

Upon recording return to:

Pulte Home Corporation
Attn: Leslie Dekle
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DECLARATION OF PROTECTIVE COVENANTS

FOR

BRAEDEN TOWNHOMES

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TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Name</u>
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“A”	Property Initially Subject to Declaration
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“B”	Additional Property which can be Unilaterally Subject to Declaration by Declarant
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“C”	Bylaws of Braeden Townhome Association, Inc.
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DECLARATION OF PROTECTIVE COVENANTS

FOR

BRAEDEN TOWNHOMES

THIS DECLARATION OF PROTECTIVE COVENANTS FOR BRAEDEN TOWNHOMES (“Declaration”) is made on the date hereinafter set forth by PULTE HOME CORPORATION, Michigan corporation (hereinafter sometimes called “Declarant”).

Background Statement

Declarant is the owner of the real property described in Section 2.2 of this Declaration; and

Declarant desires to subject the real property described in Section 2.2 to the provisions of this Declaration and to provide for the subjecting of other real property to the provisions of this Declaration.

Declaration

NOW, THEREFORE, Declarant hereby declares that the real property described in Section 2.2, including the improvements constructed or to be constructed thereon, is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens, hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property hereby or hereafter made subject hereto, shall be binding on all persons having any right, title or interest in all or any portion of the real property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title and assigns, and shall inure to the benefit of each and every owner of all or any portion thereof.

Section 1 **Definitions**

Unless the context shall prohibit, certain words used in this Declaration shall be defined as follows:

- (a) “Association” shall mean and refer to Braeden Townhome Association, Inc., a Georgia nonprofit corporation, its successors and assigns.
- (b) “Board of Directors” or “Board” of the Association shall be the appointed or elected body, as applicable, having its normal meaning under Georgia corporate law, responsible for the operation, management and administration of the Community.

- (c) “Bylaws” shall refer to the Bylaws of Braeden Townhome Association, Inc., attached to this Declaration as Exhibit “C” and incorporated herein by this reference.
- (d) “Governing Documents” collectively means the Master Documents, this Declaration, the Association’s Bylaws, the Association’s articles of incorporation, design guidelines, the Association’s rules and regulations and any use restrictions established by Declarant or the Association, together with any amendments to any of the foregoing.
- (e) “Master Association” shall mean Braeden Neighborhood Association, Inc., a Georgia non-profit corporation, its successors and assigns; organized under the laws of the State of Georgia to administer the Master Declaration.
- (f) “Master Declaration” shall mean that certain Master Declaration of Protective Covenants and Restrictions for Braeden, as amended, executed and recorded contemporaneously herewith, in the real estate records of the Office of the Clerk of Superior Court of Fulton County, Georgia.
- (g) “Master Documents” shall mean the governing documents of the Master Association, including the Master Declaration, the Master By-laws, articles of incorporation, design guidelines, and rules and regulations, if any, of the Master Association, as each may be supplemented and amended from time to time.
- (h) “Supplementary Declaration” means a supplement to this Declaration which subjects additional property to this Declaration or imposes, expressly or by reference, additional restrictions and obligations on the land described therein, or both.
- (i) “Total Association Vote” means the votes attributable to the entire membership of the Association (including the votes of Declarant) as of the record date for the action, but specifically excluding the votes of any Owners whose voting rights have been suspended as provided herein, whether or not the members are present or represented at the meeting, if any, where the votes are to be cast. If, for example, and without limitation, 2/3 of the Total Association Vote is required to approve a matter, the matter must receive more than 2/3 of the votes attributable to all existing members of the Association as of the record date for the action (and excluding the votes of any Owners whose voting rights have been suspended as provided herein), whether or not the members are present or represented at the meeting if any, where the votes are to be cast.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Master Declaration.

Section 2

Property Subject to this Declaration

2.1. Name. The name of the area within the Community that is subject to the terms of this Declaration is known as the “Braeden Townhomes.”

2.2. Property Hereby Subjected to this Declaration. The real property described in Exhibit “A” attached hereto and by reference made a part hereof is, by the recording of this Declaration, subject to the covenants and restrictions hereafter set forth and, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied and mortgaged or otherwise encumbered subject to this Declaration.

2.3. Other Property. Only the real property described in Section 2.2 is hereby made subject to this Declaration; provided, however, by one or more Supplementary Declarations, Declarant and the Association have the right, but not the obligation, to subject other real property to this Declaration, as provided in Sections 8.1 and 8.2.

Section 3

Association Membership and Voting Rights

3.1. The Association. Prior to the date on which this Declaration has been filed for record with the Clerk of the Superior Court of Fulton County, Georgia, the Declarant has caused the Association to be formed, and the Association exists under its Articles of Incorporation and Bylaws. The Association shall be responsible (to the extent the Master Association has not assumed responsibility) for the Ownership, management and operation of the Common Area, the management and upkeep of the Private Drives, the enforcement of the covenants and restrictions set forth in this Declaration, the establishment of the Community-Wide Standard, the collection of all assessments provided for in this Declaration, and the performance of such other duties and services as the Declarant and/or the Board of Directors shall deem to be in the best interests of the members of the Association. The Association shall have the right to promulgate reasonable rules and regulations regarding the use of the Townhome Lots, the Common Area and the Community. In addition to the foregoing, the Association shall carry out and preform, and cause the Association to comply with, all obligations that are imposed on the Owners of any of the Common Area by reason of any easements, restrictions or other land use agreements to which the Common Area may be subject.

3.2. Membership. Every Person, including the Declarant, who is the record owner of a fee or undivided fee interest in any Townhome Lot that is subject to this Declaration shall be deemed to have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate an Owner’s membership. No Owner, whether one or more Persons, shall have more than one membership per Townhome Lot. If a Townhome Lot is owned by multiple Owners, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Townhome Lot. The rights and privileges of membership, including the right to vote and

to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one vote be cast for each Townhome Lot owned.

3.3. Voting. Members shall be entitled to one vote for each Townhome Lot owned. When more than one Person holds an ownership interest in any Townhome Lot, the vote for the Townhome Lot shall be exercised as those Owners themselves determine and advise the Secretary of the Association prior to any meeting. A vote related to a Townhome Lot shall be suspended if more than one Person seeks to exercise it.

