

STATE OF MISSISSIPPI  
COUNTY OF LAMAR

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS  
FOR  
SANDSTONE SUBDIVISION

**THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR SANDSTONE SUBDIVISION** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 1998, by **SANDSTONE, LLC**, a Mississippi Limited Liability Company (hereinafter referred to as "Declarant").

WHEREAS, Declarant is owner of certain real property situated in Lamar County, Mississippi, more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes as if copied at length herein, the same being known as the proposed SANDSTONE, a subdivision, evidenced by a plat which will be filed with the Chancery Clerk of Lamar County, Mississippi, and Declarant desires to create and develop thereon a residential community with designated common areas and with common facilities, for the benefit of the community; hereinafter referred to as the "Property"; and

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

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

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

**ARTICLE I**  
**PROPERTY RIGHTS**

**SECTION 1. OWNERS EASEMENT OF ENJOYMENT.** Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Sandstone Homeowners Association, Inc. (hereinafter referred to as the "Association"), acting by and through its Board of Directors, to levy reasonable admission and other fees for the use of any community facilities (excluding streets, roads and parking areas which have been accepted by Lamar County, Mississippi for maintenance) situated upon the property by the Lot owners (hereinafter referred to as "Member(s)") and their families, tenants and guests; provided, however, that any such fees shall be charged on a uniform basis for each Member; and

(b) The right of the Association to suspend any Member's voting rights and any Member's right to use the Common Areas and community facilities (except rights to use streets, roadways and parking areas, which latter rights shall not be subject to suspension for any reason) for any period during which any assessment remains unpaid and for any period not exceeding sixty (60) days for any infraction of any of the published rules and regulations of the Association; and

(c) The right of the Association to dedicate or transfer all or any part of the Common Areas 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 two-thirds (2/3rds) of each class of the then Members of the Association consent to such dedication, transfer, purpose and conditions, at a special meeting of the Members duly called for such purpose or an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of Members has been recorded; and

(d) The right of the Association, in accordance with its Charter of Incorporation and By-laws (defined herein as the By-laws of the Association, Inc.), to borrow money for the purpose of improving the Common Area and community facilities in a manner designed to promote the enjoyment and welfare of the Members, and in aid thereof to mortgage any Common Area and community facilities, provided, however, that no borrowing shall be done and no mortgage shall be executed unless and until same has been approved by the vote of at least two-thirds (2/3rds) of each Class; and

(e) The right of the Association to take such steps as are reasonably necessary to protect the Property of the Association against mortgage default and foreclosure; provided, however, that any such steps are in conformity with the other provisions of this Declaration; and

(f) The right of the Association to adopt reasonable rules respecting use of the Common Areas and community facilities to reasonably limit the number of guests of members who may use any facilities on the Property; and

(g) The right of the Association, acting by and through its Board of Directors, to grant licenses, rights-of-way and easements for access or for the construction, reconstruction, maintenance and repair of any utility lines or appurtenances, whether public or private, to any municipal agency, public utility, the Developers or any other person, provided, however, that no such licenses, rights-of-way or easements shall be unreasonably and permanently inconsistent with the rights of the Member to the use and enjoyment of the Common Areas and community facilities; and

(h) The right of the Association, acting by and through its Board of Directors, to open the Common Areas and community facilities, or any portions thereof, to a wider group of persons, all for such purposes and on such bases as the Board of Directors may from time to time consider appropriate; and

(i) The rights of the Owners of Lots to perpetual easements over and upon any of the Common Areas and community facilities for such portions of their dwellings that may overhang or otherwise encroach upon any of the Common Areas or community facilities, for support, for the purpose of necessary repairs and maintenance, for maintenance and reasonable appurtenances to the dwellings, and for reasonable ingress and egress to and from any dwelling through and over the Common Areas and community facilities; and

(j) The right of each Member to use the streets, roadways, and vehicular parking areas situated upon Common Areas and community facilities; provided, however, that each Member shall comply in all respects with all supplementary rules and regulations which are not inconsistent with the provisions of this Declaration and which the Board of Directors of the Association may from time to time adopt and promulgate with respect to parking and traffic control upon the Common Areas and community facilities; and

(k) The right to dedicate or grant to Lamar County, or such other governmental authority having jurisdiction over the Property, the streets and rights-of-way as shown on the recorded plat of Sandstone Subdivision and all additions thereto as annexed pursuant to the provisions of this Declaration. In the event that said streets and rights-of-way have not been dedicated to Lamar County or to the governmental authority having jurisdiction over the Property, the Association shall have the right to dedicate said streets and rights-of-way to such governmental authority at such time that such authority will accept the dedication thereof and agree to maintain the streets and rights-of-way as public streets.

**SECTION 2. RIGHTS NOT SUBJECT TO SUSPENSION.** Notwithstanding anything in this Declaration to the contrary, the Association shall have no authority to suspend, either temporarily or permanently, any of the rights specified in subparagraphs (i) and (j) of Section 1 of this **ARTICLE I** for any reason whatsoever.

**SECTION 3. DELEGATION OF USE.** Any Owner may delegate, in accordance with the By-laws, such owner's right of enjoyment to the Common Areas and facilities to the members of the owner's family who reside permanently with the owner, the owner's tenants or contract purchasers who reside on the property and guests, all subject to such reasonable rules and regulations as the Board of Directors of the Association may adopt and uniformly apply and enforce.

**ARTICLE II.**  
**MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION**

**SECTION 1. MEMBERSHIP.** The Members of the Association shall be and consist of each and all of the following, to-wit

(a) The Association shall have two classes of voting membership:

**CLASS A.** Class A Members shall be all Members with the exception of Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person or entity holds an interest or interests in any Lot, all such persons or entities shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast with respect to any such Lot.

**CLASS B.** Class B Member(s) shall be the Declarant. The Class B Member(s) shall be entitled to three (3) votes for each Lot owned except as restricted under Section 1 hereof. When the total votes outstanding in the Class A membership equal the votes outstanding in the Class B membership, then the Class B membership shall cease and be converted into Class A memberships. Notwithstanding the foregoing, five years from the date of the conveyance of a Lot to a Purchaser, all Class B memberships shall cease and be converted into Class A memberships.

