles, motorized go-carts, or any other related forms of transportation devices. Furthermore, although not expressly prohibited hereby, the Board of Directors may at any time prohibit motor homes, campers, trailers of any kind, motorcycles, motorized bicycles, motorized go-carts and other similar vehicles, or any of them from being kept, placed, stored, maintained, or operated upon any portion of the Property. All Terrain Vehicles, four wheelers, motorized go-carts and other similar vehicles may not be ridden on the Common Areas, streets or home sites of Windermere. Motorcycles, used for transportation, may be ridden from the entrance to their destination and parked and must be equipped with a muffler. No Owners or other occupants of any portion of the Property shall repair or restore any vehicle of any kind upon or within any Lot, Dwelling, or within any portion of the Common Areas, except (i) within enclosed garages or workshops or (ii) for emergency repairs and then only to the extent necessary to enable the movement thereof to a proper repair facility. Owner Declarant hereby reserves the right (without any obligation to do so) to designate within the additional

Property a parking area for boat trailers, motor homes or similar vehicles. The Owner Declarant or Board of Directors may charge a fee for parking in such areas

Section 5. Unsightly Conditions and Nuisances. It shall be the responsibility of each Property Owner and tenants thereof to prevent the development of any unclean, unsightly or unkept conditions of buildings or grounds on the Property which shall tend to substantially decrease the beauty of the community as a whole or as a specific area. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Property. Nor shall any nuisance or odors be permitted to operate upon or arise from the Property, so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using or occupying any other portions of the Property. Noxious or offensive activities shall not be carried on in any Lot, Dwelling or any part of the Common Areas and Common Facilities, and each Owner, his family, tenants, invitees, guests, servants and agents shall refrain from any act or use of a Lot, dwelling or the Common Areas and Common Facilities which would cause disorderly, unsightly, noisy or unkept conditions or which would cause embarrassment, discomfort, annoyance, or nuisance to the occupants of other portions of the Property or which would result in a cancellation of any insurance from any portion of the Property or which would be in violation of any law, governmental code or regulation. Without limiting the generality of the foregoing conditions, no exterior speakers, horns, whistles, bells, or other sound devices except security and fire alarm devices used exclusively for such purposes shall be located, used, or placed within the Property. Any Owner, or his family, tenants, guests, invitees, servants, or agents, who dumps or places any trash or debris upon any portion of the Property shall be liable to the Association for the actual costs of removal thereof or the sum of \$150.00, whichever is greater, and any sum shall be added to and become a part of that portion of the assessment next becoming due to which the Owner and his Lot are subject.

Section 6. Antennas. No television antenna, satellite dish, radio receiver or similar device shall be attached to or installed on any portion of the Property, unless contained entirely within the interior of a building or other structure, or screened from view from street nor shall radio or television signals nor any other form of electromagnetic radiation be permitted to originate from any Lot which may unreasonably interfere with reception or other signals within the Property; provided however, that Owner Declarant and the Association shall not be prohibited from installing equipment necessary for master antenna, security cable television, mobile radio, or other similar systems within the Property and should cable television services be unavailable and adequate television reception not be otherwise available, then an owner may make written application to the Architectural Review Committee for permission to install a television antenna.

Section 7. Lights. The design and location of landscape lighting fixtures shall be subject to the approval of the Architectural Review Committee. Neither these nor any other illumination devices, including but not limited to Christmas ornaments, shall be located anywhere on the structure or grounds of any Lot in such a manner as to adversely illuminate or affect the nighttime environment of any adjoining Property.

Section 8. Pets. No animals, livestock or poultry of any kind, shall be raised, bred, kept, staked or pastured on any Lot, or in the Common Area, except dogs, cats, birds, or other household pets which shall be kept and maintained in accordance with the rules and regulations adopted from time to time by the Board of Directors; provided however, if the supplement annexing such Lots to the Declaration so provides.

Section 9. Sales and Construction Activities. Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for Owner Declarant and his agents, employees, heirs and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement, and sale of Lots and/or dwellings or the development of Lots, Dwellings, Common Areas and the additional Property, including, without limitation, the installation and operation of a sales office in the Clubhouse, construction trailers, offices, and dwellings as may be approved by the Owner Declarant from time to time, provided that the location of any construction trailers of any assignees of Owner Declarant's rights under this Section 9 shall be subject to Owner Declarant's approval. The right to maintain and carry on such facilities shall contain specifically the right to use dwellings as model residences, and to use any dwellings as office for the sale of Lots and/or dwellings, and for related activities.