3.4. Master Association. Each Owner, by acceptance of a deed to a Townhome Lot acknowledges and agrees that pursuant to the Master Declaration, all Owners shall be members of the Master Association and shall be subject to the Master Declaration.

3.5. Management of Association.

(a) The Association shall be managed by a Board of Directors and officers, who shall be appointed or elected as specified in the Bylaws.

(b) The Board of Directors may employ for the Association a property management company or agent at a compensation established by the Board of Directors, to perform the duties and services as the Board of Directors shall authorize. The Board may also designate the property management company or one or more other parties as a "designee" empowered to perform certain rights or duties of the Board under this Declaration.

(c) Declarant or an affiliate of Declarant may be employed as managing agent or manager.

(d) The term of any management agreement shall not exceed one year and shall be subject to termination by either party, without cause and without penalty, upon not more than 90 days' written notice.

Section 4
Assessments

4.1. Purpose of Assessments. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, welfare, common benefit and enjoyment of the Owners and Occupants of Townhome Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board.

4.2. Creation of the Lien and Personal Obligation for Assessments.

(a) Each Owner of a Townhome Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in the deed, covenants and agrees to pay to the Association:

(i) annual assessments or charges as set forth in Section 4.3;

- (ii) special assessments as set forth in Section 4.4; and
- (iii) specific assessments against any particular Townhome Lot as set forth in Section 4.5.

(b) All assessments, together with late charges (in an amount determined by the Board from time to time in its sole discretion), and interest on the principal amount due (at a rate not to exceed the lesser of the maximum rate permitted by law or 18% per annum), shall be a charge on the land and a continuing lien upon the Townhome Lot against which each assessment is made. As provided in O.C.G.A. Section 44-5-60(e), the obligation for the payment of assessments and fees arising hereunder shall include the costs of collection, including, without limitation, reasonable attorney's fees actually incurred, and the award of attorney's fees shall not be construed in accordance with the provisions of O.C.G.A. Section 13-11(a)(2).

(c) Each assessment, together with late charges, interest, costs of collection and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of the Townhome Lot at the time the assessment fell due. Each Owner shall be personally liable for the portion of each assessment coming due while the Owner of a Townhome Lot, and each grantee of an Owner shall be jointly and severally liable for the portion thereof as may be due and payable at the time of conveyance. Any first Mortgagee taking title through foreclosure proceedings or deed in lieu of foreclosure shall not be liable for the unpaid assessments of the grantor.

(d) Assessments shall be paid at a uniform rate for all similarly situated Townhome Lots in the manner and on the dates as may be fixed by the Board, which may include, without limitation, acceleration, upon 10 days written notice, of assessments for delinquent amounts.

4.3. Computation; Annual Assessment.

(a) It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the budget and the annual assessment to be levied against each Townhome Lot for the year (or portion thereof in the case of the initial budget) to be delivered to each member at least 30 days prior to the due date of the annual assessment (or the first installment thereof). Notwithstanding the foregoing, if the Board fails for any reason so to determine the budget for the succeeding year, then and until the time as a budget has been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year and the annual assessment shall be based on that budget. No vote of the Owners shall be required to approve the budget during the Declarant Control Period.

(b) After the Declarant Control Period, if the Board proposes a budget that increases annual assessments by more than 30% over the previous year's annual assessments, members may request a special meeting pursuant to Section 2.3 of the Bylaws to vote on the proposed budget. The proposed budget shall be deemed approved unless disapproved at the special meeting by a Majority of the Total Association Vote.

4.4. Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments against all Owners subject to assessment for any expenses that were unbudgeted, unanticipated or in excess of the budget. So long as the total amount of special assessments allocated to each Townhome Lot does not exceed the greater of (i) \$500.00 or (ii) 25% of annual assessments in any one fiscal year, the Board may impose the special assessment without a vote of the members. Except for special assessments levied pursuant to Section 7.2, any special assessment which would cause the amount of special assessments allocated to any Townhome Lot to exceed this limitation shall be effective only if approved by a Majority of the Total Association Vote and, during the Declarant Control Period, the Declarant. Special assessments shall be paid as determined by the Board and may be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

4.5. Specific Assessments.

(a) The Board shall have the power to levy specific assessments pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section.

(b) By way of explanation and not limitation, the following shall constitute specific assessments under the Declaration:

- (i) fines levied or attorney's fees incurred pursuant to Section 12.2;
- (ii) the capital contribution as set forth in Section 4.9;
- (iii) the costs of maintenance performed by the Association for which an Owner is responsible under Section 5.1 and 5.3; and
- (iv) water usage charges as set forth in Section 5.5.

(c) The Board may also specifically assess Townhome Lots for the following Association expenses:

- (i) Expenses of the Association which benefit less than all of the Townhome Lots may be specifically assessed equitably among all of the Townhome Lots which are benefited according to the benefit received;
- (ii) Expenses of the Association which benefit all Townhome Lots, but which do not provide an equal benefit to all Townhome Lots, may be specifically assessed equitably among all Townhome Lots according to the benefit received; and

- (iii) Expenses incurred by the Association which are attributable to or the result of a particular Owner or the Occupants, guests, tenants, invitees or licensees of the Owner may be specifically assessed against the Owner's Townhome Lot.

4.6. Lien for Assessments.

(a) All sums assessed against any Townhome Lot pursuant to this Declaration, together with late charges, interest, costs of collection and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on the Townhome Lot in favor of the Association, and the Association shall be entitled to file a lien in the Office of the Clerk of Superior Court of Fulton County, Georgia. The lien shall be superior to all other liens and encumbrances on the Townhome Lot, except for:

- (i) liens of ad valorem taxes;
- (ii) liens for all sums unpaid on a first Mortgage; or
- (iii) liens for all sums on any Mortgage to Declarant duly recorded in the Office of the Clerk of Superior Court of Fulton County, Georgia and all amounts advanced pursuant to the Mortgage and secured thereby in accordance with the terms of the instrument.