**SECTION 2. VOTING RIGHTS.** Each member shall have one (1) vote in the election of each officer of the Association. For all other purposes, the voting rights of the Members shall be by class of membership, and shall be as follows, to-wit:

(a) **CLASS A MEMBERS.** Each person, other than persons herein defined as "Declarant", who is or who hereafter becomes the Owner of a Lot shall be a Class A Member of the Association, Class A Members shall be entitled to one (1) vote for each Lot owned.

(b) **CLASS B MEMBERS.** The "Declarant", and the nominee or nominees, if any, of such entity, shall be Class B Members of the Association. Class B Members shall be entitled to three votes for each Lot owned.

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

**SECTION 4. TERMINATION AND REINSTATEMENT OF CLASS B MEMBERS.** If on any one (1) or more occasion all Class B memberships should be terminated, and if after any such termination any one (1) or more of the Declarants, by annexation to the property in accordance with the Declaration, should add additional property to the property heretofore subject to the Declaration, then on each such occasion the status of the Declarants as Class B Members shall be fully reinstated, and following each such occasion the Declarant, or the nominee or nominees, if any, of the Declarant, shall continue to be Class B Members until such time as the total votes outstanding of Class A and Class B Members resulting from the newly added property has been equalized. At such time, the Class B membership resulting from such addition shall cease and be converted to Class A membership. Following each such reinstatement of the Class B membership, and for so long thereafter as the Class B memberships shall continue to exist, the Declarants, and the nominee or nominees, if any, of the Declarants, shall have all rights and powers of Class B membership, as herein prescribed.

**SECTION 5. OTHER VOTING PROVISIONS.** If the fee title to a particular Lot is owned of record by more than one person or entity, then the vote appurtenant to such Lot may be exercised by any one (1) of the fee Owners thereof, unless the other Owner or Owners of such fee title shall object prior to the completion of voting upon the particular matter under consideration. In the case of any such objection, the vote appurtenant to said Lot shall not be counted.

**ARTICLE III**  
**COVENANTS FOR ASSESSMENTS**

**SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.** Declarant, for each Lot owned by it within the Properties (defined as the Lots within the Subdivision), hereby covenants and agrees, and each purchaser of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual maintenance assessments or charges for purposes set forth in **ARTICLE III, SECTION 2** and (2) special assessments for capital improvements as set forth in **ARTICLE III, SECTION 4**, such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual maintenance and special individual assessments, together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon each Lot against which each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the continuing personal obligation of the person who was the owner of such property at the time when the assessment fell due.

**SECTION 2. PURPOSE OF ASSESSMENTS.** The assessment levied by the Association shall be used exclusively for the purpose of promoting the health, safety and welfare of the residents of the Properties, and particularly for the improvement and maintenance of the Common Areas; and for paying the cost of labor, equipment (including the expense of leasing any equipment) and materials required for, and management and supervision of the Common Areas, including but in no way limited to the following:

(a) The amount of all operating expenses for operating the Common Areas and Common Facilities and furnishing the services furnished to or in connection with the Common Areas and Common Facilities (defined herein as trails, sidewalks, bridges, tennis courts, basketball court, grassed sports fields, RV storage area, clubhouse, signs, streetlights, plants and beds, nature areas and green space within the subdivision), including charges by the Association for any services furnished by it; and

(b) The cost of necessary management and administration of the Common Areas and Common Facilities, including fees paid to any managing agents; and

(c) The amount of all taxes and assessments levied against the Common Areas and Common Facilities; and

(d) The cost of fire and extended coverage and liability insurance on the Common Areas and Common Facilities and the cost of such other insurance as the Association may place in force with respect to the Common Areas and Common Facilities; and

(e) The cost of maintaining, replacing, repairing and landscaping the Common Areas and Common Facilities (including, without limitation, the cost of maintaining, replacing and repairing the sidewalks, streets, trails, playground and any other facilities (other than those accepted by Lamar County, Mississippi for maintenance) and open areas in the Property, and the cost of such equipment as the Board of Directors shall determine to be necessary and proper in connection therewith; and

(f) The cost of funding all reserves established by the Association, including, when appropriate, a general operating reserve and a reserve for replacement.

**SECTION 3. ANNUAL ASSESSMENT**

(a) The Board of Directors of the Association shall set the annual assessment and will also decide the frequency of the payment, whether monthly, quarterly, semi-annually or annually.

(b) Annual assessments for the Declarant shall be one-third (1/3<sup>rd</sup>) of the amount per lot assessed to an owner of Class A stock and this special assessment shall remain in effect as to the Declarant when Declarant stock is converted to Class A stock from Class B stock.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

**SECTION 4. SPECIAL ASSESSMENTS.**

(a) Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements upon the Common Areas, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3<sup>rd</sup>s) of the votes of each class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

(b) Special Assessments for Work Performed by Declarant of the Association.

The Association is hereby authorized to assess any Lot for cost of all work or activity performed on any such Lot pursuant to **ARTICLE VIII, SECTION 2** or **ARTICLE X, SECTION 15**.

**SECTION 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4.** Written notice of any meeting called for the purpose of taking any action authorized under **SECTIONS 3** and **4** shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than thirty (30) days following preceding meeting.

**SECTION 6. UNIFORM RATE OF ANNUAL AND SPECIAL ASSESSMENTS.** Both annual and special assessments for capitol improvements must be fixed at a uniform rate for all Lots and shall be payable as set forth in **SECTION 7.**

**SECTION 7. DATE OF COMMENCEMENT OF ASSOCIATION.** 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 Areas. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The dues dates shall be established by the Board of Directors.

**SECTION 8. DUTIES OF THE BOARD OF DIRECTORS WITH RESPECT TO ASSESSMENTS.**

(a) The Board of Directors of the Association shall fix the date of commencement and the amount of the assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period, and shall, at the time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the office of the Association.

(b) Written notice of the assessment shall thereupon be delivered or mailed to every owner subject thereto.

(c) The Board of Directors shall, upon demand at any time, furnish to any owner liable for said assessment, a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Said certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. A reasonable charge may be made by the Board for the issuance of such certificate.

