

*Protective Covenants and
Homes Association
Charter
and
By-Laws*



AUGUSTA, GEORGIA

PROTECTIVE COVENANTS

MONTCLAIR ASSOCIATION, INC.

"A home is not a detached unit but a part of a neighborhood, which in turn is part of a town; and the good quality of the home usually depends at least as much on its surroundings as on its design and construction. Hence' the vital importance of ground planning and control of the development of neighborhoods." -Thomas Adams

FOREWORD

Protective covenants, or private deed restrictions, have been found from many years of experience to be an essential instrument in maintaining character and desirability in community development. Years of experience by developers all over the nation has been drawn upon in the preparation of these covenants in an effort to create a residential community in which the individual home owner is not unduly hampered in the use of his property, yet is protected against the haphazard development so familiar in older areas.

Protective covenants are not to be considered as taking the place of public regulations such as zoning. Both types of regulations are essential and are not necessarily overlapping. Zoning by Richmond County provides for certain limited regulations which are considered necessary in the interest of public health, safety and general welfare. The protective covenants in Montclair are contracts between private parties, the owners of the property involved, which give considerably more protection than regulations enforceable by Richmond County.

General Purpose of Covenants

The real property described in Paragraph I hereof is subjected to the covenants, restrictions, reservations, servitudes, and easements hereby declared to insure the best use and the most appropriate development and improvement of each lot thereof; to protect the owners of lots against such improper use of surrounding lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereon of poorly designed or proportioned structures and structures built of improper or unsuitable materials, to obtain harmonious architectural schemes; to insure the highest and best development of said property; to encourage and secure the erection of attractive homes thereon, with appropriate locations thereof on lots; to prevent haphazard and inharmonious improvements of lots; to secure and maintain proper setbacks from streets and adequate free spaces between structures; and, in general, to provide adequately for a high type and quality of improvement in said property, and therefore enhance the value of investments made by purchases of lots therein.

Covenant Contents

Covenants printed herein are a composite of covenants of record for Sections I-V of Montclair. Covenants for the individual sections differ slightly, one from another, and this booklet consolidates these differences into one document for information purposes, and contains the same data as will be found in the Covenants of Record filed in the Office of the Clerk, Superior Court, Richmond County as follows:

Section I Realty Book 30U Pages 764-768

Section II Realty Book 33J Pages 385-401

Section III Realty Book 34Q Pages 217-232

Section IV Realty Book S7K Pages 350-365

Section V Realty Book 36Y Pages 90-102

CONTENTS	Page
PROTECTTVE COVENANTS	
Declaration and Legal Description	4
Uses, Buildings, and Location of Structures Prohibited and Permitted	6
Reservations of Easement	10
Covenants for Assessments in Favor of The Association	10
Dedication of the Park	12
Addition to Property Subject to This Agreement	13
Membership in The Association and Voting Rights of Its Members	14
Severability Clause	16
Remedies for Violations of These Covenants	16
Effective Period	16

PROTECTIVE COVENANTS

DECLARATION AND LEGAL DESCRIPTION

THIS DECLARATION OF PROTECTIVE COVENANTS, made and published this 14th Day of October, 1964, by THE BAILEY COMPANY, a corporation chartered under the laws of the State of Georgia, having its principal office in Richmond County, Georgia, herein after referred

to as THE DEVELOPER, and MONTCLAIR ASSOCIATION, INC., a non-profit corporation chartered under the laws of the state of Georgia, having its principal office in Richmond County, Georgia, hereinafter referred to as THE ASSOCIATION:

WITNESSETH

THAT WHEREAS, The Bailey Company is the owner and developer of:

ALL those lots and parcels of land in Richmond County, Georgia, in Section I of Montclair, more particularly described as Lots 1 through 3, Block K; Lots 1 through 25, Block J; Lots 1 through 33 Block H; Lot I, Block L; Lots 52 through 65, Block L; Lots 11 through 19, Block G; Lots 1 through 29, Block F; Lot I, Block N; Lots 18 through 28, Block N; Lots 6 through 10, Block O, and Lots 1 through 34, Block E; on a plat made by James G. Swift dated May 15, 1964 and recorded in the Office of the Clerk of Superior Court of Richmond County, Georgia, in Realty Book 30U Page 758-763 to which reference is made for a more particular description, and

THIS DECLARATION OF PROTECTIVE COVENANTS, made and published this 20th day of October, 1966 by THE BAILEY COMPANY:

WITNESSETH

THAT WHEREAS, The Bailey Company is the owner and developer of:

ALL those lots and parcels of land in Richmond County, Georgia in Section II of Montclair, more particularly described as Lots 35-47, Block E; Lots 1-7, Block P; Lots 1-5, Block Q; Lots 1-28, Block A; Lots 40-42, Block A; Lot 1, Block B; Lots 18-43, Block B; and Lots 1-4, Block C; on a plat made by James G. Swift dated August 10, 1965 and revised November 8, 1965, and revised March 11, 1966 AND RECORDED in the Office of the Clerk of Superior Court of Richmond County, Georgia in Realty Book 33-J, pages 379-384 to which reference is made for a more particular description, and

THIS DECLARATION OR PROTECTIVE COVENANTS, made and published this 15th day of November, 1967 by THE BAILEY COMPANY, a corporation

WITNESSETH

THAT WHEREAS, The Bailey Company is the owner and developer of:

ALL those lots and parcels of land in Richmond County, Georgia in Section III of Montclair more particularly described as lots 1 through 10, Block G; Lots 48 through 84, Block E; Lots 1 through 29, Block D; Lots 5 through 33, Block C; Lots 2 through 17, Block B; Lot 17-A, Block B; and Lot 17-B, Block B; on a plat made by Swift-Gregg Associates dated June 28, 1967, and labeled Section III, Montclair, and recorded in the office of the Clerk of Superior Court of

Richmond County, Georgia in Realty Book 31-U. pages 214-216 to which reference is made for a more particular description and

WITNESSETH

THAT WHEREAS, The Bailey Company is the owner and developer of:

ALL those lot sand parcels of land in Richmond County, Georgia in Section IV of Montclair, more particularly described as Lots 2 through 42, Block L; Lots 4 through 11, Block K; Lots 2 through 16, Block N; and Lots 11 through 41, Block O; on a plat made by Swift-Gregg Associates dated January 16. 1957, revised April 10. 1969, and labeled Section IV, Montclair, and recorded in the Office of the Clerk of Superior Court of Richmond County. Georgia, in Realty Book 37-H, pages 739-744, to which reference is made for a more particular description, and

THIS DECLARATION OF PROTECTIVE COVENANTS made and published this 9th day of September, 1969 by C. K. LAWRENCE, III BUILDER. INC., a corporation chartered under the laws of the State of Georgia, having its principal office in Richmond County, Georgia, hereinafter referred to as THE DEVELOPER.

WITNESSETH

WHEREAS. C. K. LAWRENCE, III BUILDER. INC. is the owner and developer of:

ALL those lots or parcels of land with improvements thereon, in Richmond County, Georgia, in Section V of Montclair Subdivision, being more particularly described as Lots 6 through 24 of Block "Q" and Lots 9 through 40 of Block "P" on a plat made by Swift-Gregg Associates, C.E., dated July 14, 1969, and labeled Section V of the Montclair Subdivision, and recorded in the Office of the Clerk of the Superior Court of Richmond Count, Georgia. Reference being made to said plat for a more complete description as to metes, courses and bounds.

WHEREAS, THE DEVELOPER desires to develop on said property a residential community, and has deemed it desirable for the efficient preservation of values and amenities to create an organization to which should be delegated and assigned the powers of maintaining and administering the community properties and amenities hereinafter described and administering and enforcing the terms and conditions hereinafter set forth in this agreement and

WHEREAS, THE DEVELOPER has caused THE ASSOCIATION to be incorporated under the laws of the State of Georgia, for the purpose of exercising the powers and functions aforesaid, and

WHEREAS, the property shown on a plat of Montclair, Section I as "park," said plat being recorded in the Office of the Clerk of the Superior Court of Richmond County, Georgia in Realty Book 30-U, pages 758-763, has been conveyed to THE ASSOCIATION and

deemed it desirable, for the efficient preservation of values and amenities, to create an organization to which should be delegated and assigned the powers of maintaining and

administering the community properties and amenities hereinafter described and administering and enforcing the terms and conditions hereinafter set forth in this agreement, and

WHEREAS, THE DEVELOPER has caused THE ASSOCIATION to be incorporated under the laws of the State of Georgia, for the purpose of exercising the powers and functions aforesaid, and

WHEREAS, the property shown on a plat of Montclair, Section I as "park," said plat being recorded in the Office of the Clerk of the Superior Court of Richmond County, Georgia in Realty Book 30-U, pages 758-763, has been conveyed to THE ASSOCIATION and the property shown on a plat of Montclair Section "park #2," said plat being recorded in said Clerk's Office in Realty Book 33-J, pages 379-384, has been conveyed to THE ASSOCIATION, as also stipulated in paragraph 17 hereof, in order to provide parks, playgrounds, recreation areas, open space and areas suitable for community facilities for benefit of property owners and inhabitants of Montclair who may be or become members of Montclair Association, Inc., but not for the general public, and:

WHEREAS, it is to the interest and benefit and advantage of THE DEVELOPER, THE ASSOCIATION, and to each and every person who shall hereafter purchase any lot in said subdivision, that certain protective covenants governing and regulating the use and occupancy of the same, and certain easement reservations, and servitudes be imposed upon said property, and that same be established, set forth and declared to be covenants running with the land:

NOW THEREFORE, for and in consideration of the premises and of the benefits to be derived by THE DEVELOPER, and each and every subsequent owner of any of the lots in said subdivision, THE DEVELOPER does hereby set up, establish, promulgate and declare the following: protective covenants to apply to all of said lots and to all persons owning said lots, or any of them hereafter:

**USES, BUILDINGS, AND LOCATION
OF STRUCTURES PROHIBITED AND PERMITTED**

1. No portion of the land described herein shall be used for commercial or mercantile purposes but will be used solely for residential purposes for the erection of one detached single-family dwelling, not exceeding two stories in height, on each of the lots which

may be sold and conveyed and without limiting generality of the foregoing, the following are specifically prohibited: apartment houses, hospitals, infirmaries, boarding houses, hotels and any other use not limited to a single-family dwelling for residential purposes. For the purpose of these restrictions churches and public schools are deemed accessory to residential purposes and may be erected and maintained on any portion of the described property and a clubhouse, community center, swimming pool, with or without appurtenant bath house, athletic facilities and recreational facilities of all kinds may be erected and maintained upon the premises designated on said plat as "Park."

2. No trailer or mobile home shall be permitted on any lot at any time except for construction purposes during the construction period of houses or for a temporary real estate sales office for the subject property only. THE DEVELOPER, however, reserves the right, for itself and its nominees, to use Lot 1 Block L, Section I, and Lot 2 Block L and Lot 9 Block L, Section IV for the operation of a construction business and to maintain thereon any improvements or equipment which may be deemed necessary proper, or expedient for sales and construction purposes by THE DEVELOPER and its nominees. The only exception to the above is that a trailer used entirely for camping and recreation may be parked on a lot provided, however, that written permission of THE DEVELOPER must be obtained before parking any such trailer on any lot described herein. No attic, shack, garages, barn or any outbuilding shall be used for residential purposes, except that servant's quarters may be provided as a part of or accessory to a main residence and shall conform to it in exterior design and quality.
3. All residences erected on any lot in Montclair, Section I, shall be single-family residences described in Paragraph 1 hereof; and in the case of a one-story residence, the main dwelling floor area, exclusive of porches, attached garages, carports and other auxiliary space, shall be not less than one thousand two hundred (1,200) square feet; and in the case of a one and one-half story or two story residence, the main dwelling floor area, exclusive of porches, attached garages, carports and other auxiliary space, shall be not less than eight hundred (800) square feet on the downstairs floor. A split level house (either a front to back, back to front or side to side) will be considered as a two-story house except that the total area of the two lower levels must equal or exceed the prescribed minimum for the first floor of a two-story house. Any house shall be considered to be a split level house when it has three or more well defined interior floor levels and an upper floor is superimposed over one of the lower floor levels. No residence shall be permitted on any lot at a cost less than \$11,000.00 based upon cost levels prevailing on the date these covenants are recorded, it being the intention and purpose of these covenants to assure that all dwellings shall be of a quality of workmanship and materials substantially the same or better than that which can be produced on the date these covenants are recorded at the minimum cost stated herein for the minimum permitted floor area.
 - 3a. All residences erected on any lot in Montclair, Section II shall be single-family residences described in Paragraph I hereof. With respect to lots 35-47, Block E; lots 1-7, Block P; and lots 1-5, Block Q, in the case of a one-story residence the main dwelling floor area, exclusive of porches, attached garages, carports and any other auxiliary space,

shall not be less than one thousand three hundred and fifty (1,350) square feet, and in the case of a one and one-half story or two-story residence, the main dwelling floor area, exclusive of porches, attached garages, carports and other auxiliary space, shall be not less than nine hundred (900) square feet on the downstairs floor. No residence shall be permitted on any lot at a cost less than eleven thousand dollars (\$11,000) based upon cost levels prevailing on the date these covenants were recorded. In the case of all the remaining lots in Montclair, Section II, the minimum square footage shall be one thousand five hundred (1,500) in the case of a one-story house and one thousand (1,000) in the case of a one and one-half story or two story residence. A split level house (either a front to back , back to front, or side to side) will be considered as a two-story house except that the total rea of the two lower levels must equal or exceed the prescribed minimum for the first floor of a two-story house. The minimum cost, defined as above, must be fifteen thousand dollars (\$15,000.00).

3b. All residences erected on any lot in Montclair, Section III, shall be single-family residences described in Paragraph 1 hereof; and in the case of a one-story residence, the main dwelling floor area, exclusive of porches, attached garages, carports and other auxiliary space, shall be not less than one thousand two hundred (1,200) square feet; and in the case of a one and one-half story or two-story residence, the main dwelling floor area, exclusive of porches, attached garages, carports and other auxiliary space, shall be not less than eight hundred (800) square feet on the downstairs floor (See Section I above, for split level). No residence shall be permitted on any lot at a cost less than \$14,000 based upon cost levels prevailing on the date these covenants are recorded.

3c. Residences erected in Montclair, Section IV and Section V will be single-family residences as described for Section I, above, with a cost not less than \$12,000 based on cost levels prevailing on the date the covenants were recorded.

4. The pursuit of hobbies or other activities, including, without limiting the generality hereof, the assembly and disassembly of motor vehicles and either mechanical devices, which might lead to disordered, unsightly, or unkempt conditions, shall not be pursued or undertaken in the front yard of any residential building lot, or ill driveway, garage, or carport where such conditions shall be visible from any street upon which such residential building lot may abut.
5. Subject to the provisions of Paragraph 6 hereof, no residence shall be erected on any lot having a frontage less than shown on said plat of Montclair referred to above, but lots may be enlarged by the addition of other contiguous property lying outside said subdivision, combined or divided, provided that in such resubdivision of any lots, the area of any building lot is increased. In all cases of resubdivision, the setback line and the side and rear restrictions as set forth in these restrictions shall be applicable to such lots as resubdivided.
6. No building of any kind or character shall be erected on the lots included in this subdivision nearer the street than the minimum building line shown on the aforementioned plat, nor shall any building of any kind or character be erected within ten

(10) feet of any side property line, except as follows :

a. Lots 1, 2, 10, 28, 29 and 30 in Block H and Lots 23 and 24 in Block F., Section I upon which improvements may be constructed within eight (8) feet of any side property line.

b. No building of any kind or character shall be erected within ten (10) feet of any side property line in Lots 27 through 4-0 of Block "P" and Lots 6 through 16 in Block "Q", Section V, nor shall any building of any kind or character be erected within 7.5 feet of any side property line in all other lots of the said Section V as shown on a plat of Section V, Montclair Subdivision. No residence or living quarters shall be erected within twenty-five (25) feet of the rear lot line. However, swimming pools and approved auxiliary buildings not to be used as dwellings may be constructed to within ten (10) feet of a rear line. If any lots are resubdivided, or enlarged pursuant to the provisions of paragraph 5 hereof, side, and rear line restrictions shall be applicable only to the side and rear line of lots as resubdivided. All boundary lines between corner lots and contiguous lots or contiguous properties shall be considered as side lines.

THE DEVELOPER shall have the right, however, upon recording in the Office of the Clerk of Superior Court of Richmond County, Georgia, a plat showing the same, to vary the provisions of Paragraphs 5 and 6 hereof with respect to the following number of lots: No more than 8 lots in Section I, 5 lots in Section II, 6 lots in Section III, 5 lots in Section IV, and 3 lots in Section V, in any way whatsoever, so long as any variation or resubdivision shall not violate the regulations of the Augusta-Richmond County Planning Commission, applicable to such property, and so long as any resubdivision of any lot shall not decrease the area thereof by more than 15%.

7. Zoning restrictions of the Augusta-Richmond County Planning Commission applicable to the property shall be observed. In the event of any conflict between any provision of the zoning restrictions and these restrictions, the more restrictive provision shall apply.
8. No structures or improvements of any description, including walls and fences, coping or landscape bordering, shall be erected on any lot without the prior written consent and approval of an officer of THE DEVELOPER, its successors and assigns, of the plans and specifications of such structures, their location on such lots and the direction in which they will face. In approving any two story, one and one-half story, or split level house, THE DEVELOPER will require that the top stories of such houses be constructed in accordance with normal design practices, and that the top floors not be proportionately smaller than is customary in houses of its type. The facing of houses also requires written approval and consent of an officer of THE DEVELOPER.
9. No clothes lines, drying racks or fences used for drying clothes shall be constructed or maintained nearer the front street line than the rear line of the residence constructed on each lot or any extension of said rear line to the side lot lines.
10. No poultry, swine, cows, goats, horses, mules, or other farm animals or fowls or fishbait farms shall be maintained on any lot, and no vegetable garden may be planted except in

the rear or backyard of any lot. No more than two domestic pets, (such as dogs, cats, etc.) may be kept on any lot (except with the written permission of any officer of THE DEVELOPER).