(b) All other Persons acquiring liens or encumbrances on any Townhome Lot after this Declaration is recorded in the Office of the Clerk of Superior Court of Fulton County, Georgia shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating the liens or encumbrances.

4.7. Effect of Nonpayment of Assessments; Remedies of the Association.

(a) All sums (including assessments or installments thereof) assessed against any Townhome Lot pursuant to this Declaration which are not paid when due shall be delinquent. Any sum that is delinquent for a period of more than 10 days shall incur a late charge in an amount as the Board may from time to time determine. The Board shall be entitled to collect interest on the principal amount due at a rate not to exceed the lesser of the maximum rate permitted by law or 18% per annum.

(b) The Association may cause a notice of delinquency to be given to any member who has not paid within 10 days following the due date. If any sums are not paid within 30 days after the due date, the Board may accelerate and declare immediately due all sums (including annual assessments or installments thereof) without any further notice being given to the delinquent Owner, and a lien, as herein provided, shall attach. The lien shall include all late charges, interest on the principal amount due, costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law.

(c) If any sum assessed against any Townhome Lot pursuant to this Declaration remains unpaid after 60 days from the due date, the Association may, as the Board shall determine, institute a lawsuit to collect the amounts and/or to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Townhome Lot at any foreclosure sale or to acquire, hold, lease, mortgage or convey the same. The Association may also suspend the membership rights of the delinquent Owner, including the right to vote, and the right to use and enjoy the Common Area, and, upon 10 days written notice, the right to receive services and other benefits as may be provided by the Association, including, without limitation, water service, if any. Any suspension shall not affect an Owner's obligation to pay assessments coming due during the period of suspension and shall not affect the permanent lien on the Townhome Lot in favor of the Association.

(d) No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the Townhome Lot or nonuse of the Common Area. No diminution or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration or the Bylaws, or for any inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance or order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

(e) As provided in O.C.G.A. Section 44-5-60(e), the obligation for the payment of assessments and fees arising hereunder shall include the costs of collection, including, without limitation, reasonable attorney's fees actually incurred, and the award of attorney's fees shall not be construed in accordance with the provisions of O.C.G.A. Section 13-1-11(a)(2).

(f) All payments shall be applied first to costs and attorney's fees, then to late charges, then interest and then to delinquent assessments.

4.8. Date of Commencement of Assessments/Assessment Obligation of Declarant.

(a) The assessments provided for herein shall commence as to all Townhome Lots subject to assessment hereunder upon conveyance of a Townhome Lot by the Declarant to a Person other than Declarant or an affiliate of Declarant. All assessments shall be due and payable in a manner and on a schedule as the Board may provide. All assessments shall be rounded up to the nearest dollar and payable as such.

(b) Each Townhome Lot owned by Declarant or its respective affiliates which does not contain an occupied residence shall not be subject to any assessment provided for herein.

(c) Any Townhome Lot which has been approved by Declarant for use as a model home for marketing and sales purposes shall not be deemed to be occupied for residential purposes and shall not be subject to assessments under this Declaration whether owned by Declarant or any other Person, so long as the Townhome Lot is approved for use as a model home and is not occupied for residential purposes.

(d) Notwithstanding anything to the contrary herein, Declarant or its respective affiliates may contribute assessments due from them in services or materials or a combination of services and materials, rather than in money (herein collectively called “in kind contribution”). The amount by which monetary assessments shall be decreased as a result of any in kind contribution shall be the fair market value of the contribution. If the Declarant or its respective affiliates and the Association agree as to the value of any contribution, the value shall be as agreed. If the Association and the Declarant or its respective affiliates cannot agree as to the value of any contribution, the Declarant or its respective affiliates shall supply the Association with a detailed explanation of the services performed and materials furnished, and the Association shall acquire bids for performing like services and furnishing like materials from 3 independent contractors approved by the Declarant or its respective affiliates who are in the business of providing such services and materials. If the Association and the Declarant or its respective affiliates, as the case may be, are still unable to agree on the value of the contribution, the value shall be deemed to be the average of the bids received from the independent contractors.

4.9. Capitalization of Association.

(a) An initiation fee (sometimes also referred to as a “working capital assessment” or “capital contribution”) must be paid to the Association by or on behalf of any purchaser of a Townhome Lot (other than Declarant or its affiliates) upon the transfer or sale of the Townhome Lot, as follows:

Purchaser	Maximum Initiation Fee
Initial Owner (the party purchasing from the Declarant, a developer or a builder)	An amount equal to up to 100% of the annual assessment being charged by the Association for the year in which the closing of the transfer or sale of the Townhome Lot occurs, as determined by the Board from time to time.
Second and subsequent Owners	An amount equal to up to 100% of the annual assessment being charged by the Association for the year in which the closing of the transfer or sale of the Townhome Lot occurs, as determined by the Board from time to time.

(b) This initiation fee set forth in subsection (a) above shall constitute a specific assessment against the Townhome Lot, and shall be in addition to, not in lieu of, any other assessments levied on the Townhome Lot and shall not in any way be construed as part of, identical to any other assessments or as an advance payment of any such assessments. These initiation fees shall be collected at the closing of the Townhome Lot, or if not collected at closing, shall be paid immediately upon demand by the Association. The initiation fee shall be disbursed to the Association for any use which provides a direct benefit to the Community, including, without

limitation, covering operating and other expenses (including reserves) incurred by the Association pursuant to the terms of this Declaration and the Bylaws.

(c) No initiation fee under subsection (a) shall be required from the holder of any first Mortgage on a Townhome Lot who becomes the Owner of a Townhome Lot through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by a Mortgage, but an initiation fee shall be required from the Owner acquiring the Townhome Lot from the foreclosing Mortgagee.

4.10. Budget Deficits during Declarant Control. During the Declarant Control Period, Declarant may, but shall have no obligation to: (a) advance funds to the Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Association (but specifically not including an allocation for capital reserves) and the sum of the annual, special and specific assessments collected by the Association in any fiscal year, and any advances may be evidenced by one or more promissory notes from the Association in favor of the Declarant or by appropriate entries in the books and records of Declarant and the Association; or (b) cause the Association to borrow such amount from a commercial lending institution at the then-prevailing rates in the local area of the Community.