**SECTION 9. EFFECT OF NON-PAYMENT OF ASSESSMENT: THE PERSONAL OBLIGATION OF THE OWNER: THE LIEN: REMEDIES OF ASSOCIATION.**

(a) If any assessment or any part thereof is not paid on the date(s) when due; then the unpaid amount of such assessment shall, together with such interest thereon and cost of collection thereof as hereinafter provided, become a continuing lien on the Lot of the non-paying Owner, which lien shall be binding upon such Lot and the Owner thereof, his/her heirs, executors, devisees, personal representatives and assigns. The Association shall have the right to reject partial payment of an assessment and demand the full payment thereof. The obligation of the then existing Owner to pay each assessment, however, shall remain the Owner's personal obligation and shall not be extinguished by transfer of title. The lien for unpaid assessment shall be unaffected by any sale or assignment of a Lot and shall continue in full force and effect. No Owner may waive or otherwise escape liability for the assessment provided herein by abandonment of the Owner's Lot.

(b) The Association shall give written notification to the holder(s) of the mortgage on the Lot of the non-paying Owner of such Owner's default in paying any assessment when such default has not been cured within sixty (60) days, pursuant to **ARTICLE XII, SECTION 7** of the Declaration.

(c) If any assessment or any part thereof is not paid within forty(40) days after the delinquency date, the unpaid amount of such assessment shall bear interest from the date of delinquency at the maximum interest rate per annum which can be charged to individuals and the Association may, at its election, bring an action at law against the Owner personally obligated to pay the same in order to enforce payment and/or to foreclose the lien against the Property subject thereof after giving Notice to the holder of any Recorded First Mortgage as set out in **ARTICLE XII.** There shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action and/or all costs of foreclosure, including a reasonable attorney's fee.

**SECTION 10. RESERVES AND REPLACEMENTS.** The Association shall establish and maintain a reserve fund for replacement of the Common Areas and community facilities, and shall allocate and pay to such reserve fund whatever amount may be designated from time to time by the Board of Directors. Amounts paid into such fund shall be conclusively deemed to be a common expense of the Association, and such amounts may be deposited in any banking institution, or, in the discretion of the Board of Directors, may be invested in obligations fully guaranteed as to principal by the United States of America. The reserve for replacements is for the purpose of effecting the replacement of the Common Areas and community facilities, for major repairs to any sidewalk, parking areas, streets or roadways, trails, playground and any other facility on the Property, for such equipment replacement, and for startup expense and operating contingencies of a non-recurring nature related to the Common Areas and community facilities. The Association may establish such other reserve for such other purpose as the Board of Directors may from time to time consider to be necessary or appropriate. The proportional interest of each Member in any such reserves shall be considered an appurtenance to the Owner's Lot, and shall not be withdrawn, assigned or transferred separately from or otherwise than as an appurtenance to the Lot to which it appertains, and shall be deemed to be transferred with such Lot.

**SECTION 11. SUBORDINATION OF THE LIEN TO MORTGAGES.** The lien of the assessment provided herein shall be subordinate to the lien of any Recorded First Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosures or any proceeding in lieu thereof, shall extinguish the lien of such assessment 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 from the lien thereof.

**SECTION 12. EXEMPT PROPERTY.** The following Property subject to this Declaration shall be exempt from the assessments, charge and lien created herein:

(a) All properties dedicated and accepted by the local public authority and devoted to public use.

(b) All areas unplatted or reserved by the Declarant on the recorded plat of the Property.

**ARTICLE IV.  
GENERAL POWERS AND DUTIES OF BOARD  
OF DIRECTORS OF THE ASSOCIATION**

**SECTION 1. POWERS AND DUTIES.** The Board of Directors shall have all the powers, authorities and duties necessary or appropriate for the management and administration of the affairs of the Association, and in managing and administering such affairs, the Board of Directors shall have all the power and authority to do all acts and things except those which by Law or by the Declaration or by the Charter or by the By-laws may be exercised and done only by the Members. The powers, authorities and duties of the Board of Directors shall include, but shall not be limited to, the following:

(a) To provide for the care, upkeep and surveillance of the Common Areas and community facilities and services in a manner consistent with law and the provisions of the By-laws and this Declaration; and

(b) To provide for the establishment, assessment, collection, use and expenditures of assessments and carrying charges from the Members, and for the filing and enforcement of liens thereof in a manner consistent with law and the provisions of the By-laws and this Declaration; and

(c) To provide for the designation, hiring and dismissal of the personnel necessary and appropriate for the proper care and maintenance of the Common Areas and community facilities and to provide service on the project in a manner consistent with law and the provisions of the By-laws and this Declaration; and

(d) To provide for the promulgation and enforcement of such rule, regulations, restrictions and requirements as may be deemed proper respecting the use, occupancy and maintenance of the Common Areas and community facilities, including, but by no means limited to rules, regulations, restrictions and requirements designed to prevent unreasonable interference with the use of the Common Areas and community facilities by the Members and others, all of which rules, regulations, restrictions and requirements shall be consistent with law and the provisions of the By-laws and this Declaration; and

(e) To authorize, in their discretion, the payment of patronage refunds if and when the funds derived from assessments shall prove to be more than sufficient to meet all reasonably foreseeable needs of the Association during then current fiscal year; and

(f) To purchase insurance upon the Common Areas and community facilities in a manner provided for in the By-laws and this Declaration; and

(g) To repair, restore or reconstruct all or any part of the Common Areas and community facilities after any casualty loss in a manner consistent with law and the provisions of the By-laws and this Declaration and otherwise improve the Common Areas and community facilities; and

(h) To lease and to grant licenses, easements, rights-of-way, and other rights of use in all or any part of the Common Areas and community facilities; and

(i) To purchase Lots and so lease, mortgage or convey the same, subject to the provisions of the By-laws and this Declaration.

(j) To employ for the Association, at their sole discretion, a management agent or manager (herein at times referred to as the "Management Agent") at a rate of compensation established by the Board of Directors to perform such duties and services as the Board of Directors from time to time shall prescribe. Any management agreement entered into by the Association shall provide, inter alia, that such agreement may be terminated for cause by either party upon thirty (30) days written notice to the other party. The term of any such management agreement shall not exceed one year; provided, however, that the term of any such management agreement may be renewable by mutual agreement of the parties for successive one-year periods.

**ARTICLE V.**  
**INSURANCE**

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

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

(c) Each Owner shall keep his/her residence insured at all times for its full replacement value against losses due to fire, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, and smoke, and any other hazards that may be covered under standard extended coverage provisions, and shall furnish the Association proof of such coverage. In every case of a loss due to these hazards, each Owner shall promptly repair or rebuild his/her residence from the insurance proceeds. Repair or reconstruction of the improvements as used here shall mean restoring the improvements to substantially the same condition which existed prior to the damage.

