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RESTRICTIVE COVENANTS AND BUILDING RESTRICTIONS

DOGWOOD DEVELOPMENT, L.L.C.

THIS CONTRACT and agreement entered into this day by and between DOGWOOD DEVELOPMENT, L.L.C., a Mississippi Limited Liability Company, by and through its Members for and on behalf of said Limited Liability Company, after having been duly authorized to do so, WITNESSETH:

WHEREAS, DOGWOOD DEVELOPMENT, L.L.C., a Mississippi Limited Liability Company, is in the process of developing a tract of land located and situated in Oktibbeha County, Mississippi constituting 614.21 acres recently acquired by said Limited Liability Company for the purpose of constructing and maintaining a golf course to be designed as a "championship quality" course, along with adjacent residential community together with a club house and other recreational and service facilities and improvements and

WHEREAS, said project will be developed in "Phases" as far as the residential development portion of the property is concerned and said Limited Liability Company, as the owner and developer of said property, hereinafter referred to as "Developer", has recently filed with the Chancery Clerk of Oktibbeha County, Mississippi, for the initial development, subdivision plat designated as lots numbered 1-143, inclusive, for Phase I, same being filed for record in the office of the Chancery Clerk of Oktibbeha County, Mississippi in Municipal Plat Book 6 at page 29-35. Other phases to be developed in the future but that are not platted at this time include Phase II and Phase IV.

WHEREAS, the Developer presently owns all of the lots in said subdivision in fee simple title as to Phase I and further owns in fee simple all other land within the 614.21 acres which is to be developed in the future as Phase II and Phase IV regarding residential use, and

WHEREAS, the Developer owns all the aforesaid lots in Phase I and it is the desire of them to place certain restrictive covenants and building restrictions against Lots 1-143, and a 6.48 acre tract of land recorded on the plat as being for a multi-family development and further a 7.99 acre tract of land recorded on the plat as being for multi-family development and a 9.10 acre tract of land recorded on the plat for commercial development, inclusive, of Phase I, and all of the property described above, subject only

to the exceptions contained in this instrument, for the purpose of developing said lots and other land listed in Phase I into an acceptable and desirable residential subdivision and community compatible with the design of the golf course and its appurtenances, to prevent nuisances and therefore to fully secure to each lot owner the full benefit and enjoyment of his lot or tract of land, with no greater restriction on the free and undisturbed use of the lot than is necessary to insure the same advantages to the other owners as to single-family, multi-family and commercial designated land, respectfully.

NOW THEREFORE PREMISES CONSIDERED, for and in the consideration of the mutual benefits and rights flowing from each of the parties and owners herein, it is mutually contracted, covenanted and agreed as follows, to-wit:

I.

These covenants and building restrictions shall apply to all property designated as Phase I as well as all of the lots to be developed in the balance of the land owned by the Developer designated for residential use to be known as Phases II and IV, which said additional lots may also incorporate these restrictive covenants and building restrictions except as amended and supplemented under the terms of this contract. It is also expressly understood that in the event that the Developer should acquire adjacent lands to add to and supplement real estate owned by the Limited Liability Company, that said additional lands may likewise be made a part of these protective and restrictive covenants and building restrictions.

II.

It is hereby stated and agreed that none of the property that is the subject of this contract shall be held, sold, transferred, conveyed, used, occupied, mortgaged or otherwise be encumbered except by being subject to the restrictive and protective covenants contained herein and building restrictions, at times hereinafter referred to as "Covenants and Restrictions", so that the value and desirability of the real estate and residential area contained within said property may be protected and enhanced and shall reflect the character and "theme" of the residential development and golf course property and shall be consistent with it from both an architectural and engineering standpoint. It is expressly understood that these restrictive and protective covenants and building restrictions as hereinafter set forth, shall run with the title of the land in perpetuity and shall be binding upon all persons, corporations, or other legal entities having any right, title or interest in subject property from this day forward,

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including all the respective heirs, devisees, assigns, transferees, and successors in title to the present owners and shall enure to the benefit of each and every owner of all portions of the property to which these covenants and restrictions apply.

ARTICLE I
DEFINITIONS

A. "**Additional Property**" Initially these covenants and restrictions shall cover Lots 1 through 143, and the other three tracts described on Page 1, inclusively, of Phase I of the Dogwood Golf Club Development, as same appears of record in Municipal Plat Book 6 at page 29-35 of the records in the office of the Chancery Clerk of Oktibbeha County, Mississippi. Additional residential areas to be known as Phases II and IV may, in the future, also be made applicable to these covenants by the Owner placing of record a declaration of same and should incorporate this agreement by reference. Likewise additional properties acquired by the Limited Liability Company may also be made subject to and applicable to these restrictions and covenants by incorporation in the future by declaration being made by the Limited Liability Company and Owner and placed of record, same to be recorded in the office of the Chancery Clerk of Oktibbeha County, Mississippi.

B. "**Architectural Control Committee**" shall mean and refer to the Board of Directors of the Homeowners Association to be formed by the Developer initially comprised of the Developer and such other individuals or entities as Developer may appoint and thereafter those persons selected annually by the Owners in compliance with the provisions of these covenants.

C. "**Association**" shall mean and refer to Dogwood Development Homeowner's Association. It is acknowledged that said Association does not presently exist, but it is contemplated that it may be organized by the Developer within the next 12 months.

D. "**Community**" shall mean and refer to that certain real property described in Municipal Plat Book 6 at page 29-35 of the records in the office of the Chancery Clerk of Oktibbeha County, Mississippi and all Additional Property to be included later and to be known as Phases II and IV as well as any subsequent and additional property as may be subsequently acquired by the Limited Liability Company to add to this development, all of which may be by amendment to these restrictive and protective covenants and building restrictions made subject to this Contract in all respects applicable to said additional properties and Phases.