4.11. Estoppel Letter. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Townhome Lot, or a lender considering a loan to be secured by a Townhome Lot, shall be entitled, upon written request, to a statement from the Association or its managing agent setting forth the amount of assessments past due and unpaid, including any late charges, interest, fines, or other charges against that Townhome Lot. The request shall be delivered to the registered office of the Association, and shall state an address to which the statement is to be directed. The Association shall, within 10 business days after receiving a written request, certify to the amount of any unpaid assessments constituting a lien on a specified Townhome Lot. A certification letter signed by an officer of the Association or the Association's management company, if any, as to the amount of assessments due with respect to a Townhome Lot shall be binding upon the Association. The Association may charge a reasonable fee as may be permitted by law as a prerequisite to the issuance of the statement. It is the intent of this provision to comply with O.C.G.A. 44-14-15(c), as amended.

4.12. Master Association. Each Owner acknowledges that the assessments, contributions and other charges provided for herein are in addition to, and not in lieu of, the assessments, contributions, and other charges provided for in the Master Declaration. At the discretion of the Board, assessments and all other charges of the Master Association may be paid directly to the Master Association by the Owners of Townhome Lots, or the Association may collect the assessments and other charges due to the Master Association from Owners of the Townhome Lots and will remit the amounts collected to the Master Association on behalf of the Townhome Lots.

Section 5 Maintenance

5.1. Maintenance of Townhome Lots.

(a) The responsibility for maintenance, repair and upkeep for each Townhome Lot and related components and improvements shall be allocated between the Association and the Owner as follows:

Item	Maintenance, Repair or Upkeep Obligation	Responsible Party	
		Associ- ation	Owner
1.0	Structural components (including building foundations and footings, as well as waterproofing above or below grade)		X
2.0	Driveways, walkways, exterior steps:		
2.1	-- Routine cleaning (e.g. sweeping)		X
2.2	-- Periodic cleaning (e.g. pressure washing) which is to be performed for all or a group of Townhome Lots	X	
2.3	-- All other maintenance or repair		X
3.0	Stoops:		
3.1	-- Routine cleaning (e.g. sweeping)		X
3.2	-- Periodic cleaning (e.g. pressure washing) which is to be performed for all or a group of Townhome Lots	X	
3.3	-- Periodic painting or staining of visible surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots	X	
3.4	-- All other maintenance or repair	X	
4.0	Heating and air conditioning units or similar equipment, including and pipes, wires, or conduits:		
4.1	-- If serving only one Townhome Lot		X
4.2	-- If serving multiple Townhome Lots	N/A	N/A
5.0	Lighting fixtures:		
5.1	-- Located outside a Townhome Lot or in a garage, if it is controlled by only one Townhome Lot		X
5.2	-- Located outside a Townhome Lot, if it is controlled by the Association	X	
6.0	Exterior surfaces of the Townhome Lot (excluding doors, windows, shutters):		
6.1	-- Routine cleaning		X
6.2	-- Periodic maintenance (e.g. pressure washing) of visible surfaces which is to be performed for all or a group of Townhome Lots	X	
6.3	-- Periodic painting of visible surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots	X	
6.4	-- All other maintenance or repair	X	
7.0	Doors made primarily of wood and exterior door frame (including garage doors, if made of wood):		
7.1	-- Routine cleaning		X

Item	Maintenance, Repair or Upkeep Obligation	Responsible Party	
		Associ- ation	Owner
7.2	-- Annual maintenance (e.g. painting, staining, caulk) of visible exterior surfaces as needed		X
7.3	-- Periodic painting or staining of visible exterior surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots	X	
7.4	-- Maintenance and repair of hardware components		X
7.5	-- All other maintenance or repair		X
8.0	Doors not made primarily of wood and exterior door frames (including garage doors):		
8.1	-- Routine cleaning		X
8.2	-- Annual maintenance (e.g. painting, staining, caulk) of visible exterior surfaces as needed		X
8.3	-- Periodic painting or staining of visible exterior surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots	X	
8.4	-- Maintenance and repair of hardware components		X
8.5	-- All other maintenance or repair		X
9.0	Windows, shutters and screens:		
9.1	-- Routine cleaning (e.g. window and screen cleaning)		X
9.2	-- Annual maintenance (e.g. caulk)		X
9.3	-- Periodic painting or staining of exterior components of windows performed which is to be performed for all or a group of Townhome Lots	X	
9.4	-- Maintenance and repair of glass		X
9.5	-- Maintenance and repair of hardware components		X
9.6	-- Maintenance and repair of exterior shutters	X	
9.7	-- Maintenance and repair of screens		X
9.8	-- All other maintenance or repair		X
10.0	Roof:		
10.1	-- Periodic cleaning	X	
10.2	-- All other maintenance or repair	X	
11.0	Gutters and Downspouts:		
11.1	-- Periodic cleaning	X	
11.2	-- All other maintenance or repair	X	
12.0	Decks, Balconies, Courtyard Areas and Patios:		
12.1	-- Routine cleaning		X
12.2	-- Annual maintenance (e.g. painting and staining) of visible exterior surfaces as needed		X
12.3	-- Painting or staining of visible surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots on a routine, periodic basis	X	
12.5	-- Cleaning or pressure washing of visible floor surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots on a routine, periodic basis.	X	
12.6	-- All other maintenance and repair.		X