(d) Each Owner shall furnish the Association with a copy of his/her insurance policy. Each Owner does, by his/her acceptance of a deed, irrevocably constitute and appoint the Association his/her true and lawful attorney in his/her name, place, and stead for the purpose of accomplishing the repair or reconstruction of the improvements in the event the Owner fails or refuses to carry out any of the provisions contained herein. If insurance proceeds are insufficient to cover the cost of reconstruction, then the Association may pay the excess and the cost thereof shall become a part of the assessment to which said Lot is subject.

(e) Each Owner shall be responsible at his/her own expense and cost for his/her own personal insurance on the contents of his/her own residence, carport or parking space, including decorations, furnishing and personal property stored elsewhere on the Properties; and for his/her personal liability not covered by liability insurance for all Owners obtained as a part of the common expense.

**ARTICLE VI.**  
**AD VALOREM PROPERTY TAXES**

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

**ARTICLE VII.**  
**ARCHITECTURAL CONTROL**

**SECTION 1. ARCHITECTURAL REVIEW.**

(a) No building, fence, wall, or other structure shall be commenced, erected, placed, altered or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the proposed plans, including a plot plan showing the proposed location of such building or structure, drives and parking areas, and specifications showing the nature, kind, shape, height, materials, exterior color or finish and construction schedule shall have been submitted to and approved in writing by the Board, or by an Architectural subcommittee, the Architectural Review Committee, composed of three (3) or more representatives appointed by the Board (one of which shall be a member of Sandstone, LLC, the Declarant, until such representative resigns). No alteration in the exterior appearance of any building or structure shall be made without like approval from the Architectural Review Committee. Before any landscaping of each Lot shall begin, each owner must submit a copy of a landscape plan to the said Architectural Review Committee for its reasonable approval.

(b) Two (2) copies of all plans and related data shall be furnished the Architectural Review Committee. One copy shall be retained by the committee and the other copy shall be retained by the Property Owner or Builder marked "Approved" or Disapproved". Approval shall be dated and shall not be effective for construction commenced more than six (6) months after such approval. Disapproved plans and related data shall be accompanied by a reasonable statement of items found unacceptable. In the event the Board, or its designated committee, fails to approve or disapprove such design and location within 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.

(c) No approval of plans and specifications, and no publication or architectural standards bulletin shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence will be built in a good, workmanlike manner. The Board or Committee may require payment of a cash fee, as established from time to time by the Board, to partially compensate for the expense of reviewing plans or related data, at the time they are submitted for review. This paragraph shall not apply to any Property utilized by a governmental agency or institution.

(d) Refusal of approval of plans, specifications, or location may be based by the Architectural Review Committee upon any ground, including purely aesthetic considerations, so long as they are not arbitrary and capricious. Neither the Board nor the Architectural Review Committee shall be liable to a Property Owner or to any other person on account of any claim, liability or expense suffered or incurred by or threatened against a Property Owner or such other person arising out of or in any way relating to the subject matter of any reviews, acceptances, inspections, permissions, consents or required approvals which must be obtained from the Architectural Review Committee or public authorities whether given, granted or withheld.

**SECTION 2. BUILDING SIZES AND LOCATION.**

(a) The living area of the main house or residential structure constructed as a one-story residence on any Lot, exclusive of porches and garages, shall be not less than 2,200 square feet of heated-enclosed living area, except for Lots as shown on the Plat in Block "D" (The Glades of Sandstone). No residence shall be taller than three (3) stories, unless approved by the Architectural Review Committee. In the case of any residence of more than one (1) story, the requirements as living area shall be at least 2,200 square feet for both stories, but not less than 1,200 square feet on the ground level.

(b) The living area for homes located on Lots in Block "D" (The Glades of Sandstone) shall be a minimum square footage of 1,800 square feet of heated-enclosed living area.

(c) No residential building shall be erected on any Lot nearer than fifty feet (50') from the front lot line, sixty feet (60') from the rear lot line and ten feet (10') from the side lot line. This shall not apply to Lots in Block "D" (The Glades of Sandstone) which shall have no setback requirements.

(d) It may be impossible or inadvisable to enforce the above-stated setback requirements due to the natural terrain, lot configurations and/or proximity of adjacent structures. Therefore, notwithstanding anything else herein to the contrary, the Architectural Review Committee may approve specific deviations to said setback requirements which it believes to be beneficial to a specific homesite or to adjacent homesites.

**SECTION 3. TOPOGRAPHY AND VEGETATION.** Topography and vegetation characteristics of the Property shall not be altered by removal, reduction, cutting, excavation or any other means without the prior written approval of the Architectural Review Committee.

**SECTION 4. TREE REMOVAL.** No trees, bushes or underbrush of any kind may be removed without the written approval of the Architectural Review Committee. Provided that a buffer ten feet in width can be maintained on each side of the Property, approval for the removal of trees located within the main dwelling or accessory building or within ten (10) feet of the approved sites for such building will be granted unless such removal will substantially decrease the beauty of the Property. All long leaf pines, dogwoods, maple trees and wild azaleas, regardless of size, shall not be removed unless approved by the Architectural Review Committee.

**SECTION 5. RULES AND REGULATIONS, ETC.** The Architectural Review Committee may from time to time adopt and promulgate such rules and regulations regarding the form and content of plans and specifications to be submitted to it for approval, and may publish and record such statements of policy, guidelines, and may establish such criteria relative to architectural styles or details, colors, setbacks, materials or other matters relative to architectural review and the protection of the environment, as it may consider necessary or appropriate. No such rules, regulations, statements, criteria or the like shall be construed as a waiver of the provisions of this ARTICLE or any other provision or requirement of this Declaration. The decisions of the Architectural Review Committee shall be final except that any member who is aggrieved by any action or forbearance from action by the Committee (or any policy, standard, or guideline established by the Committee) may appeal the decision of the Architectural Review Committee to the Board of Directors, and upon written request, such members shall be entitled to a hearing before the Board of Directors.