11. No exposed above ground tanks will be permitted for the storage of fuel, water or for any other purposes.
12. No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
13. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two and six feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines.
14. No breaks shall be made in any curb or gutter which may be installed by THE DEVELOPER on or adjacent to the right-of-way of any street shown upon said plat for the purpose of constructing any driveway, walk, or other means of ingress to and egress from any property adjacent to such street, unless the apron of such driveway or other means of exit and entrance to such property shall be constructed of a permanent paving material such as concrete or asphalt, in a manner so that such driveway or walk or other facility shall be of equal or greater elevation than the height of the curb so removed, within the 10 feet of such driveway or facility immediately adjacent to the curb so removed, and in such a manner that such driveway, walk or other facility shall tie in with the elevation of any sidewalk, in cases where sidewalks are installed.
15. The property which is designated as "Park" upon the aforesaid plat of Section I, and "Park 2" on the plat of Section II and which has been conveyed by THE DEVELOPER to THE ASSOCIATION, shall be used by THE ASSOCIATION solely for recreational, playground, and/or park purposes, for the sole benefit, pleasure and use of members and guests of THE ASSOCIATION, and subject to such regulations which may be prescribed by THE ASSOCIATION, of guests of such member, but for no other purposes. This obligation shall be construed as a covenant running with the land, and shall be binding upon THE ASSOCIATION, its successors and assigns.

RESERVATIONS OF EASEMENTS

16. Easements for the installation and maintenance of all utilities and drainage facilities are reserved by THE DEVELOPER over the rear five feet of each lot and over five feet from each side property line, and over all areas designated as easements upon the aforesaid plat; provided that in the event of resubdivision of any of the said lots under the provisions of Paragraph 5 hereof, this easement shall apply to the side lines of the lots as resubdivided in lieu of the side lines of the lots as shown on the original plat referred to above, unless the installation of utilities

and drainage facilities have been completed, in which event the original easement granted is irrevocable. Where a larger easement is shown on said plat, the larger easement shall apply instead of the easement herein reserved.

COVENANT FOR ASSESSMENTS IN FAVOR OF THE ASSOCIATION

17. THE DEVELOPER, and each purchaser of any residential building lot as shown upon said plats, except for the area designated as "Park" upon said plats, by virtue of ownership of or the acceptance of a deed therefor, will, whether or not it shall be expressed in any such deed or other conveyance, obligate himself or herself, and be deemed to covenant and agree to pay to THE ASSOCIATION an annual assessment or charge to be fixed, established, and collected from time to time as hereinafter provided, each installment of which annual assessment or charge, when due, shall become a lien upon the parcel of property against or on account of the ownership of which such assessment or charge is made. Each parcel of property, including those owned by THE DEVELOPER except for Section V and except for the area designated as "Parks" upon said plats and except for streets as shown upon said plats, is hereby made subject and shall be subject to a continuing lien to secure the payment of such installment of such assessment or charge when due.

A. Such assessment or charge shall be in an amount to be fixed from year to year by the Board of Governors of THE ASSOCIATION; provided, however, that the amount of each annual assessment shall be in equal amounts with respect to each lot subject to such charge or assessment under the terms hereof. Such annual assessment effective January 1, 1965, is fixed by the said Board Of Governors under the present by-laws of THE ASSOCIATION (which may be amended only by two-thirds affirmative vote of its members) at an annual assessment of \$25.20, payable at the rate of \$2.10 per month per lot, and which assessment, under the by-laws of THE ASSOCIATION is effective for a period of five years from January 1, 1965. Thereafter, the authorized annual assessments shall be adjusted upward or downward at the beginning of each successive five year period thereafter, on the basis of the Consumer Price Index published in the Federal Reserve Bulletin, and prepared by the Bureau of Labor statistics of the Department of Labor of the United States, and generally known as the Cost of Living Index.

The general or overall cost of living figure determined on the basis aforesaid (average of all commodities and services) was 107.7 fixed as of January 1, 1964, and was in effect at the time of the incorporation of the Montclair Association, as will appear by reference to the aforesaid Consumer Price Index, based upon 1957-59 averages.

Exactly five years from January 1, 1965, and on the first day of each five year period thereafter, the Board of Governors of THE ASSOCIATION shall make the following calculation: They shall divide consumer prices in effect as of the date of any such redetermination of the annual assessment (such consumer prices to be taken from the aforesaid Consumer Price Index effective as of January 1 of the year in which such determination is made) by consumer prices applicable as of the date of these presents (i.e. 107.7), and the quotient shall be used to multiply the sum of

\$25.20. The result thereof rounded off to the next lower ten cents (.10) shall be the correct annual assessment for the particular ensuing five year period in question.

The cost of living figure aforesaid (i.e. 107.7) is based upon the 1957-1959 averages, and any future figure taken from the Consumer Price Index then in effect for the purpose of redetermining the maximum annual assessment hereunder shall reflect and take into consideration any change or changes in this base yearly or otherwise.

B. The lien hereby reserved, however, shall be at all times sub-ordinate to the lien of any mortgagee or lender, of any sums secured by a property recorded mortgage or deed to secure debt, to the end and intent that the lien of any mortgagee, trustee, or holder of any security deed for value and in good faith shall be paramount to the lien for maintenance charges imposed herein, and provided further such subordination shall apply only to the charges that shall become payable prior to the passing of title under foreclosure of mortgage or deed to secure debt or acquisition of the title by deed in favor of the holder of such mortgage or deed to secure debt in lieu of foreclosure, and nothing herein contained shall be held to affect the rights herein given to enforce the collection of such charges accruing after sale under foreclosure of such mortgage or deed to secure debt, or after acquisition of title by deed in lieu of foreclosure by the holder of the same.

Under such circumstances, (I) the foreclosure of the lien created hereunder shall not operate to affect or impair the priority of the mortgage or deed to secure debt upon the premises in question, and (II) , the foreclosure of any such mortgage or security deed or the acceptance of a deed in lieu of foreclosure by the holder of any such mortgage or security deed shall not operate to affect or impair the lien hereof, except that the lien hereof for said charges or assessments as shall have accrued up to the effective date of such foreclosure or the acceptance of a deed, shall be subordinate to the title acquired by the deed, in lieu of foreclosure of any such mortgage or security deed, shall be subordinate to the title acquired by the purchaser at any such foreclosure sale or acquired by the holder of any such mortgage or security deed taking a deed in lieu of foreclosure from the then owner of such property. Any such acquisition of title as aforesaid shall be subject to all such assessments or charge, however that shall accrue subsequent to the effective date of the foreclosure deed or deed given in lieu of foreclosure to the holder of any such mortgage or security deed.

C. All monthly assessments or charges above described shall be due and payable to THE ASSOCIATION in advance, upon the 1st day of the month, unless paid in advance in one annual installment on or before January 10 of any given year, in which event a discount upon such annual assessment shall be allowed until any subsequent redetermination of the annual assessment, pursuant to the provisions of Paragraph 17 (2) (A) such discount, shall be fixed at \$1.10 per annum, and upon the redetermination of the annual assessment pursuant to the provisions of Paragraph 17 (2) (A) hereof, the annual discount herein provided for shall be also redetermined according to the same formula, and rounded off to the next lower ten cents (.10).

The amounts so paid to THE ASSOCIATION shall be administered by THE ASSOCIATION and may be used for the payment of expenses incurred for the following purposes: (I) For the

construction and maintenance of improvements upon the areas designated as "Park" upon a plat of Montclair, Section I and "Park #2" upon a plat of Montclair, Section II, which plats are filed in the Office of the Clerk of Superior Court of Richmond County, Georgia, in Realty Books 30-U, Pages 758-763 and 33-J, pages 379-384, respectively, and upon any similar park or playground areas which may hereafter or have heretofore been acquired by deed or lease by THE ASSOCIATION; (II) Lighting, cleaning, and maintaining any such park or playground areas; (III) Paying taxes or assessments, if any, which may be levied by any public authority upon any such park or playground areas or any improvements thereon, now or hereafter acquired; and (IV) Such other purposes as are set forth in the corporate charter of THE ASSOCIATION or as the same may hereafter be amended.

DEDICATION OF THE PARK

18. The area of land designated as "Park" upon the aforesaid plat of Montclair, Section I, and the area of land designated as "Park #2" upon aforesaid plat of Montclair, Section II, are intended for use by the owners of residential building lots located in Sections I, II, III, IV, and V of Montclair, and of owners of or residents of any property referred to in Paragraph 18 hereof, for pleasure, recreation and other related activities.

Nothing contained herein or upon the aforesaid recorded subdivision plats shall be construed as a dedication of said park for use by the general public, but said parks are intended for the general use and enjoyment of persons and classes of persons identified in the preceding paragraph hereof.

The areas shown as "Park" upon aforesaid plat of Montclair, Section I and "Park 2" on aforesaid plat of Montclair, Section III have been conveyed to the Montclair Association, Inc.