Section 10. Time sharing. No Lots or dwellings shall be sold under any time sharing, time interval, or assumption of right-to-use programs.

Section 11. Trespass. Whenever the Association and/or the Owner Declarant is permitted by the Declaration to repair, clean, preserve, clear out or do any action on any part of the Property, entering any Lot or any portion of the Property and taking such action shall not be deemed a trespass.

Section 12. Subdivided. No Lot shall be subdivided or its boundary lines changed, except with the written consent of the Board of Directors and the Owner Declarant so long as Owner Declarant owns any Lots subject to the Declaration. However, the Owner Declarant hereby expressly reserves unto itself, its successors in title, or assigns the right to replat any Lot or such Lots owned by it, shown on the plat of any subdivision within Windermere and to take such other steps as are reasonably necessary to make such replatted Lot suitable and fit as a building site including, but not limited to, the relocation of easements, walkways, rights of ways and other amenities to conform to the new boundaries of said replatted Lots. The provisions of this Section 12 shall not prohibit the combining of two or more contiguous Lots into one larger Lot or making two Lots out of three or more contiguous Lots, provided that each of the resulting Lots are larger and contain a minimum Lot frontage equal to or greater than their original frontage on the Lot having the least frontage before combining said Lots or portions thereof. Only the exterior boundary lines of the resulting larger lot(s) shall be considered in the interpretation of these covenants.

Section 13. Certain Construction Rights. The Owner Declarant expressly reserves to itself, its successors in title, and assigns and any other provisions of this

Declaration notwithstanding, the right to build bridges, walkways, or expanse across any natural or man made canals, creeks, riding trails, paths, or lagoons in the Property. Nothing in this section shall be construed as placing an affirmative obligation to the Owner Declarant to provide or construct any such improvement.

Section 14. Certain Controls.

- (a) To implement effective and adequate erosion controls and protect the beauty of the lakes, title and assigns and agents shall have the right to enter upon any lakefront property before and after a building has been constructed thereon for the purpose of performing any grading or landscaping work or constructing and maintaining erosion prevention devices. Provided, however, that prior to exercising its rights to enter upon the properties for the purpose of performing any grading or landscaping work or constructing or maintaining erosion prevention devices, the Owner Declarant or Association as the case may be, shall give the Property Owner the opportunity to take any corrective actions required by giving the property owner notice indicating what type of corrective action is required and that it must be performed within a reasonable period of time. The notice shall specify the immediate corrective action that must be taken by such Property Owner and the time by which such action must be completed. If Property Owner fails to take the corrective action specified, or be late, Owner Declarant or the Association, as the case may be, may then exercise his right to enter in upon the Property in order to take the necessary action. The costs of such erosion prevention measures when performed by the Owner Declarant or the Association, as the case may be shall be paid by the Property Owner thereof.
- (b) To implement effective insect, reptile, and fire ant control, and vegetation and trash control, the Owner Declarant or the Association, and their heirs, successors, assigns and agents, have the right to enter upon any property on which a building or structure has not been constructed and upon which no landscaping plan has been implemented for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, removing trash or dispensing pesticides on all such property which in the opinion of the Owner Declarant or the Architectural Review Committee distracts from the overall beauty, setting and safety of the Property. The cost of this vegetation and trash control shall be kept as low as reasonably possible and shall be paid by the respective Property Owner. Such entry shall not be made until thirty (30) days after such Property Owner has been notified in writing for the need of such work and unless such Property Owner fails to perform the work within said thirty (30) day period.
- (c) The provisions of this section shall not be construed as an obligation on the part of the Owner Declarant or the Association to mow, clear, cut or prune any property, to provide garbage or trash removal services, to perform any grading or landscaping work, construct maintain erosion prevention devices, or to provide water pollution control on any privately owned property.

- (d) Entrance upon Property pursuant to the provisions of this Section 4 shall not be deemed trespass. The rights reserved unto the Owner Declarant and the Association in this section shall not be unreasonably employed and shall be used only where necessary to effect the stated intents and purpose of this Declaration.

Section 15. Water Wells and Sewer Treatment Systems. Except as herein provided, no water wells, septic tanks or sewage disposal systems shall be permitted on any Lot and no plans and specifications shall be approved by the Architectural Review Committee unless such plans and specifications provide that the Lot will be served by the water and sewer system serving the Property. This restriction does not prevent the Owner Declarant or Board from drilling a water well for the purpose of keeping the level or quality of the lakes.

ARTICLE XII

RULE MAKING

Section 1. Rules and Regulations.