**SECTION 6. ENVIRONMENTAL HAZARDS.**

(a) To secure the natural beauty of the Property, the Architectural Review Committee may promulgate and amend from time to time rules and regulations which will govern activities which may, in its judgment, be environmental hazards such as the application

of fertilizers and pesticides or other chemicals. Failure of any Property Owner or tenant of Property in Sandstone Subdivision to comply with the requirements of such rules and regulations shall constitute a breach of this Declaration.

(b) The Declarant hereby reserves unto itself, its successors, assigns and agents a perpetual and reasonable right on, over and under all Property in Sandstone Subdivision for the purpose of taking any action necessary to effect compliance with such environmental rules and regulations. The cost of such action by the Declarant shall be paid by the respective Property Owner(s) of the property upon which the work is performed.

**SECTION 7. FUTURE SITE CONTROL.** To prevent successive "run" or drainage from any Lots, the Declarant and the Architectural Review Committee reserves the right to establish a maximum percentage of Property which may be covered by a building, patio, driveway or other structures. In the establishment of such maximum percentage, the Declarant and the Architectural Review Committee shall consider topography, percolation rate of the soil, soil types and conditions, vegetation cover and other relevant environmental factors. Neither this nor any other right reserved herein by the Declarant or the Architectural Review Committee shall be construed however, to be an obligation of either the Declarant or the Association to take any action.

**SECTION 8. WILDLIFE.** No hunting or trapping shall be permitted on any portion of the Property except for undesirable wildlife as authorized by the Board of Directors. All Property Owners are encouraged to help maintain a natural environment and habitat for the protection of wildlife.

**SECTION 9. PARKING.** Each residential building shall provide for off-street parking in the form of a paved driveway or other approved substance extending from the street paving to the garage or carport as approved by the Architectural Review Committee. No parking on the street by an Owner shall be allowed.

**SECTION 10. ROOF PITCH.** The pitch of the main roof should not be less than 8:12 pitch. The Architectural Review Committee may approve a lesser pitch if the designer can show that it is more appropriate to the proportions of the house.

**SECTION 11. CHIMNEYS.** All exposed portions of chimneys must be brick, stucco, or synthetic stucco. Stack vents are to be painted the color of the roof and must be located in the rear of the home where possible.

## **ARTICLE VIII.** **EASEMENTS**

### **SECTION 1. UTILITY EASEMENTS.**

(a) Easements for installation maintenance, repair and removal of utilities and drainage facilities and floodway easements over, under and across the Property are reserved by Declarant for itself, its successors and assigns, the Association and each Owner. Full rights of ingress and egress shall be had by Declarant and its successors and assigns and the Association at all times over the Common Area or any Lot on which an easement has been reserved or granted for the installation, operation, maintenance, repair or removal of any utility together with the right to remove any obstruction that may be placed in such easement that would constitute interference with the use of such easement, or with the use, maintenance, operation or installation of such utility.

(b) The Association acting by and through its Board of Directors or Declarant may hereafter grant easements for utility purposes for the benefit of the Property or for the benefit of individual lots, including the right to install, lay, maintain, repair and replace water mains and pipes, sewer lines, gas mains, telephone and computer-wise equipment, electrical conduits and wires over, under, along or on any portion of the Property and the ownership of any Lot shall be subject to such easements.

(c) Notwithstanding anything herein expressly or implied to the contrary, this Declaration shall be subject to all easements heretofore or hereafter granted by the Declarant for the installation and maintenance of utilities, sewers, drainage and similar facilities that are necessary or appropriate for the development of the Property.

(d) The above reservations and rights expressly include the right to cut any trees, bushes, or shrubbery, rights to make any gradings of the soil, or take any other similar action reasonably necessary to provide economical and safe utility installment and to maintain reasonable standards of health, safety and appearance.

### **SECTION 2. INGRESS AND EGRESS BY THE ASSOCIATION.**

Full rights of ingress and egress shall be had by the Association at all times over and upon each Lot for the maintenance and repair of each Lot in accordance with the provisions hereof, and for the carrying out by the Association of its functions, duties and obligations hereunder; provided that any such entry by the Association upon any Lot shall be made with as little inconvenience to the Owner as practical, and any damage caused thereby shall be repaired by the Association at the expense of the maintenance fund.

## **ARTICLE IX.** **USE RESTRICTIONS**

The property shall be subject to the following use restrictions:

### **SECTION 1. USE OF LOTS AND DWELLINGS.** The permitted uses shall be as follows:

(a) Single-family dwelling for residential purposes only. No trade or business of any kind may be carried on therein. This shall not prohibit, however, a home office.

(b) One out-building and a mother-in-law cottage will be allowed as approved by the Architectural Review Committee. This will be in addition to detached garages.

**SECTION 2. EXTERIOR APPEARANCES.** Each property Owner shall provide a screened area or shall store or place garbage receptacles, fuel tanks or similar storage receptacles, electric and gas meters, air conditioning equipment, clotheslines, and other unsightly objects in such a manner that they will be concealed from view from the street.

**SECTION 3. SIGNS.** No signs, advertising or ornaments of any kind shall be maintained or permitted on any property subject to this Declaration without the express written permission of the Architectural Review Committee except for real estate "For Sale" signs, used by the Declarant, Owner, contractor or Owner's Real Estate Agent. The approval of any signs and posters, without limitation, name and address signs, shall be upon such conditions as may be from time to time determined by the Architectural Review Committee and may be arbitrarily withheld. If any such sign or advertising device is approved, it shall be subject to the right of the Architectural Review Committee to restrict the size, color and content. Notwithstanding the foregoing, the restrictions of this Section 3 shall not apply to Declarant, its agents or assigns, so long as Declarant shall own any of the Lots. In addition, the Board of Directors, on behalf of the Association, shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas and within those easement areas established under the Declaration. Nothing contained herein shall prohibit a small, security warning sign.

**SECTION 4. TRUCKS, BOATS, MOBILE HOME TRAILERS, OTHER VEHICLES AND TEMPORARY BUILDINGS.** No truck or vehicle exceeding one (1) ton shall be stored or parked on any Lot, Common Area or other area at any time. All automobiles owned or used by Owners or occupants, other than temporary guests and visitors, shall, as far as possible, be parked in enclosures which screen the automobile from street view. No temporary building structure, mobile home or house trailer shall be moved upon or otherwise placed or permitted upon any Lot or Common Area. Recreational Vehicles, boats, and/or boat trailers may be parked on any Lot on which a residence has been constructed, provided they are kept on a private driveway and inside an enclosed building or concealed from view.