E. "**Developer**" shall mean and refer to (i) Dogwood Development, L.L.C., a Mississippi Limited Liability Company, the party executing these covenants, or (ii) any successor-in-title to the said party to all or some portion of the Community, provided such successor-in-title shall acquire such Community for the purpose of development of sale, and provided further, in the instrument of

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conveyance to any such successor-in-title, such successor-in-title is expressly designated as the "Developer" hereunder at the time of such conveyance. The Developer's rights as far as these Covenants and Restrictions shall insure to the benefit of any successor or assignees in interest.

F. "Mortgage" means any mortgage, deed of trust, security agreement and any and all other similar instruments used for the purpose of conveyance or encumbering real property as security for the payment or satisfaction of an obligation.

G. "Owner" shall mean and refer to the record owner, whether one or more persons, of the fee simple title to any Unit located within the Community, excluding, however, any person holding such interest merely as security for the performance or satisfaction of any obligation. Owner shall also mean the purchaser of any property located within the Community as well as the Developer.

H. "Person" means any natural person, as well as a Limited Liability Company, corporation, joint venture, partnership (general or limited), association, trust or other legal entity.

I. "Unit" shall mean any plat of land located within the Community which constitutes a single dwelling site designated on any plat of survey recorded in the office of the Clerk of the County in which the Community is located, as well as any building or any portion of any building located thereon which is intended for independent residential use.

J. "Covenants" shall mean and refer to this entire document.

K. "Members". Unless indicated otherwise, shall mean to be that of Dogwood Development, L.L.C., developer, or of its members or managers.

ARTICLE II
PROPERTY SUBJECT TO THIS CONTRACT

Section 1. Property Subject to this Contract. The real property which is, by the recording of this Contract of restrictive and protective covenants and building restriction lines, subject to the covenants and restrictions hereinafter set forth and which, by virtue of the recording of this Contract, shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Contract is the real property described as the Community in Article I. As described in Phase I, 143 single-family residential units, one (1) 6.43 acre tract of land designated for multi-family development, one (1) 7.99 acre tract of land designated for multi-family development, and a 9.10 acre tract of land designated for commercial development. Additional residential areas to be known as Phases II and IV may, in the future, also be made applicable to these Covenants by Owner placing of record a Declaration of same and should incorporate this Agreement by reference.

Section 2. Plan of Development of Additional Property:

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Developer hereby reserves the option, to be exercised in its sole discretion, to submit from time to time the Additional Property or a portion or portions thereof to the provisions of these "Covenants" and thereby to cause the Additional Property or a portion or portions thereof to become part of the Community. At this time the Developer may add additional units, single-family residences, and/or two larger parcels to be designated in the future and subdivided into small or larger units same to be included in Phases II and IV, together with all roads, utility systems and other improvements to serve such units.

(a) The additional properties to be developed for residential purposes in accordance with the intent of this plan of development, may be added to these covenants and made applicable to them at such time as the Members of the Developer Limited Liability Company approves the final plat for said additional properties, including Phases II and IV, and other subsequent properties if so acquired. At such time as an additional subdivision plat is recorded in the office of the Chancery Clerk of Oktibbeha County, Mississippi covering said additional property, a Declaration of the applicability of these Covenants and shall be placed of record at the time of the recording of said plat or thereafter. It is expressly understood that the Developer may continue the development of the residential areas in separate parcels to be known as Phases, or may elect to develop more than one phase or parcel of the property by combining two or more parcels should the Developer so desire. Any multi-family units built in the designated areas of Phase I shall be done so in a manner and fashion that will preserve the overall theme of the Community.

(b) If Additional Property, including Phases II and IV, or any portion thereof, is added to Dogwood, the improvements, if any, located on any portion of the Additional Property which may be added to Dogwood, shall be similar to , or compatible with, the improvements to be constructed on Phase I in terms of location , quality of construction, principal materials used, and architectural style. If the Additional Property, or any portion thereof, is subject to this Contract, Developer shall have the right, but not the obligation, to construct on the Additional Property, or any portion thereof, such recreational and other facilities as Developer shall deem advisable for the common use and enjoyment of the Owners, their families, tenants, guests and invitees; there are no limitations with respect to the location of such facilities on the Additional Property.

(c) If the Additional Property or any portion thereof is made subject to these covenants, the homes or multi-family units constructed thereon will be restricted exclusively to residential use except in the area designated for commercial use.

(d) If the Additional Property or any portion thereof is subjected to this Contract, Developer reserves the right to designate the boundaries of the Units thereon.

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(e) The right reserved by the Developer to cause all or any portion of the Additional Property, including Phases II and IV to become part of Dogwood shall in no way be construed to impose upon Developer any obligation to add all or any portion of the Additional Property to Dogwood or subject it to this Contract or to construct thereon any improvements of any nature whatsoever. The Right reserved under this Article II may be exercised by Developer only by the execution of an amendment to this Contract which shall be filed in the records of the Chancery Clerk of Oktibbeha County, Mississippi.

(f) At or before the consummation of the sale of the last Unit of the entire development, including Phases I, Phase II and Phase IV, inclusive, as well as any additional Phases to be developed on newly acquired land approved by the Members of the Developer, the Developer shall then convey to the Property Owner's Association any common areas of the Additional Property, of such portion thereof so submitted, such conveyance to be subject to the lien of taxes not yet due and payable, streets and utility easements serving the Community and/or the Additional Property or such portion thereof to all the provisions of these covenants as it may be amended, or upon the exercise, if any, of such option or options, the provisions of these covenants shall then be understood as and construed as embracing the parcel described in Phase I and the Additional Property, including Phases II and IV or such portion thereof which is submitted to the terms hereof, together with all improvements located thereon. If the Additional Property or any portion thereof is added to Dogwood, then from and after the addition of the Additional Property or such portion to Dogwood by such amendment to this Contract, the number of votes in the Association shall be increased by the number of Units located on the Additional Property or such portion thereof as is added to Dogwood so that there shall continue to be one (1) vote in the Association per Unit in Dogwood.