- (a) Subject to the provisions hereof, the Board of Directors may establish reasonable rules and regulations concerning the use of Lots, Dwellings, Common Areas and Common Facilities. Particularly and without limitation, the Board of Directors may promulgate from time to time rules and regulations which will govern activities which may, in the judgement of the Board of Directors, be environmentally hazardous, such as the application of fertilizers and pesticides and other chemicals.
- (b) Subject to the terms and provisions of this Declaration the Board of Directors may establish rules and regulations, fees and charges from time to time pertaining to use of the recreational area and amenities as are now and hereinafter located in the Common Areas.

ARTICLE XIII

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. The Property. The Property is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration.

Section 2. Phase Development. The Owner Declarant expressly reserves the option, right and privilege (i) to annex all or any portion of the real property described in Exhibit B which is the Additional Property, to the Property, and (ii) by or as a result of such annexation to the annexed Additional Property to the provisions of this Declaration and the jurisdiction of the Association. The provisions of this Declaration shall not affect or apply to any portion of the Additional Property unless and until such portion of the

Additional Property is annexed to the Property pursuant to the provisions of Section 3 of this Article XIII.

The Owner Declarant shall not have the obligation, but only the option, right and privilege, to develop or annex any portion of the Additional Property. The Owner Declarant expressly does not represent, warrant or guarantee to any Person that any portion of the Additional Property will be developed or will be annexed to the Property. By acceptance of a deed conveying any interest in a Lot, each Owner agrees and represents and warrants to the Owner Declarant and the Association that, in purchasing or otherwise acquiring such interest in the Lot, the Owner has not relied on any proposed, current or future development of any portion of the Additional Property or annexation of any portion of the Additional Property to the Property.

Section 3. Annexation Procedures. To annex Additional Property to the Property as permitted by Section 2 of this Article XIII, the Owner Declarant shall execute and file for record a Supplement which describes the portion of the Additional Property being annexed to the Property and the new, amended or revised description of the Property. The option, right and privilege of the Owner Declarant to annex any portion of the Additional Property to the Property is subject to the following provisions:

- (a) The Owner Declarant's option, right and privilege to annex Additional Property shall terminate and expire on January 1, 2014.
- (b) The Owner Declarant may annex any portion of the Additional Property at different times and in any sequence desired by the Owner Declarant without regard to whether or not the portion of the Additional Property being annexed is contiguous or noncontiguous to the Property.
- (c) The Supplement shall extend the provisions and scheme of this Declaration to the Additional Property being annexed, but the Supplement may contain such complementary additions to and modifications of the provisions of this Declaration as the Owner Declarant determine to be appropriate or necessary for the different character or use, if any, of the, Additional Property being annexed. Such complementary additions and modifications shall not be generally or substantially inconsistent with the provisions of this Declaration, except as permitted by Section 14 of Article IV to equitable adjustments, and otherwise shall not amend or modify the provisions of this Declaration.

Section 4. Effect of Annexation. Upon the Supplement referred to in Section 3 of this Article XIII being filed for record, the Additional Property described in the Supplement shall be annexed to the Property. Any and all Lots, the Common Area and the Common Facilities, including any Green Space, of or in the annexed Additional Property shall be subject to the provisions and scheme of this Declaration and the jurisdiction, functions, duties, obligations and membership of the Association, including the Charter, the Bylaws and the rules and regulations promulgated or adopted by the Board of Directors. All Owners of Lots shall be granted the rights contained in Article II to the Property as described after such annexation.

Section 5. Additional Property Modifications. At any time or times prior, the Owner Declarant shall have the option, right and privilege, but not the obligation, to amend the description of the Additional Property, as contained in Exhibit B, to include other real property the Owner Declarant now or in the future may own or acquire, within the vicinity of, but expressly without the necessity or requirements of being contiguous to, the real property described in Exhibit B, if at such time or times the Owner Declarant intends to develop such other real property in a manner consistent, compatible or in conformance with the Owner Declarant's development of the Property. To amend the description of the Additional Property, the Owner Declarant shall execute and file for record a Supplement which described the other real property being included in the description of the Additional Property and the resulting new, amended or revised description of the Additional Property.

Section 6. Annexation Restrictions. Except for the Property and the Additional Property as amended or revised pursuant to Section 5 of this Article XIII, other real property may be annexed to the Property or become subject to the provisions of this Declaration and the jurisdiction of the Association only by a vote of sixty percent (60%) of the voting power of each class of the Members and such other consent as may be required under this Declaration.