**SECTION. 5. UNSIGHTLY CONDITIONS AND NUISANCE.** It shall be the responsibility of each Property Owner and tenants thereof to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on the Property which shall tend to substantially decrease the beauty of the community as a whole or as a specific area. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Property. Nor shall any nuisance or odors be permitted to operate upon or arise from the Property, so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using or occupying any other portions of the Property. Noxious or offensive activities shall not be carried on in any Lot dwelling or any part of the Common Areas. Clotheslines are discouraged but, if used, must be concealed from view from the street.

**SECTION 6. ANTENNAS.** Television or other electronic receiving or transmitting devices are discouraged but, if used, shall be concealed from view from the street. If a satellite receiving dish is used, it shall not exceed eighteen inches (18") in diameter.

**SECTION 7. LIGHTS.** The design and location of landscape lighting fixtures shall be subject to the approval of the Architectural Review Committee. Neither these or any other illumination devices, including but not limited to Christmas ornaments, located anywhere on the structure or grounds of any Lot shall be located, directed or of such intensity to affect adversely the nighttime environment of any adjoining Property.

**SECTION 8. PETS.** No animals, livestock or poultry of any kind, shall be raised, bred, kept, staked or pastured on the Common Areas or on any Lot, except dogs, cats, birds or other household pets which shall be kept and maintained in accordance with the rules and regulations adopted from time to time by the Board of Directors. Certain animals, as determined by the Board of Directors, may be kept on such Lots as may be designated by the Declarant, subject to such terms, conditions and rules as adopted and amended by the Board of Directors from time to time. Household pets, such as dogs or cats, must be contained within an owner's property, unless a leash is used.

**SECTION 9. SALES AND CONSTRUCTION ACTIVITIES.** Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for Declarant and its agents, employees, successors and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement, and sale of Lots and/or dwellings or the development of Lots, dwellings, Common Areas and the additional property, including, without limitations, the installation and operation of sales and construction trailers, offices and dwellings as may be approved by the Declarant from time to time, provided that the location of any construction trailers or any assignees of the Declarant's rights under this Section 9 shall be subject to Declarant's approval. The right to maintain and carry on such facilities shall contain specifically the right to use dwellings as model residences, and to use any dwellings as an office for the sale of Lots and/or dwellings, and for related activities. During the construction of any house, a dumpster and a portable toilet will be provided by the owner or the Contractor to contain trash and building materials and to provide sanitary conditions for workers. Furthermore, during construction, no burning of materials or refuse shall be allowed.

**SECTION 10. TIME SHARING.** No Lots or Dwellings shall be sold under any time sharing, time interval, or assume or right-to-use programs.

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

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

**SECTION 13. CERTAIN CONSTRUCTION RIGHTS.** The Declarant expressly reserves to itself, its successors, and assigns and any other provisions of this Declaration notwithstanding, the right to build bridges, walkways, or expanse across any natural or man-made canals, creeks, riding trails, paths, or lagoons in the Property. Nothing in this section shall be construed as placing an affirmative obligation to the Declarant to provide or construct any such improvement.

**SECTION 14. CERTAIN CONTROLS.**

(a) To implement effective insect, reptile, and fire control, and vegetation and trash control, the Declarant or the Association, and their successors, assigns and agents, have the right to enter upon any property on which a building or structure has not been constructed and upon which no landscaping plan has been implemented for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, removing trash or dispensing pesticides on all such property which in the opinion of the Declarant or the Architectural Review Committee detracts from the overall beauty, setting and safety of the Property. The cost of this vegetation and trash control shall be kept as low as reasonably possible and shall be paid by the respective Property Owner. Such entry shall not be made until thirty (30) days after such Property Owner has been notified in writing for the need of such work and unless such Property Owner fails to perform the work within said thirty (30) days period.

(b) The provisions of this section shall not be construed as an obligation on the part of the Declarant or the Association to mow, clear, cut, or prune any property, to provide garbage or trash removal services to perform any grading or landscaping work, construct or maintain erosion prevention devices, or to provide water pollution control on any privately owned property.

(c) Entrance upon Property pursuant to the provisions of this Section 14 shall not be deemed trespass. The rights reserved unto the Declarant and the Association in this section shall not be unreasonably employed and shall be used only where necessary to effect the stated intents and purpose of this Declaration.

**SECTION 15. COMPLIANCE.**

(a) In the event of a violation or a breach of any other restrictions contained in this Declaration by any Property Owner, or agent of such Property Owner, other Property Owners, or in any event, jointly or severally shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing, the Declarant and/or the Association severally shall have the right, but shall not be obligated to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation of any breach in any event.

(b) In addition to the foregoing, the Declarant and/or the Association severally shall have the right, but shall not be obligated, whenever there shall have been built at any place on the Property any structure which is in violation of these restrictions, to enter upon the Property upon which such violation exists and similarly abate or remove the same at the expense of the Property Owner if, after thirty (30) days written notice of such violation, it shall not have been corrected by the Property Owner. Any person entitled to file a legal action for the violation of these covenants shall be entitled to recover reasonable attorneys' fees as a part of such action. Any such entry and abatement or removal shall not be deemed a trespass.

(c) The failure to enforce any rights, reservations, or restrictions contained in this Declaration, however long continued, shall not be deemed a waiver of this right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. The invalidation by any court of any restrictions of this Declaration shall in no way affect any of the other restrictions, but they shall remain in full force and effect.

**SECTION 16. FENCES.** All fences must be approved by the Architectural Review Committee.

**SECTION 17. UTILITY LOCATION.** All utilities will be placed underground.

**SECTION 18. CONSTRUCTION COMPLETION.** Once construction of a residence or any addition or outside structure has begun, it must be completed within twelve (12) months unless an extension is granted by the Board of Directors of the Association.

**SECTION 19. PARKING.** No vehicle shall be parked on any street or in front of residences on a frequent, regular or permanent basis after construction or a residence is complete.