The rights which have vested or shall vest in the homeowners pursuant to this dedication shall be subject to the following:

A. The right of THE ASSOCIATION, in accordance with its articles and bylaws, to borrow money for the purpose of improving the above described properties and in aid thereof to mortgage said properties and the rights of such mortgagee in said properties shall be superior to the rights of homeowners; and

B. The right of THE ASSOCIATION to take such steps as are reasonably necessary to protect the above described properties against foreclosure; and

C. The right of THE ASSOCIATION as provided in its articles and bylaws to suspend the rights and privileges of any member for any period during which any assessment (to which his interest is subject) remains unpaid, and for a period not to exceed thirty days for an infraction of its published rules and regulations; and

D. The right of THE ASSOCIATION to dedicate the above described common properties to the general public for public use at any time after THE DEVELOPER shall convey its interest therein to THE ASSOCIATION.

E. The right of THE ASSOCIATION to dissolve itself as a corporation. Upon the effective date of such dissolution, all assessments called for hereby shall cease and terminate.

F. The right of THE ASSOCIATION to charge reasonable admission and other fees for the use of any facility situated upon the above described common areas.

ADDITIONS TO PROPERTY SUBJECT TO THIS AGREEMENT

19. Subject to the limitation contained in the corporate charter of THE ASSOCIATION, additional real estate which THE DEVELOPER may decide to add to the scheme of the development herein set forth, including multi-family residential or rental apartment units, shall be subjected to and placed within the jurisdiction of THE ASSOCIATION upon the written designation of THE DEVELOPER, at the sole option of THE DEVELOPER, extending the terms of this Agreement to such other property and the same shall be effective upon the filing of the same for record in the Office of the Clerk of Superior Court of Richmond County, Georgia.

Such supplementary declaration or agreement may contain such modifications of the terms of this Agreement as may be determined necessary or appropriate to reflect the different character, if any, of the added properties. In no event, however, shall such supplementary agreement respecting such added properties be construed so as to revoke or modify the terms hereof with respect to the property hereinabove described.

MEMBERSHIP IN THE ASSOCIATION AND VOTING RIGHTS OF ITS MEMBERS

20. The members of THE ASSOCIATION, consisting of two (2) classes of members, designated as Class A and Class B members, respectively, shall have the respective rights, voting powers, privileges, duties and immunities as are set forth in the corporate charter of THE ASSOCIATION, and as next hereinafter set forth, to wit:

I. Class A Members.

(a) All persons who are owners of single-family residential building lot or lots, other than Class B members, as hereinafter defined, located within the property area hereinabove identified in the preamble to this instrument by reference to the aforesaid plats of Montclair, Section I-V provided that no person or corporation taking title as security for the payment of money or for the performance of any obligations shall thereby become entitled to membership, nor shall ownership of any business, commercial, church or school property entitle the owner or owners thereof to membership by reason of the ownership thereof.

Ownership of property as a qualification for membership is defined as follows: Ownership of any such property under recorded deed, whether the owner is an occupant or not, or ownership under a 'bond for title of contract of purchase, if the same be accompanied by actual occupancy of the lot in question. Ownership within the meeting and intention hereof shall cease upon the sale of

any such lot to another by the owner thereof. Sale of any such lot within the meaning hereof shall mean and shall be effective upon the provisions of paragraph 18 hereof, who may apply another, or the termination of occupancy of the property by the owner thereof accompanied by the giving by such owner to another of a bond for title or contract of sale with respect to such a lot.

(b) Any tenant residing in and actually inhabiting any multi-family dwelling or apartment house, located upon any property which may be placed within the jurisdiction of THE ASSOCIATION pursuant to the provisions of paragraph 18 hereof, who may apply for membership in the corporation on a voluntary basis and pay such annual dues for such membership in an amount equal to the annual assessment required to be paid by each member defined in sub-paragraph (a) hereof or as may be assessed against each lot in said area owned by such tenants or occupants of apartments or multiple-family dwellings, shall be optional with such tenants or occupants, and shall cease when such tenant or occupant ceases to be a bona fide inhabitant of any such multiple-family dwelling or apartment house.

In no event, however, regardless of any language herein contained, shall more than 100 such persons be entitled to membership in THE ASSOCIATION, under the provisions of this paragraph, nor shall more than 40 per cent of the total membership of THE ASSOCIATION be composed of persons entitled to membership therein under this sub-paragraph, whichever shall be the lesser number.

(c) If a residential building lot shall be owned by more than one person, such ownership shall constitute only one membership in THE ASSOCIATION. In the case of multiple ownership of one lot, the use of the facilities of THE ASSOCIATION by such multiple owners shall be limited to those owners actually residing upon such building lot; or, where any such lot is unimproved, to not more than one non-residential owner.

(d) Each Class A member, as defined in subparagraph (a) hereof, shall have one vote for each lot owned by such member in said areas, and in the case of tenants who may be members under subparagraph (b) hereof each such tenant shall have one vote for each apartment occupied by such tenant. In the case of multiple ownership of one lot or multiple occupancy of one apartment, such multiple owners or tenants shall have jointly only one vote by reason of such multiple ownership or occupancy.

(e) A corporation, other than the Class B member, owning one or more lots in any area hereinabove defined in the preamble to this instrument by reference to the aforesaid plats of Montclair, Sections I-V shall have one vote for each such lot owned by such corporation, but no member, stockholder, director, employee, or officer of such corporation shall acquire thereby any right or rights individually to become members of THE ASSOCIATION.

II. Class B Membership shall consist of THE DEVELOPER. The Class B member shall have three votes for each single-family residential building lot, improved or unimproved, owned by it within Montclair Subdivision, and within any portion of Montclair Subdivision embraced within the areas shown upon a certain boundary plat of Montclair Subdivision recorded in said Clerk's Office in Realty Book 30-R, page 80, when a subdivision plat of any such additional section or sections of Montclair Subdivision embraced within the area last herein defined shall have been

approved by the Augusta-Richmond County Planning Commission and filed for record in the Office of the Clerk of Superior Court of Richmond County, Georgia. It is also understood that THE DEVELOPER will retain three votes for each single family residential building lot owned by it within Montclair Subdivision, Sections I-V, in accordance with covenants of record for Sections I-V respectively.

At such time as 75 per cent of all residential building lots within all such areas and sections or Montclair Subdivision shall have been sold by THE DEVELOPER, or upon and after October 1, 1970, whichever event shall first occur, the Class B member shall be entitled to one vote for each residential building lot owned by it in Montclair and any section or sections of Montclair Subdivision which may hereafter be subdivided, or which were previously subdivided by THE DEVELOPER, as hereinabove provided. In no event, however, shall ownership by THE DEVELOPER of any residential lot or lots in any additional area or areas, section, or sections of Montclair Subdivision other than in Section I or Section II, of Montclair, be construed as imposing upon THE DEVELOPER the duty or obligation of paying any assessment or other charges to THE ASSOCIATION.

SEVERABILITY CLAUSE

21. The invalidation of any one or more paragraphs or portions of these restrictive covenants and agreements by judgement or decree shall in no way affect any of the other provisions, which shall remain of full force and effect.

REMEDIES FOR VIOLATIONS OF THESE COVENANTS

22. If the owners or their assigns or successors in title shall violate any of the protective covenants herein, any person owning real estate property situated in said development or subdivision may institute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants, either to prevent a violation or to recover damages or other dues for such violation provided, however, that a violation of any such covenants shall not constitute a forfeiture or reversion of title.

EFFECTIVE PERIOD

23. Subject to the provisions of paragraph 19 (18) hereof, these protective covenants and agreements shall be effective immediately upon the filing of the same for record in the Office of the Clerk of Superior, Court of Richmond County, Georgia; shall thereupon run with the land and be binding upon all persons or parties and their successors or assigns claiming title under or through THE DEVELOPER until the following dates:

Section I	October 1, 1999
Section II	October 1, 2001

Section III November 15, 2002
Section IV and V February 1, 2004

and shall be continued automatically and without further notice from that time for a period of ten years and thereafter for successive periods of ten years each without limitation, unless within six months prior to the expiration of any successive period of ten years thereafter, a written agreement executed by the then record owners of not less than fifty per cent of the lots then subject to this declaration shall be placed on record in the Office of the Clerk of Superior Court of Richmond County, Georgia, in which agreement any of the covenants, restrictions, reservations, servitudes, and easements may be changed, modified, waived or extinguished in whole or in part, as to all or any part of the property then subject thereto in the manner and to the extent therein provided. In the event any such written agreement of change or modification be fully executed and recorded, the original covenants, restrictions, reservations, servitudes, and easements as therein modified shall continue in force for successive periods of ten years each, unless and until further changed, modified, or extinguished, in the manner herein provided.

IN WITNESS WHEREOF, THE DEVELOPER and THE ASSOCIATION have respectively caused these

presents to be executed by their proper corporate officers and their corporate seals affixed, the day and year first above written as the date of these presents.

Signed, sealed and delivered in the presence of us in
Richmond County,
State of Georgia

HENRY L. WHISENHUNT, JR.

Heard Robertson
Notary Public, Richmond County, Georgia

THE BAILEY COMPANY

By: PAUL B. BAILEY, President
Att. GEORGE E. PERKINS, Secretary

Signed, sealed and delivered in the presence of us in
Richmond County,
State of Georgia

HENRY L. WHISENHUNT, JR.

Heard Robertson
Notary Public, Richmond County, Georgia

MONTCLAIR ASSOCIATION, INC.