Section 7. No Consent Required. The Owner Declarant shall not be required to obtain any consent or approval of any Owner or other Person, including any Mortgagee, to annex any Additional Property to the Property as permitted by Section 2 of this Article XIII or to amend the description of the Additional Property to include other real property as permitted by Section 5 of this Article XIII, or to convey any lot to the Owners Association as additional common area. Each Owner, each Mortgagee and each other Person, including, but not limited to, each grantee, heir or devisee, personal representative, successor and assign of an Owner, Mortgagee or other Person, by acceptance of any deed or other interest in or with respect to any Lot, including a deed of trust, mortgage or similar encumbrance, shall be deemed to have expressly agreed and consented to (i) each of the provisions of this Article XIII, and (ii) the execution, filing for record and provisions of any Supplement contemplated by this by this Article XIII.

ARTICLE XIV

GENERAL PROVISIONS

Section 1. Duration. The Covenants, Conditions and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Owners of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of thirty-five (35) years from the date this Declaration is recorded in the Office of the Chancery Clerk the second Judicial District of Jones County, Laurel, Mississippi, after which time said covenants shall be automatically extended for the successive periods of ten (10) years unless an instrument signed by a majority of the Owners has been recorded in the Deed Records, in said Chancery Clerk's Office agreeing to abolish the said Covenants,

Conditions and Restrictions in whole or a substantial portion thereof; provided, however, that no such agreements to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

Section 2. Amendments. Notwithstanding Section 1 of this Article, the Covenants, Conditions and Restrictions of this Declaration may be amended by the Owner Declarant prior to January 2003 and subject to the provisions of Section 8 of this Article, may be amended and/or changed in part with the consent of at least seventy-five percent (75%) of the Lot Owners; thereafter said covenants and this Declaration may be amended or terminated with the consent of fifty-one percent (51%) of the Lot Owners, and in each case such amendment shall be evidenced by a document in writing bearing the signatures of such Owners. All amendments, if any, shall be recorded in the Office of the Chancery Clerk of the second Judicial District of Jones County, Mississippi.

Section 3. Enforcement of Declaration.

- (a) Compliance. If any provision of this Declaration is breached or violated or threatened to be breached or violated by any Owner or other Person, then each of the other Owners, the Owner Declarant and/or the Association, jointly or severally, shall have the right, but not the obligation, to proceed at law or in equity to compel a compliance with, or to prevent the threatened violation or breach of, the provisions of this Declaration. If any structure or other improvement located on any portion of the Property, including any Lot, violates any provision of this Declaration, then the Owner Declarant and/or the Association, jointly or severally, shall have the right, but not the obligation, to enter upon any portion of the Property, including any Lot, to abate or remove such structure or other improvement at the cost and expense of the Owners of the Lot where such structure or improvement is located or who otherwise causes such violation, if the violation is not corrected by such Owners within thirty (30) days after written notice of such violation. Any Person entitled to file or maintain a legal action or proceeding for the actual or threatened violation or breach of this Declaration shall be entitled to recover attorney's fees and other costs and expenses attributable to such action or proceeding, and the Association shall be entitled to recover and receive any other amounts specified in Section 9 of Article IV. Any such entry and abatement or removal shall not be or be deemed to be a trespass. The failure by any Person for any period of time to enforce any provision of this Declaration shall not be or be deemed a waiver of the right to enforce or otherwise bar or affect the enforcement of any and all provisions of this Declaration at any time, including any future time.
- (b) Enforcement. This Declaration shall be enforced by any appropriate proceeding at law or in equity (i) against any Person who breaches or violates or threatens to breach or violate any provision of this Declaration, (ii) to recover damages for any such breach or violation, (iii) to collect any amounts payable by any Owner to the Association under this Declaration, including Assessments, attorneys' fees, costs of collection, late charges, overhead

charges or other amounts incurred by the Association to perform or discharge any obligation or duty of any Owner under this Declaration or otherwise specified in this Declaration, including Section 9 of Article IV, and (iv) to enforce any lien created by this Declaration. There is hereby created and declared to be a conclusive presumption that any actual or threatened violation or breach of this Declaration cannot be adequately remedied by an action at law exclusively for recovery of monetary damages. The Declarants, the Association and each Owner by acceptance of a deed or other conveyance document to a Lot waives and agrees not to assert any claim or defense that injunctive relief or other equitable relief is not any appropriate remedy.

Section 4. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no wise affect any other provision, which shall remain in full force and effect.

Section 5. Headings. The headings contained in this Declaration are for reference purposes only and shall not in any way affect the meaning or interpretation of this Declaration.

Section 6. Notices to Owner. Any notice required to be given to any Owner under the provisions of this Declaration shall be deemed to have been properly delivered 48 hours after a copy of same has been deposited in the United States mails, postage prepaid, addressed to the last known address of the person who appears as Owner on the records of the Association at the time of such mailing.