**SECTION 20. FIREARMS.** The use of firearms or air guns or B-B guns is strictly prohibited in Sandstone Subdivision.

**ARTICLE X.**  
**RULE MAKING**

**SECTION 1. RULES AND REGULATIONS.**

(a) Subject to the provisions hereof, the Board of Directors may establish reasonable rules and regulations concerning the use of Lots, dwellings and the Common Areas and facilities located thereon. Particularly and without limitations, the Board of Directors may promulgate from time to time rules and regulations which will govern activities which may, in the judgment of the Board of Directors, be environmentally hazardous, such as the applications of fertilizers and pesticides and other chemicals.

(b) Subject to the terms and provisions of this Declaration the Board of Directors may establish rules and regulations, fees and charges from time to time pertaining to use of the recreational area and amenities as are now and hereinafter located in the Common Areas.

**ARTICLE XI.**  
**PROPERTY SUBJECT TO THIS DECLARATION**

**SECTION 1. THE PROPERTY.** The Property is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration.

**SECTION 2. PHASE DEVELOPMENT.** The Declarant hereby expressly reserves the option and right to add additional lands to this Declaration, pursuant to and subject to the following provisions:

(a) The consent of the Owners shall not be required for the annexation of future phases, and the Declarant may proceed with such annexation at his/her sole option and determination.

(b) Declarant's option to annex future phases shall expire twenty-five (25) years after the date of recording this Declaration, if not sooner exercised. Declarant may annex and add to Sandstone Subdivision and include as Property, subject to this Declaration, all or any part of the property described in Exhibit "A" hereinafter sometimes referred to as "future phases". All Lots, common areas, Common Facilities and Green Space of said future phases, if and when said future phases or a portion thereof is so annexed, shall be in all respects subject to the provisions, restrictions, covenants, terms and conditions of this Declaration, the Charter and By-laws of the Association, and such amendment, restriction, rules and regulations as may be promulgated thereunder. However, the Declarant may at

any time prior to the expiration of such period terminate its option to add said phase(s) by recording in the office of the Chancery Clerk of Lamar County, Mississippi, an executed, notarized document terminating this option and notify each Owner of existing Lots of the decision not to add additional phases. Notice shall be by U.S. Certified Mail addressed to each Owner at the address of his/her Lot or at his/her last known address.

(c) The Declarant may add future phases at different times in any sequence desired by the Declarant.

(d) In the event that Declarant determines to exercise its option to annex future phases, he shall have the easements as set forth in **ARTICLE XIII**. If future phases have not been annexed within fifteen (15) years from the date of recording of this Declaration, all of Declarant's rights to annex future phases shall terminate.

(e) Declarant hereby reserves the right at any time hereafter, prior to the expiration of fifteen (15) years from the date of recording hereof, without joinder or consent of any Owner or Mortgagee, to record an amendment(s) to this Declaration executed by the Declarant to properly reflect the addition of future phases.

(f) The Declarant may make additional lands subject to this Declaration by filing of record a Supplemental Declaration which shall extend the scheme of the Covenants, Conditions, and Restrictions of such Declarations to such property or properties; provided, however, that such Supplemental Declaration may contain such complementary additions and modifications of the covenants, conditions, and restrictions contained herein as may be necessary to reflect the different character, if any, of the added properties but which are not generally inconsistent with the concept of this Declaration, provided, however, in no event shall such Supplemental Declaration otherwise modify the covenants established by this Declaration for the existing Properties.

(g) Any additions made pursuant to this Section 2, when made, shall automatically extend the jurisdiction, functions, duties and membership of the Association to the properties added and grant to all Owners all Property rights set forth in **ARTICLE I** and all easements, privileges and benefits granted by this Declaration to all properties now or hereafter annexed.

(h) The covenants, conditions and restrictions of this Declaration shall not affect or apply to any of the real Property described in this Section unless and until such Property or a portion thereof is annexed by this Declaration pursuant to and in compliance with the provisions of Section 2 of **ARTICLE XII**. Upon a merger or consolidation of the Association with another Association, as provided in its Articles of Incorporation, its Properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated Association or, alternatively, the Properties, rights and obligations of another association may, by operation of law, be added to the Properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated Association may administer the covenants and restrictions established by this Declaration, together with the covenants and restrictions established upon any other properties as on scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by the Declaration except as hereinafter provided.

(i) Each Owner hereby grants a power coupled with an interest to the Declarant, its successors and assigns to make or consent to the said amendment(s) to the Declaration on behalf of each Owner to add future phases to this Section 2 of **ARTICLE XI**. Title to each Lot is declared and expressly made subject to the terms and conditions hereof, and acceptance by any Grantee of a deed from the Declarant or from any Owner shall constitute appointment of the attorney-in-fact herein provided. All of the Owners irrevocably constitute and appoint Declarant, its successors and assigns, as their true and lawful attorney-in-fact for the purpose of dealing with the addition of future phases to the Property as herein provided. As attorney-in-fact, the Declarant shall have full and complete authorization, right and power to make, execute and deliver an amendment to this Declaration or By-laws or any other instrument with respect to the interest of a Lot Owner which are necessary and appropriate to exercise the powers herein granted.

(j) Each Owner and each Mortgagee, grantee, heir, personal representative, successor and assign of each Lot Owner, by such person's or entity's acceptance of any deed or mortgage or other interest in or with respect to any Lot, shall be deemed to have expressly agreed and consented to (i) each and all of the provisions of this Section 2, (ii) the recording of such amendment to the Declaration and (iii) all of the provisions of each amendment to this Declaration which may hereafter be recorded in accordance with the provisions of this Section 2.

(k) **DECLARANT SHALL HAVE NO OBLIGATION TO CONSTRUCT OR ADD FUTURE PHASES TO THE DEVELOPMENT AND DOES NOT WARRANT, REPRESENT OR GUARANTEE THAT FUTURE PHASES WILL BE ADDED TO THE DEVELOPMENT. EACH OWNER AGREES, BY ACCEPTANCE OF A DEED TO A UNIT, THAT HE/SHE HAS NOT RELIED ON FUTURE PHASES BEING ADDED TO THE DEVELOPMENT IN PURCHASING HIS/HER LOT.**

## **ARTICLE XII.** **GENERAL PROVISIONS.**

**SECTION 1. DURATION.** The Covenants, Conditions and Restrictions of this Declaration shall run with and bind the land subject to this Declaration, and shall inure to the benefit of and be enforceable by the Owners of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty-five (25) years from the date this Declaration is recorded in the Office of the Chancery Clerk of Lamar County, Purvis, Mississippi, after which time said covenants shall be automatically extended for the successive periods of five (5) years unless an instrument signed by a majority of the Owners has been recorded in the Deed Records, in said Chancery Clerk's Office agreeing to abolish the said Covenants, Conditions and Restrictions in whole or a substantial portion thereof; provided, however, that no such agreements to abolish shall be effective unless made and recorded one (1) year in advance of the effective date of such abolishment.