ARTICLE III
ARCHITECTURAL CONTROL COMMITTEE

Section 1. **Purpose, Powers and Duties of the Architectural Control Committee**. From the execution date of these Covenants until all Units in all planned Phases have been fully developed, permanently improved, and sold to permanent residents, the Architectural Control Committee shall consist of the Developer. However, upon the completion of lot development as provided in Article II Section 2, Subparagraph (f), the Developer shall serve as the ARchitectural Control Committee only with respect to its functions related to new residence construction and Unit improvement in connection thereof, and the elected Board of Directors of the Homeowner's Association shall function in all other capacities. Upon the sale by Developer to a Purchaser of the

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last Unit of the last Phase and the construction and completion of a permanent residence thereof, the Developer shall cease functioning as the Architectural Control Committee, turning its functions over to the Board of Directors of the Association.

Section 2. Meetings. The Architectural Control Committee shall hold such meetings as required or allowed for by the Members of the Developer.

Section 3. Action of Members of Architectural Control Committee. Any member of the Architectural Control Committee may be authorized by the Architectural Control Committee to exercise the full authority of the Architectural Control Committee with respect to all matters over which the Architectural Control Committee has authority. Any decision by said authorized member will be, however, subject to review and modification by the Architectural Control Committee on its own motion or on appeal by the applicant to the Architectural Control Committee as provided herein. Five Days written notice of the decision of such member shall be given to any applicant for an approval permit or authorization. The applicant may, within ten (10) days after receipt of notice of any decision which he deems to be unsatisfactory, file a written request to have the matter in question reviewed by the Architectural Control Committee. Such requests shall be reviewed promptly by the Architectural Control Committee. The decision of the Architectural Control Committee with respect to such matter shall be final and binding.

ARTICLE IV
BUILDING REQUIREMENTS

The following property rights and architectural restrictions shall apply to the property which is initially subjected to this Contract as well as to any portions of the Additional Property which is hereafter subjected to this Contract pursuant to Article II.

Section 1. Subdivision of Unit. No Unit shall be subdivided, or its boundary lines changed, except with the prior written approval of the Architectural Control Committee. Developer, however, until such time as the last Unit is sold by the Developer to a Purchaser, hereby expressly reserves the right to replat any two (2) or more Units in order to create a modified residential Unit or Units, and to take such other steps as reasonably may be necessary to make such replatted Unit or Units suitable as a building site or sites. All of the covenants and restrictions set forth herein shall apply to each such Unit, if any, so created. Any such division, boundary line change or replatted Unit shall not be in violation of the applicable County subdivision and zoning regulations.

Section 2. Approval of Plans. No building, fence, dock, wall, road, driveway, parking area, tennis court, swimming pool or

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other structure or improvement of any kind shall be erected, placed, altered, added to, modified, maintained or reconstructed on any Unit until the plans therefor, and for the proposed location thereof upon the Unit, shall have been approved in writing by the Architectural Control Committee. "Improvement" shall mean and include any improvement, change or modification of the appearance of a Unit from the state existing on the date of the conveyance of such Unit by Developer to a Unit Purchaser.

(a) Phase I. Condominium Lots. Owners must choose from one of five Condominium plans provided by the Architectural Control Committee due to the large number of residences in Phase I in order to preserve a "common theme" throughout Phase I. It is the responsibility of the Architectural Control Committee to preserve this common theme. Any deviations from one of the five plans must be strictly approved by the Architectural Control Committee.

(i) Phase I. Multi-Family Development. Owners of the multi-family development properties seeking to build multi-family units must choose from one (1) of five (5) plans to be chosen by the Architectural Control Committee. This requirement applies to both the 6.48 acre multi-family development as designated in the plat of Phase I and also the 7.99 acre tract of land as designated in the plat of Phase I.

(ii) Phase I. Commercial Development Units. Any commercial development units to be built on the 9.10 acre tract designated as Commercial Development in the plat of Phase I must have strict approval from the Architectural Control Committee. The Architectural Control Committee reserves the right to reject any plans presented by any commercial property owner and further reserves the right to choose and provide plans from which a commercial property owner shall choose from.

(b) Phase II. Garden Home Lots. Owners will choose one out of ten plans that will be selected and provided by the Architectural Control Committee. Any deviation from the ten plans must be strictly approved by the Architectural Control Committee.

(c) Deviation from Plans in Section 2 (a)(i), (a)(ii) and (b) above and Procedure to Present Estate Lot Plans in Phase IV and Procedures to Present any Additional Plans. Should an Owner desire to deviate from the plans in (a) and (b) above or seek to build on an estate lot in Phase IV or seek to present plans regarding multi-family development or commercial development, the Owner, before taking any action requiring approval under this Section, a Unit Purchaser shall submit to the Architectural Control Committee a construction schedule and two (2) complete sets of final plans and outline specifications, showing site plan (which site plan shall show driveways, patios, decks, accessory buildings, and all other components referenced in the first sentence of this Section, landscape layout, floor plans, exterior elevations and exterior materials, colors and finishes. No changes or deviations in or from such plans and specifications as approved shall be made

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without the prior written approval by the Architectural Control Committee. No alteration in the exterior appearance of any building, structure or other improvement shall be made without like approval by the Architectural Control Committee and approval by the Architectural Control Committee as to building experience and ability to build houses or other structures of the class and type of those which are to be built in the Community must be granted. The Architectural Control Committee shall act in accordance with Article III, Section 3 upon receipt of such information to approve or disapprove the same. Neither the Architectural Control Committee, nor any person or party to whom the Architectural Control Committee shall assign such function, shall be responsible or liable in any way for the performance of any builder or for any defects in any plans or specifications approved in accordance with the foregoing, nor for any structural defects in any work done according to such plans and specifications. The Architectural Control Committee may refuse approval of plans, siting or specifications upon any ground, including purely aesthetic considerations, which in its sole discretion it shall deem insufficient. Approval of any one series of improvements hereunder shall not waive the Architectural Control Committee's rights to disapprove subsequent improvements to the same Unit. NOTE: The Architectural Control Committee reserves the right to reject and refuse any plan presented in Phase I, Phase II or Phase IV. This right of refusal applies to any multi-family development plans presented and commercial development plans presented.