Section 7. Lender's Notices. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot or address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion of the project or the unit securing its mortgage.
- (b) Any sixty- (60) days delinquency in the payment of assessments or charges owed by the Owner of any Lot on which it holds the mortgage.
- (c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Any proposed action that requires the consent of a specified percentage of mortgage holders.

Section 8. Consent of Eligible Mortgage Holders. The Owners, or the Board of Directors, or the Association, by any act or omission, shall not do any of the following things without the prior written consent and approval of the holders of fifty-one percent (51%) of outstanding Recorded First Mortgages who have requested notice from the Association of any proposed action that requires the consent of a specified percentage of Eligible Mortgage Holders:

- (a) Abandon, partition, subdivide, encumber, sell or transfer any of the Common Area provided, however, that the granting of rights of way, easements and the like for public utilities or for other purposes consistent with the use of the Common Area by the Owners shall not be considered an encumbrance, sale or transfer within the meaning of this Subsection.
- (b) Abandon or terminate this Declaration; or
- (c) Modify or amend any material or substantive provision of this Declaration. A change to any of the following would be considered as material:
 - (i) Voting rights
 - (ii) Assessments, assessment liens, or subordination of assessment liens
 - (iii) Reserves for maintenance, repair, and replacement of Common Areas
 - (iv) Responsibility for maintenance and repairs
 - (v) Reallocation of interests in the Common Areas or Limited Common Areas, or rights to their use
 - (vi) Convertibility of Lots into Common Areas or Common Areas in to Lots, except as reserved by the Declarant under Article XV
 - (vii) Expansion or contraction of the project, or the addition, annexation, or withdrawal of property to or from the project, except as provided by Article XIII
 - (viii) Insurance or fidelity bonds
 - (ix) Leasing of Lots
 - (x) Imposition of any restriction on an Owner's right to sell or transfer his or her Lots
 - (xi) Any provisions that expressly benefit Mortgages, insurers, or guarantors.
- (d) Annex additional properties not included in Exhibit B or added thereto as provided by Section 5 of Article XIII; or merge or consolidates the Association.

Section 9. Additional Rights of Eligible Mortgage Holders – Notice.

- (a) The Association shall promptly notify any Eligible Mortgage Holder on any Lot, which such holder is the holder of a Recorded First Mortgage as to any assessment levied pursuant to the Declaration, or any installment thereof, which shall become and remain delinquent for a period in excess of sixty (60) days, and the Association shall promptly notify such holder on any Lot as to which there is default by the Owner with respect to performance of any other obligation under this Declaration which remains uncured for a period in excess of sixty (60) days following the date of such default. Any failure to give any such notice shall not affect the validity or priority of any Recorded First Mortgage on any Lot, and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure. Also, any failure to give any such notice shall not affect the validity of the lien for any assessment levied pursuant to this

Declaration, nor shall any such failure affect any of the priorities for liens as specified in Article IV hereof.

- (b) No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after ten (10) days' written notice to the holder of the Recorded Mortgage encumbering the Lot which is the subject matter of such suit proceeding.
- (c) Any holder of a Recorded First Mortgage on any Lot upon the Property may pay any taxes, utility charges or other charges levied against the Common Area which are in default and which may or have become a charge or lien against any of the Common Area. Any holder of a Recorded First Mortgage who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Owners.
- (d) No mortgagee and no beneficiary or trustee under a deed of trust shall become personally liable for or obligated for any unpaid maintenance fund assessment.
- (e) No amendment to this Declaration shall affect the rights of the holder of any Recorded First Mortgage recorded prior to recordation of such amendment who does not join in the execution thereof, except for Supplements annexing Additional Property added pursuant to Article XIII.
- (f) The holders, insurers or guarantors of any Recorded First Mortgage on a Lot who have requested the Association in writing will be entitled to: (i) inspect the books and records of the property during normal business hours; (ii) receive an annual financial statement of the project within ninety days following the end of any fiscal year of the project; (iii) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings; and (iv) current copies of this Declaration, the Bylaws of the Association and all other rules concerning the project.

Section 10. Captions and Gender. The captions contained in this Declaration are for convenience only and are not a part of this Declaration and are not intended in any way to limit or enlarge the terms and provisions of this Declaration. Whenever the context so requires, the male shall include all genders and the singular shall include the plural.

Section 11. Record of Mortgage. Any holder of a Recorded First Mortgage shall be entitled to notify the Association that such mortgagee holds a mortgage on a Lot. The Board of Directors shall maintain such information in a book entitled "Holders of Recorded First Mortgages".