Item	Maintenance, Repair or Upkeep Obligation	Responsible Party	
		Associ- ation	Owner
13.0	Fences (if permitted under Section 6.19 of the Master Declaration):		
13.1	-- Routine cleaning		X
13.2	-- Periodic painting or staining of visible surfaces (and routine maintenance associated with that work) which is to be performed for all or a group of Townhome Lots	X	
13.3	-- Maintenance of gate hardware		X
13.4	-- All other maintenance and repair		X
14.0	Water and sewer pipes, wire and conduits, and related components, whether located within or outside of the boundaries of a Townhome Lot:		
14.1	-- If components serve (1) more than one Townhome Lot, or (2) both a Townhome Lot and Common Area (so long as the components are not maintained on an ongoing basis by a public or private utility company or by a governmental authority)	X	
14.2	-- If components serve only one Townhome Lot		X
15.0	Hose bibs		X
16.0	Satellites and Antennas, and related components, whether located within or outside of the boundaries of a Townhome Lot (if permitted under Section 6.9 of the Master Declaration):		
16.1	-- If components serve more than one Townhome Lot and were installed by Declarant or the Association	X	
16.2	-- If components serve more than one Townhome Lot, but were not installed by Declarant or the Association		X
16.3	-- If components serve only one Townhome Lot		X

(b) Notwithstanding the assignment of responsibility listed above, the Association is not required to perform any maintenance or repair that is caused by an Owner's use or misuse of any of the listed components. Further, the Association has no obligation to perform any maintenance or repair in response to a request by an Owner.

(c) All routine or periodic cleaning or maintenance (including painting and staining) that is the responsibility of the Association will be scheduled on intervals determined by Board at its sole discretion.

(d) After the Declarant Control Period, and upon resolution of the Board and approval by Owners representing at least a Majority of the Townhome Lots, the Association may assume responsibility for providing additional maintenance of Townhome Lots and the structures thereon beyond that listed in Section 5.1(a), with the expenses thereof to be paid as an assessment as provided in Section 4.

5.2. Maintenance of Common Area.

(a) The Association shall maintain and keep in good repair the Common Area and, whether or not the same constitutes Common Area, the following (but only to the extent the same

are not maintained on an ongoing basis by a governmental authority, the Master Association or a third party):

- (i) all entry features for the Community, including any appurtenant landscaping;
- (ii) all street signs, if any, originally installed by Declarant or its affiliates;
- (iii) all storm water detention/retention facilities, including pipes, wires and conduits, and any fence, gate, wall or enclosure surrounding the storm water detention/retention facilities and any other storm water drainage facilities which were originally maintained by Declarant or its affiliates and serve the Community;
- (iv) all Private Drives;
- (v) all street medians and street islands within the Community, and any landscaping associated therewith;
- (vi) median islands, roadway streetscapes and pedestrian scale lighting along Northwinds Parkway (whether located within the Community or along a public right of way);
- (vii) all recreational amenities and facilities serving the Community, including pedestrian trails and walking paths within the Community whether located on the Common Area or on a Lot;
- (viii) the centralized mailbox area(s) and the mailboxes located thereon;
- (ix) all Community green space and open space;
- (x) any improvements installed pursuant to the NLB Easement; and
- (xi) lawn and landscaping maintenance for the Common Area (including the Limited Common Area, if any), including:
 - (A) lawn mowing on a regular basis;
 - (B) tree and shrub pruning;
 - (C) watering landscaped areas; and
 - (D) fertilizer and weed control treatments.

(b) The Association shall have the right, but not the obligation, to maintain property not owned by the Association and to enter into easements and cost sharing agreements where the Board has determined that the maintenance would benefit all or a group of Owners.

(c) Specifically excluded from the Association's maintenance responsibility shall be all maintenance specifically assigned to Owners under Section 5.1.

(d) The Board in its sole discretion may leave portions of the Community as undisturbed natural areas or may change the scope of the lawn and landscaping maintenance in the Community at any time and from time to time. The Board and, during the Declarant Control Period, only with the consent of the Declarant, may change the level of lawn and landscaping maintenance performed. The Board may promulgate rules setting forth the extent of lawn and landscaping maintenance to be performed by the Association.

(e) The Board may authorize the officers of the Association to enter into contracts with any Person or Persons to perform maintenance on behalf of the Association.

(f) All routine, periodic maintenance that is the responsibility of the Association shall be scheduled on intervals determined by Board at its sole discretion.

5.3. Maintenance by Townhome Lot Owners.

(a) Common Area Maintenance Performed by an Owner or Occupant. If an Owner or Occupant performs maintenance or repair to the Common Area that is the responsibility of the Association (including, without limitation, lawn and landscaping maintenance of Common Area), the Owner or Occupant will be doing this work at his or her sole expense and will not be entitled to reimbursement from the Association, even if the Association accepts the maintenance or repair.

(b) Duties of Owners. Each Owner must:

- (i) perform his or her responsibility so as not to unreasonably disturb other Persons in or on other Townhome Lots;
- (ii) promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible;
- (iii) not make any alterations in the portions of the Townhome Lot which are to be maintained by the Association, remove any portion thereof, make any additions thereto, or do anything with respect to the exterior or interior of the Townhome Lot or the structures thereon which would or might increase the Association's maintenance costs or jeopardize or impair the safety or soundness of any Townhome Lot or structure thereon, without first obtaining the written consent of the Board and all Owners and Mortgagees of the Townhome Lots affected; and
- (iv) not impair any easement without first obtaining written consent of the Association and of the Owner or Owners and their Mortgagees for whose benefit the easement exists.

(c) Failure to Perform Maintenance.

(i) If the Board determines that any Owner has failed or refused to discharge properly any of the Owner's obligations with regard to the maintenance, repair or replacement of items for which the Owner is responsible hereunder, then the Association shall, except in the event of an emergency situation, give the Owner written notice of the Association's intent to provide the necessary maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs or replacement deemed necessary. Except in an emergency situation, the Owner shall have 10 days from the date of the notice within which to complete the maintenance, repair or replacement, or, if the maintenance, repair or replacement is not capable of completion within the stated time period, to commence the work within the 10 day period and diligently pursue completion within a reasonable period of time.

(ii) If the Board determines that an emergency exists or that an Owner has not complied with the demand given by the Association as provided herein, the Association may provide the maintenance, repair or replacement to the Townhome Lot at the Owner's sole cost and expense, and all costs shall be added to and become a part of the specific assessment to which the Owner is subject, shall become and be a lien against the Townhome Lot, and shall be collected as provided herein for the collection of assessments.

