

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS FOR
NAVERLY HOMEOWNERS ASSOCIATION

THIS DECLARATION made on the date hereinafter set forth, by
G E S DEVELOPMENT, INC. (hereinafter referred to as the
"Declarant");

WITNESSETH

WHEREAS, Declarant is the owner of certain property located in
Cobb County, Georgia, which is more particularly described in Exhibit
"A" attached hereto and made a part hereof for a more complete
description.

NOW THEREFORE, Declarant hereby declares that all of the
properties described above shall be held, sold and conveyed subject
to the following easements, restrictions, covenants, and
conditions, which are for the purpose of protecting the value and
desirability of, and which shall run with, the real property and be
binding on all parties having any right, title or interest in the
described properties or any part thereof, their heirs, successors and
assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Naverly
Homeowners Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner,
whether one or more persons or entities, of a fee simple title to any
Lot which is a part of the Properties, including contract sellers, but
excluding those having such interest merely as security for the
performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain
real property hereinbefore described, and such additions thereto as
may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property
(including the improvements thereto) owned by the Association for the
common use and enjoyment of the owners. The Common Area to be owned
by the Association at the time of the conveyance of the first lot is
described in Exhibit "B" attached hereto and made a part hereof.

Section 5. "Lot" shall mean and refer to any plot of land
shown upon any recorded subdivision map of the Properties with the
exception of the Common Area.

Section 6. "Declarant" shall mean and refer to G E S
DEVELOPMENT, INC., its successors and assigns if such successors or
assigns should acquire more than one undeveloped Lot from the
Declarant for the purpose of development.

FILED AND RECORDED
1995 DEC - 6 AM 8:18
HAY C. COLEMAN
COBB SUPERIOR COURT CLERK

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, 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 to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area 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 an instrument agreeing to such dedication or transfer signed by two-thirds of each class of members has been recorded.

Section 2. 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, his tenants, or contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

CLASS A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

CLASS B. Class B members shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) on October 1, 1997

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be Three Hundred Dollars (\$300.00) per lot.

(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 5% 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 5% by a vote of two-thirds 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.

Section 4. 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 a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

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 Sections 3 or 4 shall be sent to all members not less than 30 days nor more than 60 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 Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and shall be collected on a semi-annual basis, unless otherwise determined by the Board.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten (10%) percent per annum. The Association may begin an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of the 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.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall, mailbox or other structure shall be commenced, erected or, maintained upon the Properties, nor shall any exterior addition to or change or alternation therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within thirty (30) 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.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in

equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no wise effect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional land within the area described in Deed Book 8543, Page 527, * Cobb County, Georgia Records, may be annexed by the Declarant without the consent of members within 6 years of this instrument provided that the FHA and VA determine that annexation is in accord with the general plan heretofore approved by them, and the subsequent lot owners shall be entitled to membership in the WAVERLY Homeowners Association, subject to the terms and conditions of the Association and as set forth herein. *Deed Book 8543, Page 528, Deed Book 8543, Page 529, Deed Book 8543, Page 525.

Section 5. FHA/VA Approval. As long as there is a Class B membership, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Area, and amendment of this Declaration of Covenants, Conditions and Restrictions.

ARTICLE VII

ADDITIONAL PROVISIONS

Section 1. Land Use and Building Type. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling not to exceed two and one-half stories in height and a private garage for not more than two cars.

Section 2. House Color. The color of outside paint of all homes shall be subject to harmony of external design with the prior approval and the review of the architectural control committee. Any subsequent change of the existing color of home must be approved by the architectural control committee. Approval shall be as provided in Section 19 below.

Section 3. Dwelling, Cost, Quality and Size. No dwelling shall be permitted on any lot at a cost of less than cost levels prevailing on the date these covenants were recorded, it being the intention and purpose of the covenant 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 herein for the minimum permitted dwelling size. The ground floor area of the main structure, exclusive of one-story open porches and garages, shall not be less than 1300 square feet for a one-story dwelling, nor less than 1300 square feet for a dwelling of more than one-story.