Section 12. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered forty-eight hours after a copy of the same has been deposited in the United States mail, post pre-paid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association; provided, however, that notice of meetings need not be mailed by

Certified Mail, Return Receipt Requested. Such addresses may be changed from time to time by notice in writing to the Association.

ARTICLE XV

OWNER DECLARANT'S RIGHTS AND RESERVATIONS

Section 1. Owner Declarant's Rights and Reservations. No provisions in the Charter, Bylaws or this Declaration shall limit, and no Owner or the Association shall do anything to interfere with, the right of Owner Declarant to subdivide or resubdivide any portions of the Property, or to complete improvements or refurbishments (if any) to and on the Common Area, Green Space or any portion of the Property owned by Owner Declarant or to alter the foregoing or the construction plans and designs, or to construct such additional improvements or add future phases in the course of development of Windermere, pursuant to Article XIII, Section 2 of this Declaration as Owner Declarant deems advisable in the course of development of the Property. Such right shall include, but shall not be limited to, the right to install and maintain such structures, displays, signs, billboards, flags and sales offices as may be reasonably necessary for the conduct of his business for completing the work and disposing of the lots by sale, lease or otherwise. Each Owner by accepting a deed to a Lot hereby acknowledges that the activities of Owner Declarant may temporarily or permanently constitute an inconvenience or nuisance to the Owners, and each Owner hereby consents to such inconvenience or nuisance. This Declaration shall not limit the right of Owner Declarant at any time prior to acquisition of title to a lot by a purchaser from Owner Declarant to establish on that lot, Common Areas, additional licenses, easements, reservations and rights of way to itself, to utility companies, or to others as may from time to time be reasonably necessary to the proper development and disposal of the property. The Owner Declarant need not seek or obtain Board approval of any improvement constructed or placed by Owner Declarant on any portion of the Property. The rights of Owner Declarant under this Declaration may be assigned by Owner Declarant to any successor and any interest or portion of Owner Declarant's interest in any portion of the Property by a recorded, written assignment. Notwithstanding any other provision of this Declaration, the prior written approval of Owner Declarant, as one of the Declarants of Windermere, will be required before any amendment to this Article shall be effective while Owner Declarant owns a Lot. Owner Declarant shall be entitled to the non-exclusive use of the Common Area, Green Area, without further cost or access, ingress, egress, use or enjoyment, in order to show the Property to his prospective purchasers or lessees and dispose of the Property as provided herein. Owner Declarant, his assigns and tenants shall also be entitled to the non-exclusive use of any portion of the Common Area, Green Area, which comprises drives or walkways for the purpose of ingress and egress and accompanying vehicle and pedestrian traffic to and from the Property. Each Owner hereby grants, by acceptance of the deed to this lot, an irrevocable, special power of attorney to Owner Declarant to execute and record all documents and maps necessary to allow Owner Declarant to exercise his rights under this Article. This Article shall be applicable for so long as the Owner Declarant owns any portion of the Property.

OWNER DECLARANT

BUSH FARMS, INC.

BY: _____
Harry H. Bush, President

CONTRACTOR DECLARANT

NEILL HOMES, LLC

BY: _____
Robert M. Neill, Jr., Member

MORTGAGEE CONCURRENCE

Trustmark National Bank does hereby consent to and concur in the adoption by Declarants of the foregoing Declaration of Covenants, Conditions and Restrictions. Dated this the _____ day of _____, 2001.

TRUSTMARK NATIONAL BANK

BY: _____
James C. McNesse, President

STATE OF MISSISSIPPI
COUNTY OF JONES

PERSONALLY appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named Harry H. Bush, who acknowledged that he is President of BUSH FARMS, INC., a Mississippi corporation, and that for, and on behalf of the said corporation, and as its act and deed, he signed and delivered the above and foregoing instrument of writing for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said corporation so to do.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE, this the _____ day of _____, 2001.

Notary Public

My Commission Expires:

STATE OF MISSISSIPPI
COUNTY OF JONES

Personally appeared before, the undersigned authority in and for the said county and state, on this _____ day of _____, 2001, within my jurisdiction, the within named Robert M. Neill, Jr., individually, and Robert M. Neill, Jr., who acknowledged that he is a Member of NEILL HOMES, LLC, a Mississippi limited liability company, and that for and on behalf of the said limited liability company, and as its act and deed he executed the above and foregoing instrument having first been duly authorized by said limited liability company so to do.