(iii) Notwithstanding the foregoing, if the need for maintenance, repair or replacement by the Association under this Section is caused through the willful or negligent act of any Owner or Occupant or their family, guests, lessees or invitees, and is not covered or paid for by insurance, in whole or in part, then all of the costs of the work may be specifically assessed against the Townhome Lot of such Owner or Occupant.

(d) Not Applicable to Declarant. Section 5.3 shall not apply to any Townhome Lots owned by the Declarant unless occupied as a residence.

5.4. Liability.

(a) Owners, Occupants and their guests shall use the Common Area and all portions of the Community not contained within a Townhome Lot at their own risk and shall assume sole responsibility for their personal belongings used or stored thereon. All Owners and Occupants must inspect the Common Area and any improvements located thereon for any defects, perils or unsafe conditions related to the use and enjoyment thereof. The Association, Declarant and their respective officers, directors, employees, representatives and agents shall not be held liable for:

- (i) personal injury to any person occurring on the Common Area;
- (ii) loss or damage to personal belongings used or stored on the Common Area or on any other portion of the Community; or
- (iii) loss or damage, by theft or otherwise, of any other property of an Owner or Occupant.

(b) In addition to the foregoing, the Association, Declarant and their respective officers, directors, representatives, agents and employees shall not be liable for injury or damage to any Person or property:

- (i) caused by the weather or by an Owner or any other Person;
- (ii) resulting from any rain or other surface water which may leak or flow from any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association; or
- (iii) caused by any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair.

5.5. Master Water Meter – Fire Suppression System.

(a) A master water meter for fire suppression for all Townhome Lots (the “Water Meter”) will be installed within the Community. The Association shall be responsible for the operation and administration of the expenses associated with the Water Meter. The Association shall pay all usage charges for water supplied to the Townhome Lots through the Water Meter.

(b) Water usage through the Water Meter for the Townhome Lots will be determined and allocated by the Board based on a straight per-lot allocation, unit size, number of bedrooms, number of occupants, pro-rata or any other technique determined by the Board in its discretion. The same method of calculation will be used for each Townhome Lot. The costs shall be a specific assessment against each Townhome Lot in accordance with Section 4.5.

Section 6
Use Restrictions and Rules

Section 6 of the Master Declaration sets out certain use restrictions which must be complied with by all Owners and Occupants. The Board may, from time to time, without consent of the members, promulgate, modify or delete and rules and regulations applicable to the Townhome Lots and the Common Area. The rules, regulations and use restrictions shall be distributed or otherwise made available (in a manner deemed reasonable by the Board) to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled or modified at a regular or special meeting by a Majority of the Total Association Vote and, during the Declarant Control Period, by the Declarant.

Section 7
Insurance and Casualty Losses

7.1. Insurance Obtained by Association.

(a) By virtue of taking title to a Townhome Lot subject to the terms of this Declaration, each Owner of a Townhome Lot acknowledges that the Association shall have no obligation to maintain insurance covering the personal property of an Owner or Occupant within a Townhome Lot. Each Owner of a Townhome Lot covenants and agrees with all other Owners of Townhome Lots to obtain and maintain the following (the policies required hereunder shall be in effect at all times):

- (i) a liability policy covering damage or injury occurring in a Townhome Lot;
and
- (ii) insurance covering an Owner's or Occupant's personal property.

(b) Unless otherwise determined by resolution of the Board and at least 30 days' prior written notice to each Owner, the Association shall obtain a blanket casualty insurance policy providing property insurance coverage for all structures constituting Townhome Lots. Insurance obtained and maintained by the Association shall cover loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

(c) The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be allocated among the Persons who would be responsible for the loss in the absence of insurance. If the loss affects more than one Townhome Lot or a Townhome Lot and the Common Area, the cost of the deductible may be apportioned and assessed equitably by the Board among the parties suffering loss in accordance with the total costs of repair, unless the insurance policy provided that the deductible will apply to each Townhome Lot separately. If any Owner fails to pay the deductible when required hereunder, the Association can pay the deductible and assess the cost to the Owner pursuant to Section 4.5.

(d) If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall obtain a public liability policy applicable to the Common Area insuring the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall have a combined single limit of at least \$1,000,000.00. If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall also obtain directors' and officers' liability insurance.

(e) The Board is hereby authorized to contract with or otherwise arrange to obtain the insurance coverage required hereunder through the Declarant or its affiliates, which may be under a blanket policy at the Declarant's sole discretion, and to reimburse the Person so providing or arranging the insurance coverage for the cost thereof. The Declarant or its affiliates shall be

authorized, but not obligated, to purchase insurance coverage for the benefit of the Association and the Owners upon Declarant or its affiliate, as the case may be, and the Association agreeing upon the terms and conditions applicable to reimbursement by the Association for costs incurred by Declarant or its affiliate, as the case may be, in obtaining the coverage. Notwithstanding anything contained in this Declaration to the contrary, the Board shall not be required to comply with the provisions of Section 7 of the Master Declaration (Architectural Standards) if it has contracted for or otherwise arranged to obtain the required insurance coverage through the Declarant or its affiliates.

(f) Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost. The premiums for property insurance which the Association maintains on behalf of the Townhome Lots will, if reasonably possible, be included as a line item in the budget.

(g) All insurance coverage obtained by the Board shall be written in the name of the Association, on its own behalf and as trustee for the respective parties which may be benefited by the insurance, as their interests may appear. The insurance shall be governed by the provisions hereinafter set forth:

- (i) All policies shall be written with a company authorized to do business in the state in which the Community is located.
- (ii) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in the losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (iii) In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees.
- (iv) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement, if these are available at a reasonable price.
- (v) The Board will make reasonable efforts to ensure that insurance policies provide for the following:
 - (A) a waiver of subrogation by the insurer as to any claims against the Board, its manager, the Owners and their respective tenants, servants, agents and guests;
 - (B) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

- (C) that no policy may be canceled, subjected to nonrenewal, invalidated or suspended on account of the acts of any one or more individual Owners;
- (D) that no policy may be canceled, subjected to nonrenewal, invalidated or suspended on account of any defect or the conduct of any director, officer or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner or Mortgagee;
- (E) that any “other insurance” clause in any policy exclude individual Owners’ policies from consideration; and
- (F) that no policy may be canceled, subjected to nonrenewal, or substantially modified without at least 30 days’ prior written notice to the Association.