Section 4. Building Location. No building shall be located on any lot nearer to the front line or nearer to the side street line than the minimum building setback lines as shown on the recorded plat. In the event, no building shall be located on any lot nearer than twenty-five feet to the front line, or nearer than twenty-five feet to any side street line. No building shall be located nearer than ten feet to an interior lot line, no dwelling shall be located on an interior lot nearer than twenty-five feet to the rear lot line. For the purpose of this covenant, caves, steps, carports, and open porches shall not be considered as part of a building, provided; however, that this shall not be construed to permit any portion of a building, on a lot to encroach upon another lot.

Section 5. Easements. Easements are reserved for Declarant for the installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the rear ten feet of each lot. Drainage flow shall not be obstructed nor be diverted from drainage or utility easements as designed above or on the recorded plat.

Section 6. Nuisances. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may or may become an annoyance or nuisance to the neighborhood. No large vans, trucks, boats or trailers can be parked in the driveway. No working on cars, large vans, trucks, boats or trailers may be performed in driveway.

Section 7. Temporary Structures. No structures of a temporary character, trailer, basement, tent, shack, garage barn or other out-building shall be used on any lot anytime as residence temporarily or permanently.

Section 8. Signs. No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one square foot, one sign of not more than five square feet advertising the property for sale or rent, or signs used by a builder to advertise the property during the construction and sales period.

Section 9. Oil and Mining Operations. No oil drilling, oil development operations of any kind shall be permitted upon or in any lot, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon any lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any lot. No burying of any type of material shall be permitted on any lot.

Section 10. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot, except that dogs, cats or other household pets (not to exceed 3 in aggregate) may be kept provided that they are not kept, bred, or maintained for any commercial purposes.

Section 11. Garbage and Refuse Disposal. 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.

Section 12. Sewage Disposal. No individual sewage disposal system shall be permitted on any lot unless such system is designed, located or constructed in accordance with the requirements, standards and recommendations of the Georgia Department of Public Health. Approval of such systems as installed shall be obtained from such authority.

Section 13. Fences. No fence shall be erected or maintained in the front yard of any lot. All plans for fences must

be submitted to the architectural control committee for approval. If a chain link fence is approved, it must be painted black or dark green and cannot be located from the house to a side property line.

Section 14. Sign Distance at Intersection. 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 line and a line connecting them at points twenty-five feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended. The same sight line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distance of such distance of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

Section 15. Mailboxes. Any mailbox must be approved by the architectural control committee prior to installation.

Section 16. Grounds. The grounds of each lot (whether vacant or occupied) shall be maintained in a neat and attractive condition. Upon the failure of any owner to maintain his lot (whether vacant or occupied) in a neat and attractive condition, Declarant or the authorized agents or successors and assigns, may after ten (10) days notice to such owner, enter upon such lot and have the grass, woods, and other vegetation cut when, and as often as, the same is necessary in its judgement and may have dead trees, shrubs and other plants removed therefrom. Such owner shall be personally liable to Declarant for the cost of cutting, clearing and maintenance described above the liability for amounts expended for such cutting, clearing and maintenance shall be a permanent charge and lien upon such lot, enforceable by Declarant by any appropriate proceedings at law or in equity. All costs incurred by Declarant on behalf of such owner shall be reasonable. Although notice given hereinabove provided shall be sufficient to give Declarant or its designated committee, or its successors and assigns, the right to enter upon any such lot and perform the work required, entry for the purpose of performing the work required shall be only between the hours of 7:00 a.m. and 6:00 p.m. on any day except Sunday.

Section 17. Garbage Containers. Garbage containers shall be buried or shall be located inside garages or abutting the rear of each house.

Section 18. Architectural Control Committee:

(a) MEMBERSHIP. The architectural control committee is composed of Mr. Evan Schultz and Mr. Garry Prewett at 5830 Hill Road, Powder Springs, Georgia 30073. A majority of the committee may designate a representative to act for it. In the event of a death or resignation of any member of the committee, the remaining members shall have full authority to designate a successor. Neither the member of the committee, nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. The aforesaid individuals shall constitute the Architectural Control Committee until either of the contingencies in Article III, Section 2, Subparagraphs (A) or (B) are met. After the said contingencies are satisfied, the architectural control committee shall be comprised on nine (9) owners elected by a majority (or plurality as the case may be) vote of the owners in person or by proxy. The majority of the committee may designate a representative to act for it. In the event of resignation of any member of the committee, the remaining members shall have full authority to designate for the unexpired term a replacement member who must be a resident owner. Neither the

committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. At the time that all the lots are sold and residences are constructed thereon, the then record owners of a majority of the lots shall have the power, through the membership of the committee or otherwise, to withdraw from the committee any powers and duties or to restore to the committee any of its powers and duties. All plans which are required to be submitted to and approved by the said committee must receive a majority vote for approval.