By: GEORGE E. PERKINS, President
Att. BRAD BENNETT JR., Secretary

IN WITNESS WHEREOF, THE DEVELOPER has caused there presents to be executed by its proper corporate office, with respect to Section V, and its corporate seal affixed, the day and year first above

C. K. LAWRENCE, III BUILDER, INC.
By: C. K. LAWRENCE, President

SIGNED, SEALED & DELIVERED
in the presence of:

OTIS HARRISON
Notary Public, Richmond County, Georgia

Consented to and placed within Montclair Association, Inc. pursuant to Article 6 of its Charter and paragraph 19 of the protective covenants of Montclair Subdivision, Section I by The Bailey Company.

THE BAILEY COMPANY
By: PAUL B. BAILEY, President
By: FRANCIS F. O'CONNOR, Asst. Secr.

SIGNED, SEALED & DELIVERED
in the presence of:

W. ROSS SNELLINGS
OTIS SARRISON
Notary Public, Richmond County, Georgia.
RECORDED

CHARTER
MONTCLAIR ASSOCIATION, INC.

STATE OF GEORGIA
Office of Secretary of State

I, BEN W. FORTSON, JR., Secretary of State of the State of Georgia, do hereby certify that

"MONTCLAIR ASSOCIATION, INC."

was on the 14th day of October, 1964, duly incorporated under the laws of the State of Georgia by the Superior Court of Richmond County for a period of thirty-five years from said date, in accordance with the certified copy hereto attached, and that a certified copy of the charter of said corporation has been duly filed in the office of the Secretary of State and the fees therefor paid, as provided by law.

(SEAL)

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of office, at the Capitol, in the City of Atlanta, this 21st day of October, in the year of our Lord One Thousand Nine Hundred and Sixty Four and of the Independence of the United States of America the One Hundred and Eighty-ninth.

BEN W. FORTSON, JR.
Secretary of State, Ex-Officio Corporation
Commissioner of the State of Georgia.

STATE OF GEORGIA
RICHMOND COUNTY
IN THE SUPERIOR COURT OF RICHMOND COUNTY, GEORGIA

TO THE SUPERIOR COURT OF RICHMOND COUNTY, GEORGIA:

The petition of GEORGE E. PERKINS, whose post office address is 3106 Vassar Drive, Augusta, Georgia; BRAD BENNETT, JR., whose post office address is 318 Health Drive, Augusta; Georgia; and HEARD ROBERTSON, whose post office address is 2409 William Street, Augusta, Georgia, respectfully shows to the Court the following facts:

1. That they desire for themselves, their associates and successors to be incorporated for a period of thirty-five years, with the privilege of renewal thereafter under the name and style of "MONTCLAIR ASSOCIATION, INC." Said corporation is hereinafter referred to as THE ASSOCIATION.

2. Your petitioners attach hereto a certificate of the Secretary of State of Georgia, as required by law, showing the proposed name of THE ASSOCIATION is not the name of any other corporation incorporated under the laws of the State of Georgia.
3. The principal office of THE ASSOCIATION shall be in Richmond County, Georgia.
4. THE ASSOCIATION is not organized and shall not be operated for pecuniary gain or profit and shall have no capital stock.
5. No part of the property of THE ASSOCIATION and no part of its net earnings shall ever at any time inure to the benefit of any private shareholder or individual, nor shall THE ASSOCIATION have the power to, and shall never, carry on propaganda or otherwise attempt to influence legislation.
6. THE ASSOCIATION is formed and chartered for the following purposes: (a) To execute its power and functions on the following described real property located in Richmond County, Georgia, and more particularly described as follows:

ALL that tract or parcel of land, situate, lying and being a short distance South of Washington Road in said State and County, and being more particularly described and designated as all of Montclair Subdivision, Section I, as shown upon a certain plat of the same made by James G. Swift, P. E., dated May 15, 1964, and recorded in the Office of the Clerk of Superior Court of Richmond County, Georgia, in Realty Book 30-U, Page 758-766. Together with any and all other property, or any interest therein which may hereafter, through the operation of agreements, leases, conveyances, conditions, reservations, restrictions, covenants, servitudes or changes to the same appertaining, be acquired by THE ASSOCIATION, or granted to, conveyed to, or placed within the jurisdiction of THE ASSOCIATION, by THE BAILEY COMPANY, which is hereinafter referred to as THE DEVELOPER, or which may be placed within the jurisdiction of THE ASSOCIATION; PROVIDED, HOWEVER, that in no event shall THE ASSOCIATION be authorized to accept within its jurisdiction any and area or areas or areas except all or any portion of a certain tract of land containing 238.53 acres, is more particularly shown upon a boundary plat of Montclair made for THE BAILEY COMPANY by James G. Swift, P. E., dated November 9, 1963, and recorded in the office of the Clerk of Superior Court of Richmond County, Georgia, in Realty Book 30-R, Page 80, except as provided in Paragraph 9 hereof.

(b) To improve, beautify, and maintain all parks, playgrounds and other open spaces in and bordering upon said property which may be placed within the jurisdiction of and accepted by THE

ASSOCIATION, or in which THE ASSOCIATION may acquire any interest, to install entrance signs and other facilities at entrances to said property, and to beautify and maintain the same for the general benefit, use and pleasure of its members.

(c) To provide for the Construction and maintenance of swimming pools, playgrounds, clubhouses, athletic facilities, and other community features upon any such premises for the use of its members.

(d) To provide any and all amenities, improvements, or facilities for the aforesaid property, any part thereof, including parks, streets, playgrounds, and other open spaces, and to do any and all lawful acts and things which THE ASSOCIATION may, at any time, in its discretion, deem for the best interest of any such property and of its members, and to pay all costs and expenses in connection therewith.

(e) To enforce any and all charges, restrictions, conditions, covenants, reservations, and servitudes existing upon the property hereinabove described in sub-paragraph (a) hereof, or upon any other property with respect to which any such rights as to charges, restrictions, conditions, covenants, reservations and servitudes may be granted to THE ASSOCIATION for the benefit of its members, and of any property, parks, playgrounds and other open spaces which THE ASSOCIATION may own or acquire, or in which THE ASSOCIATION may own or acquire any interest.

(f) To fix an annual charge or assessment required to be paid to THE ASSOCIATION by its members; to collect all such charges or assessments; and pay all expenses incurred in connection therewith; to collect any such assessments or charges by enforcement of any lien or liens, the right to which may be granted to THE ASSOCIATION by any instrument in writing whatsoever, upon any property over which it may be granted such lien rights.

(g) To buy, sell, dedicate to the public use, or to convey as security for any indebtedness, any or all of its real or personal property; to borrow money, and to mortgage, encumber, convey by any form of security instrument, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

(h) To pay the taxes and assessments, if any, which may be levied by any governmental authority upon roads and parks in said property, and any other open spaces maintained for and lands used or acquired for the general use of the owners of lots or building sites within said property, and on any property of THE ASSOCIATION, or which may be held in trust for THE ASSOCIATION.

(i) To provide, in its discretion, for street lighting, garbage collections, fire or police protections, in any subdivision or upon any property over which it shall acquire jurisdiction.

(j) To charge and collect admission fees for the use of its facilities by guests or members.

7. The members of THE ASSOCIATION shall be as herein defined, consisting of two (2) classes of members, designated as Class A members and Class B members, whose respective statuses and voting rights shall be as follows:

I. Class A Members.

(a) All persons who are owners of single-family residential building lot or lots, improved or unimproved, other than THE DEVELOPER, located within the property areas hereinabove identified in Paragraph 6 (a) hereof, provided that no person or corporation taking title as security for the payment of money or for the performance of any obligation shall thereby become

entitled to membership, nor shall ownership of any business, commercial, church or school property entitle the owner or owners thereof to membership by reason of the ownership thereof.

Ownership of property as a qualification for membership is defined as follows: Ownership of any such property under recorded deed whether the owner is an occupant or .not, or ownership under a bond for title or contract of purchase if the same be accompanied by actual occupancy of the lot in question. Ownership within the meaning and intention hereof shall cease upon the sale of any such lot to another by the owner thereof. Sale of any lot within the meaning hereof shall mean, and shall be effective upon the recording of any deed conveying such lot to another, or the termination of occupancy of the property by the owner thereof accompanied by the giving by such owner to another of a bond for title or contract of sale with respect to such lot.

(b) Any tenant residing in and actually inhabiting any multiple-family dwelling or apartment house located within any area referred to in Paragraph 6 (a) hereof, who may apply for membership in THE ASSOCIATION on a voluntary basis and pay such annual dues for such membership in an amount equal to the annual assessment required to be paid by each member defined in sub-paragraph (a) hereof, or as may be assessed against each lot in said area owned by each member under sub-paragraph (a) hereof. Membership in THE ASSOCIATION by such tenants or occupants of apartments or multiple-family dwellings, shall be optional with such tenants or occupants, and shall cease when such tenant or occupant ceases to be a bona fide inhabitant of any such multiple-family dwelling or apartment house.

In no event, however, regardless of any language herein contained, shall more than 100 such persons be entitled to membership in THE ASSOCIATION, under the provisions of this paragraph, nor shall more than 40 percent of the total membership of THE ASSOCIATION be composed of persons entitled to membership therein under this sub-paragraph, whichever shall be the lesser number.