(d) Phase IV. Dogwood Estate Lots. These are to be single-family homes and Dogwood's most elite homesites. All plans must be presented in accordance with Article IV Section 2 (c).

Section 3. Building Location

(a) Phase I. Condominium Lots 1-143. Each Unit shall begin ten (10) feet from the front boundary and shall extend no closer than ten (10) feet to either side boundary. Any deviation from these requirements must be approved by the Architectural Control Committee.

(i) Multi-family Development Units and Commercial Development Units. The Architectural Control Committee will have the exclusive authority to decide building location of any multi-family units or commercial development units.

(b) Phase II. Garden Home Lots. Each Unit shall begin twenty (20) feet from the front boundary and shall extend no closer than ten (10) feet to either side boundary.

(c) Phase IV. Estate Lots. Each Unit shall be no closer than twenty-five (25) feet to the front boundary and shall extend no closer than fifteen (15) feet to either side boundary.

Section 4. Provision of Adequate Parking. Each single-family residence constructed in Phase I, Phase II and Phase IV must have a garage of sufficient size to house at least two (2) motor vehicles. Said two (2) vehicle garage must be substantial and

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conform architecturally to the dwelling to which it relates. Developer may request in writing to the Architectural Control Committee a waiver of this requirement to allow a garage of sufficient size to house only one (1) motor vehicle, or to allow for no garage at all. The Architectural Control Committee may under reasonable circumstances grant such a request where the resulting appearance of the Unit is likely to preserve overall appearance, scheme and design of the Community. If the number of vehicles owned by the Purchaser exceeds the capacity of the garage, the Purchaser shall provide paved off-street parking for each of such additional motor vehicles, which parking shall be located entirely within the building setback area.

Section 5. **Attachment of Utilities**. No permanent utility connections shall be made to any dwelling or other structure by a utility, public or private, until the Architectural Control Committee has verified general compliance with these covenants and restrictions and with the plans and specifications therefor submitted pursuant to Section 2, above, and has approved said utility connections in writing. Each Unit, parcel of land, residence, building or other structure on said property, when required to be served by a utility, must be served by a water system and other utilities approved by the Architectural Control Committee.

(a) In order to further the intent of the developers to insure the overall beauty of the community and to produce an outstanding community environment, the developer has granted right-of-way easements for underground electrical utilities. Accordingly, during the life of these restrictive covenants and building restrictions, all residences shall be "all electric" and no residence shall be allowed to utilize any power source other than electricity.

Section 6. **Other Building Requirements**.

(a) All Condominium Units in Phase I and Garden Home Units in Phase II must comply with the plans to be designated by the Architectural Control Committee as it relates to square feet of heated living space. Any deviations from plans designated by the Architectural Control Committee in Article IV, Sections 1 and 2, above, which are approved by the Architectural Control Committee, shall contain a minimum square feet of heated living space which complies with at least the amount of square feet of heated living space in the plans chosen and provided by the Architectural Control Committee. All Units in Phase IV are to contain no less than 2,500 square feet of heated living space. Owner must request in writing to the Architectural Control Committee a waiver of this requirement to allow less square feet of heated living space than is required above for Phases I, II and IV. The Architectural Control Committee may only under reasonable circumstances grant such a request where the resulting appearance of the Unit is likely to preserve the overall appearance, scheme, and design of the Community. Excepted

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from these minimum square feet requirements above is the multi-family development land in Phase I and Commercial development land in Phase I. Any multi-family plan which differs from the multi-family plans provided by the Architectural Control Committee must be presented in writing to the Architectural Control Committee for strict approval. The Architectural Control Committee reserves the right to reject any plan presented in order to protect the overall theme and character of the Community. Any multi-family plans which differ from plans provided by the Architectural Control Committee shall be presented in the manner provided in Article IV Section 2 Subparagraph (c). The Owner of commercial property may present additional plans in accordance with Article IV Section 2 Subparagraph (c). The Architectural Control Committee does reserve the right to reject any commercial development plans presented in order to protect the overall theme and character of the Community.

(b) Each residence and other structures shall be constructed only of materials, and in colors, approved in writing by the Architectural Control Committee.

(c) Driveways shall be constructed only of materials approved in writing by the Architectural Control Committee, and any culverts, pipes or conduits for water, placed in or under driveways shall be covered at points of protrusion from driveways or the ground with materials approved of by the Architectural Control Committee.

(d) The exterior of all residences and other structures must be completed within six (6) months after commencement of construction and the landscaping on such Units must be completed within ninety (90) days thereafter, except, in each case, where in the sole discretion of the Architectural Control Committee such completion is not possible or would result in greater hardship to the Purchaser or Builder due to strike, fire, national emergency or natural calamity.

(e) To the extent permitted by each respective utility entity all electrical service, cable television, telephone lines, and gas utilities shall be placed underground, and no exterior pole, tower, antenna or other device for the transmission or reception of the television signals, radio signals or any other form of electromagnetic radiation, or for any other purpose, shall be erected, placed or maintained on any Unit except as may be constructed by the Developer or approved in writing by the Architectural Control Committee. Further, the design, type, location, size, color, and intensity of all exterior lights shall be subject to control by the Architectural Control Committee and only such exterior lighting as shall have been approved in writing by the Architectural Control Committee shall be installed or used on any unit.