Notary Public

My Commission Expires:

STATE OF MISSISSIPPI
COUNTY OF JONES

Personally appeared before me, the undersigned authority in and for the said county and state, on this _____ day of _____, 2001, within my jurisdiction, the within named James C. McNeese, who, being duly sworn, says on oath that he is President of the within named Trustmark National Bank, a national banking association, and is authorized by said national banking association to execute the above and foregoing instrument for and on its behalf; and who acknowledged that he signed, sealed, and delivered the above and foregoing instrument for and on behalf of and as the act and deed of said national banking association on the day and year therein mentioned.

Notary Public

My Commission Expires:

Exhibit A: Windermere Phase One

LEGAL DESCRIPTION OF WINDERMERE PHASE I:

See Legal Description of Windermere Phase I on file.

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Exhibit B: Windermere Phase I

**LEGAL DESCRIPTION OF ADDITIONAL PROPERTY FOR RIGHT
OF ANNEXATION TO WNDERMERE AS DESCRIBED IN
ARTICLE XIII SECTION 2**

See Legal Description of Additional Property Reserved for Annexation to
Windermere on file.

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EXHIBIT C

**MINIMUM BUILDING SIZE & VARIANCE FOR SET BACK
REQUIREMENTS**

- | | | |
|------|----------------------|--|
| Lots | 100, 107 – 127 | Minimum building size – 2,200 sq. ft. |
| Lots | 101, 104 | Minimum building size – 1,500 sq. ft.
Front set back – 15 ft.
Waterfront set back – 20 ft.
Conveyance of these lots may be in parcels comprising less than the entire lot.
Construction on these lots may utilize either zero lot line or common wall concept. |
| Lots | 301 – 324 | Minimum building size – 1,800 sq. ft.
Construction on these lots may utilize zero line concepts. |
| Lots | 401 – 406 | Minimum building size – 1,750 sq. ft. |
| Lots | 500 – 527 | Minimum building size – 1,500 sq. ft. |
| Lots | 506 – 509, 524 – 527 | Construction on the lots may utilize zero lot line concept. |

SIDEWALK REQUIREMENTS

The purchaser will be required to construct a sidewalk or walking path as approved by the Architectural Review Committee on the following lots:

- | | |
|------|----------------|
| Lots | 111 – 116 |
| Lots | 118 – 122 |
| Lots | 301 – 312, 314 |
| Lots | 401 – 406 |
| Lots | 500 – 509 |
| Lots | 517 – 520 |
| Lots | 524 - 526 |

EXHIBIT D

SCHEDULE OF EASEMENTS

The following easements are hereby reserved on, over and across all lots.

1. Ten foot (10') easement along the property line of each lot that is adjacent to street right-of-way for utility, walking paths and/or sidewalks.
2. All easements as shown on the recorded subdivision plat.

Exhibit "B" (Phase II)

**SUPPLEMENT TO DELCARATION OF CONVENANTS, CONDITIONS AND
RESTRICTIONS FOR WINDERMERE PHASE II – THE FELLS**

Lots 201 through 239

**MINIMUM BUILDING SIZE AND VARIANCE FOR SET BACK
REQUIREMENTS**

Lots 201 - 213	Minimum building size: 2500 sq. ft.
Lots 214 - 219	Minimum building size 2400 sq.ft.
Lots 220 - 239	Minimum building size 2200 sq. ft.

SIDEWALK REQUIREMENTS

The purchaser will be required to construct a sidewalk or walking path as approved by the Architectural Review Committee on the following lots:

Lots 202 – 209
Lots 211 – 213
Lots 220 – 222
Lots 234 – 238

MINIMUM ANNUAL ASSESSMENT

Immediately following the conveyance of the first lot to an owner there will be an assessment of \$300.00 per year plus any increases made (the same as Estate Lots).

DIVISION OF LOT

Lots 234 may be divided into two parcels to accommodate the construction of two zero lot lines or common wall concept houses. If two such structures are constructed on this lot the minimum building or unit size will be 1800 square feet.

Exhibit "B" (Phase III Supplement #2)

**SUPPLEMENT NUMBER 2 TO DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR WINDERMERE PHASE III**

Lots 601 through 633
Lots 701 through 711

**MINIMUM BUILDING SIZE AND VARIANCE FOR SET BACK
REQUIREMENTS**

Lots 601 - 623	Minimum building size: 1600 sq. ft.
Lots 624 - 633	Minimum building size 1500 sq. ft.
Lots 071 - 711	Minimum building size 1750 sq. ft.