(c) If a residential building lot shall be owned by more than one person, such ownership shall constitute only one membership in THE ASSOCIATION. In the case of multiple ownership of one lot, the use of the facilities of THE ASSOCIATION by such multiple owners shall be limited to those owners actually residing upon such building lot; or, where any such lot is vacant, to not more than one non-residential owner.

d) Each Class A member, as defined in subparagraph (a) hereof shall have one vote for each lot owned by such member in said areas, and in the case of tenants who may be members under subparagraph (b) hereof, each such tenant shall have one vote for each such apartment occupied by such tenant. In the case of multiple ownership of one lot or multiple occupancy of one apartment, such multiple owners or tenants shall have jointly only one vote by reason of such multiple ownership or occupancy.

(e) A corporation, other than THE DEVELOPER, owning one or more lots in any area hereinabove defined in Paragraph 6(a) hereof, shall have one vote for each such lot owned by such corporation, but no member, stockholder, director, employee, or officer of such corporation shall acquire thereby any right or rights individually to become members of THE ASSOCIATION.

II. Class B. Membership shall consist of THE DEVELOPER: The Class B member shall have 3 votes for each single family residential building lot, improved or unimproved, owned by it within Montclair Subdivision, Section I, as defined in paragraph 6(a) hereof, and within any other portion of Montclair Subdivision embraced within the areas shown upon a certain Boundary Plat of Montclair herein referred to in Paragraph 6(a) hereof, recorded in said Clerk's office in Realty Book 30-R, Page 80 when a subdivision plat of any such additional section or sections of Montclair Subdivision embraced within the area last herein defined shall have been approved by the Augusta Richmond County Planning Commission and filed for record in the office of the Clerk of Superior Court in Richmond County, Georgia.

At such time as 75 percent of all residential building lots within all areas and sections of Montclair Subdivision shall have been sold by THE DEVELOPER, or upon and after October 1, 1970, whichever event shall first occur, the Class B member shall be entitled to one vote for each residential building lot owned by it in Section I of Montclair Subdivision and in any other section or sections of Montclair Subdivision which may hereafter be subdivided by THE DEVELOPER, as hereinabove provided. In no event, however, shall ownership by THE DEVELOPER of any residential building lot or lots in any additional area or areas, section or sections of Montclair Subdivision, other than in Section I of Montclair be construed as imposing upon THE DEVELOPER the duty or obligation of paying any assessment or other charges to THE ASSOCIATION.

No member, stockholder, director, employee, officer or nominee of the Class B member shall acquire thereby any right or rights individually to become individual members of THE ASSOCIATION, or to enjoy individually any privilege accruing to Class A members of THE ASSOCIATION, by reason of holding of any such office or position with the Class B member.

8. The governing body of THE ASSOCIATION shall consist of a Board of Directors, which shall be known officially as its Board of Governors, and which shall consist of not more than nine members elected by the membership of THE ASSOCIATION. Until such time as THE ASSOCIATION shall have 20 or more Class A members, all of the Governors of THE ASSOCIATION shall be elected by the Class B members; and at such time as THE ASSOCIATION shall have 20 or more Class A members, then four of the Governors shall be elected by the Class A members, and five of the Governors shall be elected by the Class B members.

At such time as the voting power of the Class B members shall be reduced, in accordance with the provisions of Paragraph 7(II) hereof, from three votes for each residential building lot owned by it within Montclair Subdivision, to one vote for each such residential building lot owned by it, the right of the Class B member to name five members of the Board of Governors of THE ASSOCIATION shall terminate, and all members of the Board of Governors shall be elected by the members at large, with each member having one vote for each residential building lot owned by them or it, respectively.

9. THE ASSOCIATION MAY, at any time, to the extent permitted by law (A) annex additional residential and common properties to the properties described in Paragraph 6 (a) hereof, and so

add to its membership under the provisions of Paragraph 7 hereof, (B) participate in mergers and consolidations with other non-profit corporations organized for the same purposes as this association, (C) have the power to mortgage or encumber its real estate for the purpose of making improvements thereon, and (D) have the power to dedicate any of its property to an appropriate public authority for the public use; PROVIDED, HOWEVER, that any such measures taken by THE ASSOCIATION must have the assent of two-thirds of the Class A members of

THE ASSOCIATION, voting in person or by proxy, in addition to the majority vote of all the votes entitled to be cast by Class A and Class B members, at a meeting duly called for such purpose, written notice of which shall be given to all members at least thirty (30) days in advance of the date of such meeting, which notice shall set forth the purpose of such called meeting.

10. By-laws to govern the affairs of THE ASSOCIATION may be adopted, and from time to time amended, by the affirmative vote of two-thirds of all votes entitled to be cast by the members of THE ASSOCIATION, and this charter may be amended only in the same manner.

11. The Federal Housing Administration, at any time that it shall have insured one or more loans upon any improved residential building lot located within the areas described in Paragraph 6 (a) hereof shall have the right and power to prohibit and veto amendments to the charter of THE ASSOCIATION and of any by-laws adopted by it under the authority hereof, until such time as the voting power of the Class B members shall have been reduced from three (3) votes for each residential building lot owned by it to one (1) vote for each residential building lot owned by it, under the provisions of Paragraph 7 (II) hereof (i.e., until seventy-five (75%) percent of such residential building lots shall be owned by Class A members).

12. Upon dissolution of THE ASSOCIATION, the assets both real and personal of THE ASSOCIATION shall be dedicated to an appropriate public agency to be devoted to purposes as nearly as practicable the same as those to which they were required to be devoted by THE ASSOCIATION. In the event that such dedication is refused acceptance, such assets shall be granted, conveyed and assigned to any non-profit corporation, association, trust or other organization to be devoted to purposes and uses that would most nearly reflect the purposes and uses to which they were required to be devoted by THE ASSOCIATION.

WHEREFORE, petitioners respectfully pray that this their petition be filed and recorded as required by law and they, their associates and successors be incorporated under the name and style of "MONTCLAIR ASSOCIATION, INC." for the purposes aforesaid and with all the rights, powers, privileges and immunities hereinabove set forth, and with such additional rights powers and privileges as may be necessary, proper or incident to the conduct of the business aforesaid and as may be allowed to or be inherent in similar corporations under the laws of the State of Georgia as they now exist or may hereafter exist.

ROBERTSON & GILBERT

BY: HEARD ROBERTSON

STATE OF GEORGIA
Office of Secretary of State

**I, BEN W. FORTSON, JR., Secretary of State of the State of Georgia, do hereby certify
that**

"MONTCLAIR ASSOCIATION, INC."

is not the name of any other existing corporation now registered in this office, as prescribed by law.

In TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of office, at the Capitol, in the City of Atlanta, this 13th day of October, in the year of our Lord One Thousand Nine Hundred and Sixty-four and of the Independence of the United States of America the One Hundred and Eighty-ninth.

BEN W. FORTSON, JR.
Secretary of State, Ex-Officio Corporation
Commissioner of the State of Georgia.

GEORGIA, RICHMOND COUNTY

The foregoing petition of GEORGE E. PERKINS, BRAD BENNETT, JR., AND HEARD ROBERTSON, to be incorporated under the name and style of "MONTCLAIR ASSOCIATION, INC.", having been duly presented to the Court, and having been read and considered; and it appearing that said petition is within the purview and intent of the laws of this State applicable thereto, and that all of said laws have been fully complied with; IT IS, THEREFORE, CONSIDERED, ORDERED AND ADJUDGED that the prayers of said petition be, and the same are hereby granted; and that petitioners be incorporated and made a body politic under the name and style of "MONTCLAIR ASSOCIATION, INC.", for and during the period of thirty-five years, with privilege of renewal at the expiration of that time, and with all the rights, powers, privileges, and immunities set forth in said petition, and with such additional rights, powers, privileges and immunities as are now or may hereafter be conferred upon similar corporations by the laws of the State of Georgia.

This 14th day of October, 1964.

JOHN F. HARDIN (s)
JUDGE, SUPERIOR COURTS,
AUGUSTA CIRCUIT

Filed in this office this 14th day of October, 1964
Hillary Mangum, Clerk

GEORGIA, RICHMOND COUNTY

Personally appeared before me, the undersigned attesting officer, Thelma Taylor who on first being duly sworn, deposes and says on oath that he (she) is the Sashier of Southeastern Newspapers, Inc., publishers of the Augusta Herald, the newspaper in which sheriff's advertisements in and for said State and County are published, and a newspaper of general circulation in said County, with its principal place of business in said County, and that there has been deposited with said publisher the cost of publishing in said newspaper, once weekly for four weeks the application for corporate charter of "MONTCLAIR ASSOCIATION, INC." together with the certificate of the Secretary of State of Georgia thereto attached and the order of incorporation entered thereon.

THELMA TAYLOR

Sworn to and subscribed before me this 14th day of October, 1964.

KATIE BROADWATER,

Notary Public, Richmond County, Georgia.

GEORGIA, RICHMOND COUNTY

I, HILLARD MANGUM, Clerk of the Superior Court of Richmond County, Georgia, do hereby certify that the foregoing and attached 11 pages of typewritten matter constitute and are a true copy of the original petition of GEORGE E. PERKINS, BRAD BENNETT, JR., AND HEARD ROBERTSON, for incorporation under the name and style of "MONTCLAIR ASSOCIATION, INC." and the order entered hereon on the 14th day of October, 1964, the Honorable John F. Hardin, Judge of Superior Court of the Augusta Circuit, granting said petition and creating said petition and creating said corporation for a period of thirty-five years from this day. I do further certify that said applicants have duly paid to the undersigned, as Clerk of said Court, all costs and fees in connection with said proceeding.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed by official seal of said court,
on
this 14th day of October, 1964.