(f) Mechanical equipment (other than heating or air conditioning equipment), fuel or water tanks and similar storage receptacles shall be installed only within the main dwelling,

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within an accessory building, buried underground, or otherwise located or screened so as to be concealed from view of the neighboring Units, streets and property located adjacent to the Community. Heating and air conditioning equipment shall be installed in such location as will, to the maximum extent possible, not be readily visible to the view of neighboring Units, streets and property located adjacent to the Community. The Units within the Community shall be all-electric.

(g) Unless located within ten (10) feet of a main dwelling or accessory building or within ten (10) feet of an approved building site, no trees, shrubs, bushes or other vegetation having a trunk diameter of six (6) inches or more at a point of two (2) feet above ground level may be cut, pruned, mutilated or destroyed at any time without the prior written approval of the Architectural Control Committee; provided, however, that dead or diseased trees, shrubs, bushes or other vegetation shall be cut or removed promptly from any Unit by the Purchaser thereof after such dead or diseased condition is first brought to the attention of the Architectural Control Committee and permission for such cutting and removal has been obtained.

(h) No structure of a temporary character shall be placed upon any Unit at any time, except for shelters used by a building contractor during the course of construction. Such temporary shelters may not, at any time, be used as residences, nor be permitted to remain on the Unit after completion of construction.

(i) No accessory building shall be placed, erected or maintained upon any party of any Unit except in connection with a residence already constructed or under construction at the time that such outbuilding is placed or erected upon that Unit.

Section 7. Right of Inspection. The Architectural Control Committee, its agents and representative, shall have the right during reasonable hours to enter upon and inspect any Unit and improvement thereon for the purpose of ascertaining whether the installation, construction, alteration or maintenance of any improvement of the use of any Unit or improvement is in compliance with the provisions of this Declaration; and the Architectural Control Committee shall not be deemed to have committed a trespass or other wrongful act solely by reason of such entry or inspection.

Section 8. Violation. If any improvements shall be erected, placed, maintained or altered upon any Unit, otherwise than in accordance with the plans and specifications approved by the Architectural Control Committee pursuant to the provisions of this Article, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article and without the approval required herein. If in the opinion of the Architectural Control Committee, such violation shall have occurred, the Architectural Control Committee shall be entitled and empowered to enjoin or remove any such construction, and take any other action permitted by these covenants and/or the By-Laws of the

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Homeowners Association, and/or as permitted by Law. Any costs and expenses incurred by the Architectural Control Committee in enjoining and removing any construction or improvements shall become a lien against the Purchaser's Unit in accordance with Article VII, Section 2. Additionally, the Architectural Control Committee shall be entitled to pursue all legal and equitable remedies. However, written approval by the Architectural Control Committee shall constitute compliance provided the construction is actually completed in full conformance with the approved plans.

Section 9. **Fees**. The Architectural Control Committee may impose and collect a reasonable and appropriate fee to cover the cost of inspections performed pursuant to Section 7 hereof, which such fee will be paid out of regular or special assessments established from time to time by the Architectural Control Committee.

ARTICLE V
USE RESTRICTIONS

Section 1. **Residential Use**. All units shall be used for single-family residential purposes exclusively. Except hereinafter provided, no structure or other improvement shall be erected, altered, placed, maintained or permitted to remain on any Unit other than one (1) detached single-family dwelling. No business or business activity shall be carried on or upon any Unit at any time except with the written approval of the Architectural Control Committee except for the using of any Unit owned by Developer for the purpose of carrying on business related to the development and management of the Community.

Section 2. **Signs**. No commercial signs, including "for rent" or "for sale" signs or advertising posters of any kind shall be erected, placed or maintained on any Unit except as may be required by legal proceedings. Nothing herein shall be construed, however, to prevent Developer from erecting, placing or maintaining upon any Unit, or permitting the erection, placing or maintaining upon any Unit by builders or residences, of such signs as Developer may deem necessary or desirable during the period of development, construction and sale of the Units and residences constructed thereon. Also, the provisions of this Section shall not apply to any mortgagee who becomes the Purchaser of any Unit as Purchaser at a judicial or foreclosure sale conducted with respect to a first mortgage or deed to secure debt or as transferee pursuant to any proceeding in lieu thereof.

Section 3. **Mailboxes, Property Identification, Markers and Decorative Hardware**. The Owners must use the mailbox as designed and selected by the Architectural Control Committee in order to preserve a common theme throughout the course. Each Unit in Phase I, II and IV shall have the same mailbox. The mailboxes shall be bought through Dogwood Development as well as letters for said

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mailboxes.

Section 4. Clotheslines, Garbage Cans, Woodpiles, etc. Garbage cans, woodpiles, debris, trash, etc., shall be located or screened so as to be concealed from view of neighboring Units, streets and property located adjacent to the Community. All rubbish, trash, and garbage shall be regularly removed from the premises an shall not be allowed to accumulate thereon. No clotheslines shall be allowed except within a fully screened and concealed area.

Section 5. Prohibited Structures. No mobile home, house trailer, factory or manufacturer assembled homes, modular homes, tent, shack, barn, or other outbuilding or structure (except buildings otherwise permitted hereunder) shall be placed on any Unit at any time, either temporarily or permanently; provided, however, house trailers, temporary buildings and the like shall be permitted for construction purposes during the construction period of residences or as one or more real estate sales offices of Developer for the sale of property.

Section 6. Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on any Unit, with the exception of dogs, cats or other usual and common household pets in reasonable number, provided that said pets are not kept, bred or maintained for any commercial purposes, are not permitted to roam free, and in the sole discretion of the Architectural Control Committee, do not endanger the health, make objectional noise or constitute a nuisance or inconvenience to the Owners of other Units, to the Developer, or the owner of any property located adjacent to the Community. Dogs which are household pets shall at all times, whenever they are outside a dwelling, be confined within a pen or on a leash. No structure for the care, housing, or confinement of any pets shall be maintained so as to be visible from neighboring property. Pets further shall not be a noise nuisance.