(b) PROCEDURES. The committee's approval or disapproval as required in these covenants shall be in writing. In the event the committee, or its designated representative fails to approve or disapprove within thirty days after the plans and specifications have been submitted to it, or in any event, if no suit to enjoin the construction has been commenced prior to the completion thereof, approval will not be required and the related covenants shall be deemed to have been fully complied with.

Section 19. Enforcement. In addition to the terms of Article VI, Section 1, enforcement shall be by proceeding at law or in equity against any person or persons violating or attempting to violate any covenants either to restrain violation or to recover damages. Violation of these covenants shall be subject to the penalty of a stipulated liquidated damage sum of \$50.00 for each day during which such violation continues. The recovery of such damages shall be available to the undersigned or to any owner of lots or parcels subject to these covenants, except that the violator shall not be required to pay damages to more than one plaintiff or complainant. In addition to the foregoing, if anyone bound to observe and comply with these protective covenants shall violate or attempt to violate any covenant while the same is in force, it shall be lawful for any other person owning an interest in land subject to these covenants to prosecute any proceeding at law, or in equity, against such violator, or to recover damages for such attempt or violation.

Section 20. Satellite Dishes. No television satellite dishes shall be permitted on any lot.

Section 21. The Restrictions and Covenants set forth shall not limit or prohibit the Developer, its successors or assigns from using a lot or lots as a road, street, or driveway to another property. Provided that any owner of a lot, other than the original Developer herein shall obtain the written permission of Developer herein before any lot may be used as a street, driveway, or road to any other property. Such written consent is in the sole discretion of the Developer herein and may be granted upon such terms as Developer herein deems appropriate.

Section 22. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any lot or parcel of land, nor shall any nuisance or odors be permitted to exist or operate upon or arise from any such parcel of land, so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to the neighborhood. No garbage containers shall be visible from the street, except on garbage pick-up days. Any owner who dumps or places any trash or debris upon any lot or parcel of land shall be liable to the Architectural Control Committee which in its sole discretion shall have the work performed and charge the owner for the actual cost of removal thereof, plus twenty percent (20%) of said costs.

Section 23. To provide a neat, attractive and harmonious appearance throughout the neighborhood, no awnings, shades or window boxes shall be attached to, or hung or used on the exterior of any window or door of any house; and no railings, fences, walls, antennas, or satellite dishes shall be installed or constructed upon any lot or parcel of land without the prior written consent of the Architectural Control Committee which consent shall not be unreasonably withheld. Further, no foil or other reflective materials shall be used on any windows or sun screens, blinds,

shades or for any other purpose, nor shall any window-mounted heating, air-conditioning or fan units be permitted. Outside clotheslines or other outside facilities for drying or airing clothes are specifically prohibited and shall not be erected, placed or maintained upon any lot or parcel of land, nor shall any clothing, rugs or other items be hung on any railing, fence, hedge or wall. Further, no fences shall be located in the front yard.

Section 24. the Building has the discretion to place houses on corner lots facing either street or at an angle.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal, this 15 day of November, 1995.

Signed, sealed and delivered
in the presence of:

Witness

Notary Public
My commission expires

[SEAL]

"DECLARANT"

G E S DEVELOPMENT, INC.

BY:

Evan Schultz
Evan Schultz
President

[CORPORATE SEAL]



My Commission Expires
October 17, 1996

EXHIBIT "A"

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 263 and 270 of the 20th District, 2nd Section, Cobb County, Georgia and being all lots and property as shown on Plat of Waverly Subdivision, Phase 1, Unit 1, as per plat recorded in Plat Book 157, Page 46, Cobb County, Georgia Records, said plat by this reference being incorporated herein and made a part hereof

BK 9276 PG 0529

EXHIBIT "B"

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 270 of the 20th District, 2nd Section, Cobb County, Georgia and being the "Recreation Area" as shown on Plat of Waverly Subdivision, Phase 1, Unit, as per plat recorded in Plat Book 157, page 46, Cobb County, Georgia Records, said plat by this reference being incorporated herein and made a part hereof.

BK 9276 PG 0530