HILLARY MANGUM

CLERK OF SUPERIOR COURT OF RICHMOND COUNTY, GEORGIA

(SEAL)

BY-LAWS
MONTCLAIR ASSOCIATION, INC.

CONTENTS

Page

Article I. Definitions 2

Article II. Corporate Powers and Purposes 2

Article m; Membership and Voting Rights 2

Article IV. Management of Corporate Affairs 2

Article V. Meetings of Members and Board of Governors 4

Article VI. Corporate Officers 4

Article VII. Use of the Facilities of the Association 5

Article VIII. Assessments 6

Article IX. Bank Accounts, Checks and Bonds 8

Article X. Corporate Seal and Sealed Instruments 8

ARTICLE I. DEFINITIONS.

Section 1. The words "THE ASSOCIATION" as used in these by-laws shall be deemed to mean MONTCLAIR ASSOCIATION, INC.

Section 2. The words "SAID PROPERTY" as used in these by-laws shall be deemed to mean the real estate located in Richmond County, Georgia, and described and referred to in Paragraph 6(a) of the charter of THE ASSOCIATION.

Section 3. The words "BUILDING LOT" wherever used in these by-laws shall mean a building lot subdivided for single-family residential purposes from said property.

ARTICLE II. CORPORATE POWERS AND PURPOSES.

Section 1. The powers of THE ASSOCIATION shall be as set forth in its corporate charter, and particularly as set forth in Paragraph 6 thereof, and the corporate purposes for which THE ASSOCIATION shall be operated shall likewise be as set forth in its corporate charter and particularly in Paragraph 6 thereof, in addition to all powers, purposes privileges, duties and immunities which are inherent in non-profit corporations by operation of law.

ARTICLE III. MEMBERSHIP AND VOTING RIGHTS.

Section 1. The membership of THE ASSOCIATION shall be as provided for in Paragraph No. 7 of its corporate charter, unless and until enlarged by acquisition by THE ASSOCIATION of jurisdiction over additional properties as provided in its corporate charter. Voting rights of its members and classes of members shall be as stated in Paragraphs 7 and 8 of its corporate charter.

ARTICLE IV. MANAGEMENT OF CORPORATE AFFAIRS

Section 1. The corporate powers of THE ASSOCIATION shall be vested in, exercised by and under the authority of the business and affairs of THE ASSOCIATION shall be controlled by a Board of Governors consisting of nine Governors. Members of the Board of Governors need not necessarily be Members of THE ASSOCIATION. Five members of the Board of Governors shall constitute a quorum for the transaction of business.

Section 2. The members of the Board of Governors shall be elected annually at the annual meeting of the membership of THE ASSOCIATION to be held upon the first Friday in September of each year hereafter. Each member of the Board of Governors shall hold office until his successor is regularly elected and qualified. Vacancies in the Board of Governors occurring after the annual election of such members shall be filled by a majority vote of the remaining Governors, and each member of the Board of Governors elected in this manner to hold office shall serve until his successor is elected at the next annual meeting of the membership or at a special meeting of the membership of THE ASSOCIATION called for that purpose.

Section 3. In order to promote and facilitate the initial growth of THE ASSOCIATION during the early stages of development of Montclair Subdivision, when few persons will be qualified to

become members of THE ASSOCIATION by reason of the fact that THE BAILEY COMPANY is presently the owner of all building lots in said subdivision, it is provided herein and in the corporate charter that until such time as THE ASSOCIATION shall have 20 or more Class A members, as the result of the sale of building lots by THE BAILEY COMPANY unto other parties out of all Sections of Montclair Subdivision, THE BAILEY COMPANY, the Class B member of THE ASSOCIATION, shall have the right to elect all the members of the Board of Governors of THE ASSOCIATION. At such time as THE ASSOCIATION shall have 20 or more Class A members, then 5 of the governors shall be elected by the Class B members and 4 shall be elected by the Class A members. At such time as 75% of the building lots located in all Sections of Montclair Subdivision shall be owned by Class A members, then all members of the Board of Governors shall be elected by majority vote of all members having voting rights. As used herein the term "Montclair Subdivision" shall mean all areas referred to in Paragraph 6 (a) of the corporate charter.

Section 4. The Board of Governors shall have power:

- (a) To call special meetings of the members whenever it deems it necessary, and it shall call a meeting at any time upon the written request of the members who have the right to vote at least one-third of all the votes of the entire membership.
- (b) To appoint and remove at pleasure all officers, agents and employees of THE ASSOCIATION, prescribe their duties, fix their compensation, and require from them security or fidelity bond for faithful performance of the duties to be prescribed for them.
- (c) To conduct, manage and control the affairs and business of THE ASSOCIATION, and to make rules and regulations, not inconsistent with the laws of the State of Georgia, or the by-laws of THE ASSOCIATION, for the guidance of the officers and management of the affairs of THE ASSOCIATION.
- (d) To exercise for THE ASSOCIATION all powers, duties and authorities vested in or delegated to THE ASSOCIATION or which it may lawfully exercise.
- (e) To fix the amount of the annual assessments upon lots within its jurisdiction, as authorized by the corporate charter, and to do all things appropriate or necessary to collect the same when due including the enforcement of any liens for the collection of the same, by foreclosure or otherwise.
- (f) To make, promulgate and enforce any and all rules and regulations with respect to the use of the facilities of THE ASSOCIATION by its members and guests, to fix any reasonable admission fee for the use of the recreational facilities of THE ASSOCIATION by guests of members authorized to use the same under Article VII hereof, and to enforce such rules and regulations as it may promulgate by the use of any authority bestowed upon the Board of Governors under the provisions of Article VII (d) hereof.

Section 5. The Board of Governors shall be vested with such other and further powers as are vested by law in the Board of Governors of a non-profit corporation under the laws of the State of Georgia, and with such other and further powers as may elsewhere be bestowed upon the Board of Governors in these by-laws of THE ASSOCIATION.

ARTICLE V. MEETINGS OF MEMBERS AND BOARD OF GOVERNORS.

Section 1. The regular annual meeting of the membership of THE ASSOCIATION shall be held upon the first Friday in September of each year hereafter, at a time which may be set at the discretion of the Board of Governors, and the annual Governors' meeting shall be held immediately thereafter.

Section 2. Special meetings of the membership or of the Board of Governors for any purpose may be called at any time by the President, the Vice President, or the Secretary of THE ASSOCIATION, or by a majority of the Board of Governors, acting either on their own initiative, or acting upon written request of members having at least one-third of the votes of the entire membership.

Section 3. Notice of annual and special meetings shall be given in writing to the membership of the corporation or to the Board of Governors, as the case may be, by the Secretary, in the manner prescribed by law, at least ten days prior to the date of any such meeting. Placing of such written notice in the United States Mail, with proper postage affixed, directed to each member at his last known address, shall be the equivalent of the giving of actual written notice to each such member.

Section 4. A member may vote at any such annual or special meeting either in person or by proxy. No written proxy shall be binding upon any member giving the same for a period of time in excess of eleven months from the date of such proxy, nor shall any such proxy be binding upon any party who may purchase from the grantor of such proxy the property giving rise to such grantor of such proxy rights to membership in the ASSOCIATION.

Section 5. At any meeting of the membership of THE ASSOCIATION, 25% of the membership, voting in person or by proxy, shall constitute a quorum.

ARTICLE VI. CORPORATE OFFICERS.

Section 1. Corporate officers shall consist of a President, a Vice-President, a Secretary, a Treasurer, and such other officers as the Board of Governors may, from time to time, by resolution, create.

Section 2. The officers of THE ASSOCIATION shall be elected by the Board of Governors annually at the annual meeting of the Board of Governors, and shall serve as such until their respective successors in office shall have been elected and qualified. Vacancies in such offices may be filled at any special meeting of the Board of Governors called for that purpose, and each officer so elected shall hold office until his successor in office is elected at a subsequent annual or special meeting and duly qualified.

Section 3. The President, Vice President, Secretary and Treasurer of THE ASSOCIATION, as well as any other officers which may be created by the Board of Governors, shall exercise such functions as are normally exercised by such respective corporate officers of corporations organized and existing under the laws of the State of Georgia, and shall exercise such other

functions and perform such duties as may, from time to time, be required of them and each of them by the Board of Governors of THE ASSOCIATION.

Section 4. Compensation of the corporate officers shall be set from time to time by the Board of Governors of THE ASSOCIATION. Any compensation paid to any officer or fixed to be paid to any officer must be approved by a two-thirds vote of the entire votes entitled to be cast by members of THE ASSOCIATION.

ARTICLE VII. USE OF THE FACILITIES OF THE ASSOCIATION.