Section 7. Parking. Unless and except to the extent the occupants of a Unit have a number of motor vehicles which exceeds the capacity of the garage, all such motor vehicles shall be parked within said garage. Also, the exterior doors of such garage shall be kept closed at all times, except when a motor vehicle is entering or leaving the garage. A policy permitting garages to be open at other limited times may be adopted by the Architectural Control Committee.

No motor homes may be left upon any Unit for a period of longer than five (5) days. Any automobile that is incapable of being operated on a public highway shall not be left upon any Unit for a period longer than five (5) days. After such five (5) day period, it shall be considered a nuisance and detrimental to the welfare of the neighborhood and must be removed from the Community.

No commercial vehicles may be parked, stored or temporarily kept within the Community, unless such vehicles ar stored wholly

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within private garages, are within the Community temporarily to service existing improvements or are used in connection with the construction of improvements within the Community.

Section 8. Nuisance. It shall be the responsibility of each Unit Purchaser/Owner to prevent the development of any unclean, unhealthy, unsightly, or unkept condition of buildings or grounds on his or her Unit or Units. No Unit shall be used, in whole or part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any Unit that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any Unit, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property adjacent to the Unit. There shall not be maintained any plants or animals or device of thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of property in the neighborhood by the Owners thereof.

Section 9. Unsightly or Unkept Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkept conditions, shall not be pursued or undertaken in any part of the Community.

Section 10. Antennas. No Owner shall erect, use, or maintain any outdoor antenna or other device for the transmission or reception of television signals, radio signals, or any form of electromagnetic radiation, whether attached to a building or structure or otherwise without the prior written consent of the Architectural Control Committee; provided, however, Developer and the Association shall have the right to erect and maintain such devices or authorize the erection and maintenance of such devices. Each Owner acknowledges that this provision benefits all Owners.

Section 11. Owner's Responsibility. All portions of the Unit shall be maintained by the Owner thereof in a manner consistent with the provisions contained herein. In the event that the Developer determines that any Owner has failed or refused to discharge properly his obligation with regard to the maintenance, repair, or replacement of items for which he is responsible hereunder, the Association may perform the repair, replacement or maintenance and shall, except in the event of an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement, at Owner's sole cost and expense, in accordance with procedures set forth in the By-Laws of the Association. The notice

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shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. If the Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which Owner is subject and shall become a lien against the Unit.

ARTICLE VI
PROPERTY MANAGEMENT FEES

Section 1. Purpose of Property management fees. The Property management fees provided for herein shall be used for the purpose of administering and enforcing the covenants and restrictions set forth in this Contract, and promoting the recreating, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of Units in the Community. A basic annual property management fee will be established for the upkeep and maintenance of the common areas such as streets, sidewalks, sewer lagoon, trash pickup, etc.

(a) Basic Annual Property Management Fee. This is a fee that will be established for the purpose of maintaining the common property areas throughout the Community. As listed above, these common areas include the following but are in no way limited to these examples: streets, sewer, trash pickup, sidewalks, etc.

Section 2. Creation of the Lien and Personal Obligation for Property Management Fee. Each Owner of any Unit, by acceptance of a deed or other conveyance there, or, whether or not it shall be so expressed in any such deed or other conveyance, covenants and agrees to pay to the Developer and when organized, to the Homeowners Association the basic annual property management fees which shall be fixed, established and collected from time to time as herein provided, shall be a charge on and a continuing lien upon the Unit against which each such property management fee is made. Such lien shall be perfected only by filing of record in the office of the Chancery Clerk of Oktibbeha County, Mississippi, a claim of lien within ninety (90) days after the property management fee, or portion thereof, for which a lien is claimed became due. Such a claim of lien shall also secure all property management fees, or portions thereof, which come due thereafter until the claim of lien is cancelled or record. Its priority shall be determined by Mississippi Law. Also, each Owner shall be personally liable for the portion of any property management fee coming due while he is the Owner of a Unit, and his Grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance but without prejudice to the rights of the grantee therefore. Provided, however, any person who becomes the Owner of a Unit as purchaser at a judicial or foreclosure sale conducted with respect to a first mortgage on the Unit or pursuant

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to any proceeding in lieu of the foreclosure of such mortgages or deeds of trust shall be liable only for property management fees coming due after the date such person so acquires title to the Unit.

Section 3. Property Management Fees to be Collected Annually. The Association, when organized, by majority vote of the Unit Owners present, or represented by proxy entitled to be cast at a meeting duly called for such purpose, and with the consent of the Developer, for so long as the Developer retains unsold lots, shall have the right, but is not required to, to establish the basic annual property management fees for the operations of said Association.

Section 4. Uniform Rate of Property Management Fee. Except as otherwise provided in Section 8 of this Article, the basic annual property management fees must be fixed at a uniform rate for all Units and may be collected on a monthly basis or in such other reasonable manner as may be determined by the Board of Directors of the Association.

Section 5. Basic Annual Property Management Fees: Due Dates.

(a) The basic annual property management fees, if any, payable to the Association shall be established on a calendar year basis and shall commence as to each Unit as of the first day of the month next following the month in which any one of the following shall first occur: (i) the lapse of one (1) year from the date such Unit is conveyed by Developer, or (ii) a residence constructed on the Unit is first occupied, whichever comes first. The date of the commencement of the basic annual property management fee as to a particular unit, as determined aforesaid, is hereinafter sometimes referred to as "the commencement date." The first basic annual property management fee payable to the Association shall be adjusted according to the number of months remaining in the calendar year as of the commencement date. Unless otherwise provided by the Board of Directors of the Association, such prorated property management fee shall be paid in equal monthly installments commencing on the commencement date. The Association's Board of Directors shall fix the amount of the annual property management fee payable to the Association against each Unit and send written notice of the same to every Owner subject thereto in advance of each basic annual property management fee period. Unless otherwise provided by the Association's Board of Directors, and subject to the foregoing provisions of this Section, one-twelfth (1/12) of the basic annual property management fee for each Unit shall become due and payable to the Association on the first day of each month during the property management fee period and shall be paid to the Association when due without further notice from the Association; provided, however, that each Owner shall have the right to prepay any one or more of such installments on any date on which any installment shall become due and payable.