(h) In addition to other insurance coverage required by this Section, the Board shall obtain workers compensation insurance, if and to the extent necessary to satisfy the requirements of applicable law.

(i) If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall obtain a fidelity bond or employees dishonesty coverage covering directors, officers, employees and other Persons handling or responsible for the Association’s funds. The amount of fidelity or employees dishonesty coverage, if obtained, shall be determined in the Board’s judgment. The coverage, if obtained, shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation and shall not be subject to cancellation, nonrenewal or substantial modification without at least 10 days’ prior written notice to the Association.

(j) The Association shall also obtain construction code endorsements, steam boiler coverage and flood insurance, if and to the extent necessary to satisfy the requirements of The Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association, the U.S. Department of Veterans Affairs (“VA”) or the U.S. Department of Housing and Urban Development (“HUD”).

7.2. Damage and Destruction -- Property Insured by Association.

(a) Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under the insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means

repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessary to comply with applicable building codes.

(b) Any damage or destruction to property required to be covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within 60 days after the casualty, at least 75% of the Total Association Vote and the Declarant (in the case of property which primarily benefits or is available for use by all Owners), or Owners representing at least 75% of the applicable group or class of Townhome Lots and the Declarant (in the case of property which primarily benefits or is available for use by a group or class of Owners only) otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of the damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within the stated time period, then the period shall be extended (up to 60 days) until the information shall be made available. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

(c) If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and the proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners in proportion to the number of Townhome Lots owned by the Owners (in the case of property which primarily benefits or is available for use by all Owners), or against all Owners in a particular group or class of Townhome Lots (in the case of property which primarily benefits or is available for use by a group or class of Owners only). Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, the excess funds shall be deposited to the benefit of the Association.

(d) If it should be determined in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then, and in that event, the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition consistent with the Community-Wide Standard and this Declaration.

Section 8

Annexation and Withdrawal of Property

8.1. Unilateral Annexation by Declarant.

(a) As the owner of the real property or, if not the owner, with the consent of the owner of the real property, Declarant shall have the unilateral right, privilege and option from time to time at any time until 10 years after the recording of this Declaration to subject all or any portion of the real property described in Exhibit "B" attached hereto and by reference made a part hereof to the provisions of this Declaration and the jurisdiction of the Association by filing a Supplementary Declaration describing the property being annexed in the Office of the Clerk of

Superior Court of Fulton County, Georgia. The annexation will be effective upon the filing of the Supplementary Declaration unless a later effective date is provided therein. The Declarant may unilaterally amend this Declaration to reflect the different character of any annexed real property, as long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of then Owners are not adversely affected.

(b) The rights reserved by Declarant to subject additional land to this Declaration shall not be implied or construed so as to impose any obligation upon Declarant to subject any additional land to this Declaration or to the jurisdiction of the Association. If additional land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon the additional land nor shall the rights in any manner limit or restrict the use to which the additional land may be put by Declarant or any subsequent owner thereof, regardless of whether the uses are consistent with the covenants and restrictions imposed herein.

8.2. Other Annexation. Subject to the consent of the owner thereof and, during the Declarant Control Period the consent of the Declarant, upon the affirmative vote or written consent, or any combination thereof, of at least 2/3 of the Total Association Vote, the Association may annex other real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the land records of the county in which the property to be annexed is located a Supplementary Declaration describing the property being annexed. This Supplementary Declaration shall be signed by the President and Secretary of the Association, and the annexation shall be effective upon the filing for record of the Supplementary Declaration, unless a later effective date is provided therein.

8.3. Withdrawal of Property. During the Declarant Control Period, Declarant reserves the right to amend the Declaration to remove any portion of the Community then owned by Declarant or its respective affiliates or the Association (or if not so owned, removal/withdrawal may be accomplished with the written consent of the owners of the property) from the coverage of this Declaration, so long as the withdrawal is not unequivocally contrary to the overall uniform scheme of development for the Community. Any withdrawal shall be accomplished by the filing of an amendment to this Declaration describing the property being removed and shall be effective upon filing for record in the Office of the Clerk of Superior Court of Fulton County, Georgia, unless a later effective date is provided therein. The amendment shall be executed by the Declarant and the Owners of the property being removed and shall not require the vote or consent of any other Person.

8.4. Additional Covenants, Restrictions and Easements. Subject to state law and the Master Declaration, the Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by Supplementary Declaration to additional covenants, restrictions and easements and/or modify the applicability of the covenants, restrictions and easements contained in this Declaration as to such property. The additional covenants, conditions, restrictions and easements may be set forth in a Supplementary Declaration or a separate declaration of protective covenants or other document filed either concurrently with or after the annexation of the subject property. Any the document filed by the Declarant may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order

to reflect the different character and intended use of the property. No Person shall record any declaration of covenants, conditions and restrictions, easements, or similar instrument without Declarant's review and written consent. Any attempted recordation without the consent shall result in the instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Office of the Clerk of Superior Court of Fulton County, Georgia. No instrument recorded by any Person, other than the Declarant pursuant to this Section, may conflict with state law, the Governing Documents or the Master Declaration.

Section 9 **Easements**

9.1. Easements for Use and Enjoyment.

(a) Every Owner shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to his Townhome Lot, subject to the following provisions:

- (i) The Association may suspend the voting rights of an Owner:
 - (A) for any period during which any assessment against the Owner's Townhome Lot remains unpaid, and
 - (B) for a reasonable period of time, for an infraction of the Governing Documents.
- (ii) The Association may:
 - (A) borrow money for the purpose of improving the Common Area, or any portion thereof, or for constructing, repairing or improving any facilities located or to be located thereon, and
 - (B) give as security for the payment of any loan a Mortgage conveying all or any portion of the Common Area owned by the Association. The lien and encumbrance of the Mortgage given by the Association must be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant and/or its affiliates, the Master Association, any Lot or Owner, and/or the holder of any Mortgage, regardless of when executed, given by Declarant or any Owner encumbering any Lot or other property located within the Community. Any provision in this Declaration or in any Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, interests, options, easements or privileges herein reserved or established for the benefit of Declarant

and/or its respective affiliates, the Master Association, any Lot or Owner, and/or the holder of any Mortgage, regardless of when executed, given by Declarant or any Owner encumbering any Lot or other property located within the Community). No Mortgage given by the Association shall be effective unless the loan has been approved by the Declarant and, following the Declarant Control Period, at least 2/3 of the Total Association Vote.