Section 1. Use of the facilities of THE ASSOCIATION shall be limited to:

- (a) A Class A member, his or her spouse, and children or other relatives actually members of, and residing in good faith in the owner's household.
- (b) Guests of such Class A members, upon such terms and conditions as may be, from time to time, prescribed by the Board of Governors of THE ASSOCIATION.
- (c) Guests of the Class B member, not more than 10 in number at any one time, provided that one guest shall never be allowed to use such facilities upon more than one occasion.
- (d) The Board of Governors of THE ASSOCIATION shall have the power to promulgate any and all regulations which it may deem necessary, and take any regulatory measures which it may deem necessary or appropriate to enforce strict compliance with the same. Without in anyway limiting the generality of the foregoing, the Board of Governors may suspend by majority vote ex parte, the right of any person whomsoever, and his family, to use the facilities of THE ASSOCIATION, if the conduct of any such person be deemed by the Board of Governors to be obnoxious, indecent, or offensive to the general membership of THE ASSOCIATION, or for failure or refusal of any such person to obey any regulations which may be promulgated by the Board of Governors regulating the use of the facilities of THE ASSOCIATION, or for failure to pay dues or assessments to THE ASSOCIATION promptly when due. Suspension of the privileges of a member or a member of the family of a member or the entire family of a member to use the facilities of THE ASSOCIATION shall in no way operate so as to relieve such member of the obligation of paying any assessments called for hereunder or under the charter of THE ASSOCIATION, but the right to suspend such privilege of members shall be limited as follows: (I) suspension for non-payment of assessments shall continue only until such suspended member shall pay all arrears in his assessments in full. (II) Suspension of such privileges of a member or a member of the family of a member or the entire family residing in his or her household for any reason other than the non-payment of dues may not be made effective for any greater period than thirty (30) days for any one offense.
- (e) The privileges of any other person whomsoever to use the facilities of THE ASSOCIATION may be revoked or suspended for any period of time whatsoever including permanently.

ARTICLE VIII. ASSESSMENTS.

Section 1. THE BAILEY COMP ANY, and each purchaser or owner of any residential building lot

In Section I of Montclair Subdivision, except for the areas designated as "Park" upon a certain plat of Montclair, Section I made by James G. Swift, P.E. and recorded in the office of the Clerk of

Superior Court of Richmond County, Georgia in Realty Book 30-U, Pages 758, 763 and the purchaser or owner, other than and exclusive of THE BAILEY COMPANY, of any building lot, in any other Section of Montclair, as identified in Paragraph 6 (a) of the corporate charter (other than Section I thereof) which may be placed within the jurisdiction of THE ASSOCIATION by virtue of ownership of or the acceptance of a deed therefor, will, whether or not it shall be expressed in any such deed or other conveyance, obligate himself or herself, and be deemed to covenant and agree to pay THE ASSOCIATION an annual assessment or charge to be fixed, established and collected from time to time as hereinafter provided, each installment of which annual assessment or charge, when due, shall become a lien upon the parcel of property against or on account of the ownership of which such assessment or charge is made. Each parcel of property, including those owned by THE BAILEY COMPANY, except for the area designated as "Park" upon said plat, and except for streets as shown upon said plat, is hereby made subject and shall be subject to a continuing lien to secure the payment of such installment of such assessment or charge when due.

(a) Such assessment or charge shall be in an amount to be fixed from year to year by the Board of Governors of THE ASSOCIATION; provided, however, that the amount of each annual assessment shall be in equal amounts with respect to each lot subject to such charge or assessment under the terms thereof. Such annual assessment is presently fixed hereunder at an annual assessment of \$25.20, payable at the rate of \$2.10 per month per lot, and which assessment, under these by-laws, is effective for a period of five years from the date of adoption of these by-laws. Thereafter, the authorized annual assessment shall be adjusted upward or downward at the beginning of each successive five year period thereafter, on the basis of the Consumer Price Index Published in the Federal Reserve Bulletin and prepared by the Bureau of Labor Statistics of the Department of Labor of the United States, and generally known as the Cost of Living Index.

The general or overall cost of living figure determined on the basis aforesaid (average of all commodities and services) is 107.7, fixed as of January 1, 1964, and presently m. effect, as will appear by reference to the aforesaid Consumer Price Index based upon 1957-1959 averages.

Exactly five years from the date of adoption of these by-laws, and on the first day of each five-year period thereafter, the Board of Governors of THE ASSOCIATION shall make the following calculation: They shall divide consumer prices in effect as of the date of any such redetermination of the maximum annual assessment (such consumer prices to be taken from the aforesaid Consumer Price Index effective on January 1 of the year in which such determination is made) by consumer prices applicable as of the date of adoption of these by-laws (i.e. 107.7), and the quotient shall be used to multiply the sum of \$25.20. The result thereof rounded off to

the next lower ten cents (.10) shall be the correct maximum annual assessment for the particular ensuing five-year period in question.

The cost of living figure aforesaid presently in effect (i.e. 107.7) is based upon 1957-1959 averages and any future figure taken from the Consumer Price Index then in effect for the purpose of redetermining the maximum annual assessment hereunder shall reflect and take into consideration any change or changes in this base, yearly or otherwise.

(b) The lien hereby reserved, however, shall be at all times subordinate to the lien of any mortgagee or lender of any sums secured by a properly recorded mortgage or deed to secure - debt, to the end and intent that the lien of any mortgagee, trustee or holder of any security deed for value and in good faith shall be paramount to the lien for maintenance charges imposed herein, and provided further such subordination shall apply only to the charges that shall become payable prior to the passing of the title under foreclosure of mortgage or deed to secure debt or acquisition of title by deed in favor of the holder of such mortgage or deed to secure debt in lieu of foreclosure, and nothing herein contained shall be held to affect rights herein given to enforce the collection of such charges accruing after sale under foreclosure of such mortgage or deed to secure debt, or after acquisition of title by deed in lieu of foreclosure by the holder of the same.

Under such circumstances, (I) the foreclosure of the lien created hereunder shall not operate to affect or impair the priority of the mortgage or deed to secure debt upon the premises in question, and (II) the foreclosure of any such mortgage or security deed or the acceptance of a deed in lieu of foreclosure by the holder of any such mortgage or security deed shall not operate to affect or impair the lien hereof, except that the lien hereof for said charges or assessments as shall have accrued up to the effective date of such foreclosure or the acceptance of a deed in lieu of foreclosure by the holder of any such mortgage or security deed, shall be subordinate to the title acquired by the purchaser at any such foreclosure sale or acquired by the holder of any such mortgage or security deed taken a deed in lieu of foreclosure from the then owner of such property. Any such acquisition of title as aforesaid shall be subject to all such assessments or charges, however, that shall accrue subsequent to the effective date of the foreclosure deed or deed given in lieu of foreclosure to the holder of any such mortgage or security deed.

(c) All monthly assessments or charges above described shall be due and payable to THE ASSOCIATION in advance, upon the 1-st day of the month, unless paid in advance in one annual installment on or before January 10 of any given year in which event a discount upon such annual assessment shall be allowed. Until any subsequent redetermination of the maximum annual assessment, pursuant to the provisions of sub-paragraph (a) hereof, such discount shall be fixed at \$1.10 per annum, and upon the redetermination of the said annual assessment pursuant to the provisions of sub-paragraph (a) hereof, the annual discount herein provided for shall be also redetermined according to the same formula, and rounded off to the next lower ten cents (.10).

The amounts so paid to THE ASSOCIATION shall be administered by THE ASSOCIATION and may be used for the payment of expenses incurred for the following purposes: (I) For the construction and maintenance of improvements upon the area designated as "Park" upon the

aforesaid plat and upon any similar park or playground areas which may hereafter be acquired by deed or lease by THE ASSOCIATION park or playground areas; (II) for lighting, cleaning, and maintaining any such park or playground areas; (III) Paying taxes or assessments, if any, which may be levied by any public authority upon any such park or playground areas or any improvements thereon, now or hereafter acquired; and (IV) Such other purposes as are set forth in the corporate charter of THE ASSOCIATION or as the same may hereafter be amended.

ARTICLE IX. BANK ACCOUNTS, CHECKS, AND BONDS.

Section 1. Bank accounts for the deposit of funds of THE ASSOCIATION may be opened in such banks as may be selected and designated from time to time.

Section 2. Said banks are authorized to make payments from the funds of THE ASSOCIATION on deposit with them; such payments to be made upon presentation of checks signed by such officers as may be designated by the Board of Governors of THE ASSOCIATION.

Section 3. Books, accounts, records and the stock ledger of THE ASSOCIATION shall be open to inspection by any member of the Board of Governors, any member, any officer of the corporation, at all reasonable times during the usual business hours of the day.

Section 4. The officers and employees shall furnish such bonds for the faithful performance of their duties as may be required by the Board of Governors.

Section 5. The Treasurer shall present a statement of receipts and disbursements at each annual meeting.

ARTICLE X. CORPORATE SEAL AND SEALED INSTRUMENTS.

Section 1. The corporate seal of THE ASSOCIATION shall be circular in form, with the name of THE ASSOCIATION inscribed around its circumference, and shall bear an inscription in its center indicating the State and year of its incorporation.

Section 2. All contracts of the corporation required to be executed under seal and all deeds, conveyances, bonds and other sealed instruments entered into by THE ASSOCIATION shall be signed by any two officers, and the corporate seal may be thereunto affixed by any corporate officer.