(b) The Association shall, upon demand at any time, furnish

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to any Owner liable for any such property management fee a certificate in writing signed by either the President or Treasurer of the Association, or by the Manager of the Association, if any, setting forth whether the same has been paid. A reasonable charge, as determined by the Association, may be made for the issuance of these certificates. Such certificate shall be conclusive evidence of payment of any property management fee therein stated to have been paid.

Section 6. **Special Property management fees**. In addition to any basic annual property management fees, if any, authorized by Section 3 of this Article, the Association, through the same voting procedure for basic annual property management fees per Section 3 of this Article, may levy special property management fees against Units to the extent the regular basic annual property management fees, if any, are insufficient for the following purposes:

(a) Any of the purposes set forth in Section 1 of this Article, if no regular basic annual property management fee is in effect;

(b) To provide for the administration and enforcement of the covenants and restrictions set forth in this Declaration, including the payment of attorneys fees, court costs, and other costs of litigations; and

(c) To resolve an emergency which threatens life or property.

(d) The Developer shall operate and perform the functions of the Association until it is formally organized.

Section 7. **Effect of Non-payment of Property Management Fee: Remedies of the Association**. Any basic annual property management fee, or portion thereof, not paid when due shall be delinquent. If the same is not paid within five (5) days after the date, then a late charge equal to ten percent (10%) of the amount thereof, or $5.00, whichever is greater, shall also be due and payable to the Association. If the basic annual property management fee or portion thereof is delinquent for a period of more than five (5) days, then, if not paid within ten (10) days after written notice is given to the Unit Purchaser to made such payment, the entire unpaid balance of the basic annual property management fee may be accelerated at the option of the Board of Directors and be declared due and payable in full. Any basic annual property management fee or portion thereof not paid when due shall bear interest from the date of delinquency until paid at the maximum legal rate. The Board of Directors of the Association may suspend the voting rights of the Unit Purchaser or Purchasers personally obligated to pay the same or foreclose its lien against such Purchaser's Unit, in which event late charges, interest, costs and attorney's fees in an amount equal to the greater of $250.00 or fifteen percent (15%) of the amount of such basic annual property management fee or portion thereof which is past due and shall become due and payable to the Association. All payments on account shall be applied first to costs of collection, then to late charges, then interest, and then

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to the basic annual property management fee first due. Each Unit Purchaser, by his acceptance of a deed or other conveyance to a Unit, vests in the Association the right and power to bring all actions against him personally for the collection of such charges as a debt and to foreclose the aforesaid lien against his Unit in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all Unit Purchasers. Any legal action brought by the Association to enforce such lien against such Unit shall be commenced within one (1) year from time the basic annual property management fee, or portion thereof, became due. Failure to bring such action within such time shall cause the lien to be extinguished as to such property management fee, or portion thereof, more than one (1) year past due, but shall not bar an action by the Association against the Unit Purchaser(s) obligated to pay the same in accordance with the provisions hereof. The Association shall have the power to bid on the Unit at any judicial or foreclosure sale and to acquire, hold, lease, encumber and convey the same.

Section 8. **Exempt Property**. Notwithstanding the commencement date otherwise established by Section 5 of this Article, all Units made subject to these covenants shall be exempt from the basic annual property management fees created herein until conveyed by Developer to another Unit Purchaser. Provided, however, that all Units made subject to these covenants and not so conveyed by Developer shall be and become subject to such basic annual property management fees as of the beginning of the calendar year next following the calendar year in which the Development is completed as provided by Article II, Section 2, Subparagraph (f). Thereupon, such basic annual property management fees shall be imposed at such rates and on such terms and conditions as may then be applicable to all Units conveyed by the Developer prior thereto. Provided, further, notwithstanding the foregoing, any Unit owned by the Developer and rented by the Developer shall become subject to said basic annual property management fees (on a prorated basis if during a calendar year) as of the date of the Unit is so rented. Every Grantee of any interest in any property located in the Community, by acceptance of a deed or other conveyance of such interest, agrees that any Units owned by the Developer shall be exempt from said basic annual property management fees as herein set forth.

Section 9. **Notice to Association**. Each Unit Purchaser shall be obligated to furnish to the Association and to the developer only the name and address of the holder of any mortgages encumbering such Purchaser's Unit.

ARTICLE VII
GENERAL PROVISIONS

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Section 1. Easements for Architectural Control Committee. There is hereby created in favor of the Architectural Control Committee, its members, agents, employees and any management company retained by the Architectural Control Committee, as easement to enter in or to cross over the Units to inspect and to perform the duties of maintenance and repair of the Units, as provided for herein.

Section 2. Easements for Developer. Developer hereby reserves for itself, its successors and assigns, agents, employees, contractors, and subcontractors, the following easements and rights of way in, on, over, under or through any part of the Community as well as in, on, over, under and through any part of the Additional Property for so long as Developer owns any Unit primarily for the purpose of sale or so long as Developer retains the right to submit the Additional Property to the provisions of this Contract pursuant to Article II hereof, whichever is longer.