SIDEWALK REQUIREMENTS

The purchaser will be required to construct a sidewalk or walking path as approved by the Architectural Review Committee on the following lots:

Lots 618 - 629
Lots 633 East Side (Joshbury Circle)
Lots 707 - 711

MINIMUM ANNUAL ASSESSMENT

Immediately following the conveyance of the first lot to an owner there will be an assessment every year plus any increases made as follows:

Lots 601 – 633	\$247.00 per year for single family lots plus any increase
Lots 701 – 711	\$297.00 per year for garden lots plus any increase

MASONRY SIDING

Lots 701 – 711 will have masonry on all sides of any house constructed thereon. Side entry garage is required unless a variance is given by the Architect Review Committee.

Lots 601 – 633 Masonry front elevation of first floor.

Lots 607, 6087, 609 Lots 701, 702, 703, 706, 707 were declared not in Flood Hazard area by FEMA by Letter of Map Amendment dated 10-26-06 as per attachment.

Exhibit "B" (Phase IV)

SUPPLEMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WINDERMERE PHASE III

Lots 801 through 813
Lots 905 through 913

MINIMUM BUILDING SIZE AND VARIANCE FOR SET BACK REQUIREMENTS

Lots 801 - 803 Minimum building size: 1600 sq. ft.
Lots 804 - 813 Minimum building size 1750 sq. ft.

SIDEWALK REQUIREMENTS

The purchaser will be required to construct a sidewalk or walking path as approved by the Architectural Review Committee on the following lots:

Lots 801 - 813

MINIMUM ANNUAL ASSESSMENT

Immediately following the conveyance of the first lot to an owner there will be an assessment every year plus any increases made as follows:

Lots 801 – 813 \$247.00 per year for single family lots plus any increase
Lots 804 – 813 \$297.00 per year for garden lots plus any increase

MASONRY SIDING

Lots 804 – 813 will have masonry on all sides of any house constructed thereon a side entry garage is required unless variance is given by Architect Review Committee.

BUILDING RESTRICTIONS

No permanent structure may be built on lots 801-804 or lots 905-913. Lots 801-804 and 905-913 are located within flood zone "AE" as per FEMA NFIP Community Map Panel No. 2802220045B. FEMA has issued conditional letters of map revision based on fill (CLOMR-F) dated October 26, 2006, for these lots. Structures to be built on these lots should be elevated such that the lowest adjacent grade (as defined by FEMA is a

minimum of six inches above the base flood elevation of 232.00. Lots 805-813 have been removed from flood zone "AE". FEMA has issued letters of map amendment (LOMA), dated October 26, 2006 for these lots. See FEMA letter attached hereto.

CONVEYANCE AND ENCUMBERING RESTRICTIONS

The owners of lots 805-813 may not sell, lease, encumber or otherwise hypothecate said lots without selling, leasing mortgage encumbering on hypothecating the corresponding lot 905 through 913 located behind each said lot from lot 805 through 813. That is, by example, lots 805 and 905 must be sold, leased, mortgages, encumbered or hypothecated together.

REVISED EXHIBIT "C" (Phase I Revised)
TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
WINDERMERE PHASE ONE AND WINDERMERE PHASE ONE REVISED

Windermere Phase One

Lots 100, 110-120, 126-127, 301-323, 401-406, 500-505, 512-518, 521-523

Windermere Phase One Revised

Lots 101, 104, 107-109, 121-125, 324, 506-509, 510-511, 519-520, 524-527

MINIMUM BUILDING SIZE & VARIANCE FOR SET BACK
REQUIREMENTS

- | | | |
|------|----------------------|--|
| Lots | 100, 107 – 127 | Minimum building size – 2,200 sq. ft. |
| Lots | 101, 104 | Minimum building size – 1,500 sq. ft.
Front set back – 15 ft.
Waterfront set back – 20 ft.
Conveyance of these lots may be in parcels comprising less than the entire lot.
Construction on these lots may utilize either zero lot line or common wall concept. |
| Lots | 301 – 324 | Minimum building size – 1,800 sq. ft.
Construction on these lots may utilize zero line concepts. |
| Lots | 401 – 406 | Minimum building size – 1,750 sq. ft. |
| Lots | 500 – 527 | Minimum building size – 1,500 sq. ft. |
| Lots | 506 – 509, 524 – 527 | Construction on the lots may utilize zero lot line concept. |

SIDEWALK REQUIREMENTS

The purchaser will be required to construct a sidewalk or walking path as approved by the Architectural Review Committee on the following lots:

Lots 111 – 116

Lots 118 – 122

Lots 301 – 312, 314

Lots 401 – 406

Lots 500 – 509

Lots 517 – 520

Lots 524 - 526