### **SECTION 2. AMENDMENTS.**

Notwithstanding Section 1 of this ARTICLE, the Covenants, Conditions and Restrictions of this Declaration may be amended and/or changed in part with the consent of eighty percent (80%) of the Lot Owners (for this purpose each Lot Owner shall have one vote for each Lot owned), if amended and/or changed during the twenty-five (25) year period of this Declaration, and thereafter said Covenants may be amended or terminated with the consent of at least seventy-five percent (75%) of the Lot Owners, and in each case such amendment shall be evidenced by a document in writing bearing each of their signatures. All amendments, if any, shall be recorded in the Office of the Chancery Clerk of Lamar County, Mississippi.

### **SECTION 3. ENFORCEMENT.**

Enforcement of these Covenants, Conditions and Restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate them, or to recover damages, or to enforce any lien created by these covenants; and failure 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 4. SEVERABILITY.**

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

### **SECTION 5. HEADINGS.**

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

### **SECTION 6. NOTICES TO OWNERS.**

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

### **SECTION 7. NOTICES TO MORTGAGEES.**

Notwithstanding any provisions herein to the contrary, the holder(s) of a Recorded First Mortgage on any Lot is entitled to, and shall receive, written notification from the Association of any default by the respective mortgagor/owner in the performance of such mortgagor's/owner's obligation(s) as established by this Declaration.

**SECTION 8. CONSENT OF HOLDERS OF FIRST DEEDS OF TRUST AND FEDERAL NATIONAL MORTGAGE ASSOCIATION/FEDERAL HOUSING ADMINISTRATION/VETERANS ADMINISTRATION.** During any period when any Lot in the project is encumbered by a Recorded First Mortgage, the Owners, by any act or omission, shall not do any of the following things without the prior written consent and approval of the holders of all outstanding Recorded First Mortgages, and if their interests be affected, the Federal National Mortgage Associations, Federal Housing Administration and the Veteran's Administration.

(a) Abandon, partition, subdivide, encumber, sell or transfer any of the Common Areas provided, however, that the granting of rights-of-way, easements and the like for public utilities or for other purposes consistent with the use of the Common Area by the Owners shall not be considered an encumbrance, sale or transfer within the meaning of this Subsection;

(b) Abandon or terminate this Declaration; or

(c) Modify or amend any material or substantive provision of this Declaration.

(d) Annex additional properties; or merge or consolidate the Association.

### **SECTION 9. ADDITIONAL RIGHTS OR MORTGAGEES - NOTICE.**

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

Recorded First Mortgage on any Lot, and the protection extended in this Declaration to the holder of any such mortgage shall not be altered, modified or diminished by reason of such failure. Also, any failure to give any such notice shall not affect the validity of the lien for any assessment levied pursuant to this Declaration, nor shall any such failure affect any of the priorities for liens as specified in **ARTICLE III** hereof.

(b) No suit or other proceeding may be brought to foreclose the lien for any assessment levied pursuant to this Declaration except after ten (10) days' written notice to the holder of the Recorded First Mortgage encumbering the Lot which is the subject matter of such suit or proceeding.

(c) Any holder of a Recorded First Mortgage on any Lot upon the Property may pay any taxes, utility charges or other charges levied against the Common Areas which are in default and which may or have become a charge or lien against any of the Common Areas. Any holder of a Recorded First Mortgage who advances any such payment shall be due immediate reimbursement of the amount so advanced from the Owners.

(d) No mortgagee and no beneficiary or trustee under a deed of trust shall become personally liable for or obligated for any unpaid maintenance fund assessment.

(e) No amendment to this Declaration shall affect the rights of the holder of any Recorded First Mortgage recorded prior to the recordation of such amendment who does not join in the execution thereof.

(f) The holders, insurers or guarantors of any first mortgage on a Lot in the Property will, upon request, be entitled to: (i) inspect the books and records of the Association during normal business hours; (ii) receive an annual audited financial statement of the Association within ninety days following the end of any fiscal year of the Association; (iii) written notice of all meetings of the Owners Association and be permitted to designate a representative to attend all such meetings; and (iv) current copies of this Declaration, the Buy-laws of the Association and all other rules concerning the Association.

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

**SECTION 11. RECORD OF MORTGAGE.** Any Owner who mortgages his/her unit shall notify the Association of such fact and shall furnish the Association the name and address of his/her mortgagee and a copy of his/her mortgage held by such mortgagee. The mortgagee shall be entitled to notify the Association that such mortgagee holds a mortgage on a Lot. The Board of Directors shall maintain such information in a book entitled "Holders of Recorded First Mortgages."

**SECTION 12. NOTICES.** Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail. If delivery is by mail, it shall be deemed to have been delivered forty-eight hours after a copy of the same has been deposited in the United States mail, postage pre-paid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or to the residence of such person if no address has been given to the Association; provided, however, that notice of meetings need not be mailed by Certified Mail, Return Receipt Requested. Such addresses may be changed from time to time by notice in writing to the Association.

### **ARTICLE XIII.** **DECLARANT'S RIGHTS AND RESERVATIONS**

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



IN WITNESS WHEREOF DECLARANT HAS CAUSED this instrument to be duly executed on the day and year first above mentioned.

**DECLARANT:**

**SANDSTONE, LLC**  
**a Mississippi Limited Liability**  
**Company**

By: \_\_\_\_\_

PERSONALLY came and appeared before me, the undersigned authority in and for said County and State, the within named, **SANDSTONE, LLC**, a Mississippi Limited Liability Company, by and through \_\_\_\_\_, who is the \_\_\_\_\_ of **SANDSTONE, LLC**, who acknowledged on oath that he signed, executed and delivered the above and foregoing instrument on the day and the year therein mentioned as the act and deed of said Company, he first being duly authorized to execute same.

GIVEN under my hand and seal of office on this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 1998.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

\_\_\_\_\_