(a) For the erection, installation, construction and maintenance of wires, lines and conduits, and necessary or proper attachments in connection with the transmission of electricity, gas, water, telephone, community antenna, television cables and other utilities;

(b) For the construction of improvements on the Units;

(c) For the installation, construction and maintenance of stormwater drains, public and private sewers, and for any other public or quasi-public utility facility;

(d) For use as sales offices, model units and parking spaces in connection with its efforts to market Units; and

(e) For the maintenance of such other facilities as reasonably required, convenient or incidental to the completion, improvement and sale of Units.

Section 3. Enforcement. The Architectural Control Committee, the Association, or any Purchaser, including Developer, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, easements, liens and charges now or hereafter imposed by the provisions of this Contract so as to prevent the violator or attempted violator in so doing and/or to recover damages from the violators due to said violation. Failure by any person 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. Term. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded, agreeing to change said covenants in whole or in part.

Section 5. Rights of Mortgages or Deeds of Trust. In

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addition to the rights elsewhere provided, each mortgagee of a Unit, or purchaser or insurer of a mortgage or deed of trust on any Unit subject to this Contract, including Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, the Veterans Administration and the Federal Housing Administration shall (a) be entitled to written notice from the Association of any default by an Owner in the performance of his obligations under the Contract which is not cured within thirty (30) days; (b) be entitled to attend and observe all meetings of Owners, but not meetings of the Association's Board of Directors; (c) be furnished copies of annual financial reports made to the Owners; (d) be entitled to inspect current copies of the Declaration, Articles of Incorporation, By-Laws, Rules and Regulations, books, records, and financial statements of the Association during normal business hours; (e) be entitled to written notice from the Association of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; (f) be entitled to written notice from the Association of any condemnation or casualty loss that affects a material portion of the Community, or the Unit securing its mortgage; and (g) be entitled to timely written notice of any proposed action which would require the consent of a specified percent of mortgagees; provided, however, that such mortgagee or purchaser or insurer of such mortgage shall first file with the Association a written request that such notices be sent to a named agent or representative of the mortgagee at an address stated in such notice.

Section 6. **Amendment**. This Contract may be amended unilaterally at any time and from time to time by Developer (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Units subject to this Declaration, or (iv) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Units subject to this Contract provided any such amendment shall not adversely affect the title to any Purchaser's shall consent thereto in writing.

All amendments other than those specified hereinabove shall be adopted as follows:

(i) At least sixty-seven percent (67%) of the Unit Owners in all Phases of the Development that have had an officially recorded Plat and subject to these covenants shall be necessary to amend

these Covenants. Notwithstanding anything to the contrary herein, it is expressly provided that any amendment which adversely affects the title to any Unit and wherein a construction permit has been issued by the Architectural Control Committee to the Owner must be approved by the Owner of such Unit in writing. For the purpose of this provision, the Developer shall be a voting Owner as to the lots of the Developer not sold within a recorded Phase.

(ii) The proposed amendment may be proposed by either the Unit Owners or Developer. The Developer, or the Association after completion of the development as provided in Article II, Section 2, Subparagraph (f), may call a meeting of the Unit Purchasers to consider such an amendment and shall be required to call such a meeting upon a petition signed by at least twenty-five percent (25%) of the Unit Owners or by written request of the Developer.

(iii) The consent of the Unit Owners required to approve said amendments shall be obtained by affirmative vote, written consent, or a combination thereof. A meeting of the Unit Owners shall not be required in the event that the requisite approval of the Unit Owners is obtained by written consent. The required consent of Developer shall be in writing.

No amendment to the provisions of these Covenants shall alter, modify, change of rescind any right, title, interest or privilege herein granted or accorded to the holder of any mortgage affecting any Unit unless such holder shall consent thereto in writing. The written consent thereto of any mortgage holder affected thereby shall be filed with such amendment. Every purchaser or grantee of any interest in any real property now or hereafter subject to these covenants, by acceptance of a deed or other conveyance therefor, thereby agrees that these Covenants may be amended as provided in this Section. No amendment shall become effective until filed with the Chancery Clerk of Oktibbeha County, Mississippi.

Section 7. **Interpretation**. In all cases, the provisions set forth or provided for in these Covenants shall be construed together and given that interpretation or construction which will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

Section 8. **Gender and Grammar**. The singular whenever used herein shall be construed to mean the plural when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 9. **Severability**. Whenever possible, each provision of these covenants shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Contract to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and

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to this end the provisions of this Contract are declared to be severable.

Section 10. Captions. The captions of each ARticle and Section hereof as to the contents of each ARticle and Section are inserted only for convenience and are in no way to be construed as defining, limiting, extended or otherwise modifying or adding to the particular Article or Section to which they refer.

IN WITNESS WHEREOF, the undersigned being the Developer herein, has executed this Agreement on this the 13th day of Feb, 1995.

DOGWOOD DEVELOPMENT, L.L.C

BY: Carl Middleton

ATTEST:

DWP, L.L.C. By Michael Pierce

Michael S. Mosley, member

STATE OF MISSISSIPPI

COUNTY OF Oktibbeha

Personally appeared before me, the undersigned authority of law in and for the State and County aforesaid, Carl Middleton as Michael Pierce and Michael S. Mosley as _____ of Dogwood Development, L.L.C., who acknowledged that they signed, executed and delivered the above and foregoing RESTRICTIVE COVENANTS AND BUILDING RESTRICTIONS on the day and year therein stated for and on behalf of and as the act of said limited liability company after having been duly authorized to do so.

Given under my hand and official seal on this the 13th day of February, 1995.

(seal)

Jim Craig
Notary Public

My Commission expires: _____

STATE OF MISSISSIPPI, County of Oktibbeha:

I, JIM CRAIG, Clerk of the Chancery Court of said County, certify that the within instrument was filed for record in my office this 13 day of February, 1995, at 4:25 o'clock P M. and was duly recorded on the 13 day of February, 1995, Book No. 856, Page 612-634 in my office.

Witness my hand and seal of office, this the 13 day of February, 1995.

JIM CRAIG, CLERK

By Jim Craig D.C.