- (iii) The Association may, acting through the Board and without a vote of the members, dedicate or grant licenses, permits, easements and rights-of-way over, under and through the Common Area.
- (iv) The Association may dedicate, transfer or convey all or any portion of the Common Area subject to conditions as may be agreed to by the members of the Association. No dedication or transfer shall be effective unless the dedication or transfer has been approved by Declarant and, following the Declarant Control Period, at least 2/3 of the Total Association Vote.
- (v) Use of Common Area is subject to all other rights of the Association, the Declarant, Owners and Occupants set forth in this Declaration, any Supplementary Declaration, or in any deed conveying Common Area to the Association.
- (vi) Use of Common Area is subject to encumbrances and other matters shown by the public records affecting title to the Common Area.

(b) Any Owner may delegate his or her right of use and enjoyment in and to the Common Area and facilities located thereon to the members of his immediate family, his tenants and guests and shall be deemed to have made a delegation of all such rights to the Occupants of the Owner's Townhome Lot if leased.

9.2. Townhome Lots - Easement for Utilities. Declarant hereby establishes for the benefit of each Townhome Lot a nonexclusive easement for access to and installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving the Townhome Lot and situated in, on or under any other Townhome Lot or the Common Area, including Limited Common Area. If any Owner desires access to another Townhome Lot to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of the other Townhome Lots at least 2 days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted promptly upon request. Any Owner of a Townhome Lot to which access is needed under this Section shall not unreasonably withhold, condition or delay the access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected Townhome Lots, reasonable steps shall be taken to protect the Townhome Lots and the property of the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense.

9.3. Easement for Limited Common Area. Declarant, as the initial owner of all of the property in the Community, hereby reserves for the benefit of each Townhome Lot an easement of access, ingress, egress, use and enjoyment across that portion of the Common Area designated as Limited Common Area for that Townhome Lot as provided herein. The Limited Common Area may be used and enjoyed exclusively by the Owner of the benefitted Townhome Lot in any manner and for any purpose permitted by this Declaration, including the purposes as landscaping and general recreation. Each Owner shall comply with the use restrictions contained herein and rules adopted by the Board of Directors and obtain prior written approval in accordance with Section 7 of the Master Declaration (Architectural Standards) as applicable. The easement granted herein shall be appurtenant to and run with title to the benefitted Townhome Lot for the benefit of the Owner of the Townhome Lot, but shall not be sold, mortgaged, leased or otherwise granted or conveyed separate and apart from the benefitted Townhome Lot.

9.4. Easements for Association Maintenance. Declarant hereby grants to the Association a perpetual easement across portions of the Community, determined in the sole discretion of the Association, as are necessary to allow for the maintenance required under Section 5. The maintenance shall be performed with a minimum of interference to the quiet enjoyment of Owners' property, reasonable steps shall be taken to protect the property, and damage shall be repaired by the Person causing the damage at its sole expense.

9.5. Easements for Townhome Lot Maintenance and Repair. There shall be reciprocal appurtenant easements between adjacent Townhome Lots for the purpose of maintaining or repairing Townhome Lots, which easements shall extend to a distance of not more than 5 feet as measured from any point on the common boundary between the Townhome Lots and along a line perpendicular to the boundary at such point. The easement shall be used only for the period of time as is reasonably necessary in order to complete the needed maintenance or repair. The Owner exercising this easement right shall be liable for the prompt repair of any damage to the Townhome Lot over which this easement is exercised which is caused by the maintenance or repair work. The damaged portions of the Townhome Lot shall be restored to substantially the same condition as existed prior to the damage.

9.6. Easements for Entry. In addition to the right of the Board to exercise self-help as provided in Section 12.3, the Board shall have the right, but shall not be obligated, to enter upon any property within the Community for emergency, security and safety reasons, which right may be exercised by the property manager and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. This right of entry shall include the right of the Board to enter to cure any condition which may increase the possibility of a fire, slope erosion or other hazard if an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

9.7. Easements for Entry Features and Street Signs. There is hereby reserved to the Declarant and granted to the Association, and their respective designees, an easement over and upon all of the Community for ingress to, egress from, installation, construction, landscaping and maintenance of entry features and street signs for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around all entry features and the right to grade the land under and around the entry features.

9.8. Easements for Drainage.

(a) There is hereby reserved by the Declarant and granted to the Association and to the appropriate county or city authority an easement upon, across, above and under all storm water drainage easement areas as shown on the recorded subdivision plats for the Community for access, ingress, egress, installation, alteration, repair, replacement, and maintenance of the storm water drainage system and related facilities serving the Community or any portion thereof. This easement shall include the right to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill.

(b) There is hereby reserved to the Declarant and granted to the Association a blanket easement across the Community for creating and maintaining satisfactory drainage in the Community; provided, however, the easement area shall not include any portion of a Townhome Lot within the outer perimeter of the dwelling structure. It is anticipated that increased storm water run-off across downstream Townhome Lots will result from the construction of impervious surface in the Community. The Declarant, the Association nor any other builder or Owner constructing according to plans and specifications approved under Section 7 of the Master Declaration (Architectural Standards) shall have any liability to any Owner due to the increased flow or increased velocity of surface water resulting from approved construction within the Community.

9.9. Easements for Driveway Turnaround.

(a) Each Townhome Lot is hereby granted an appurtenant easement for encroachment onto adjacent Townhome Lots to a distance of not more than 5 feet from the common boundary or boundaries with the adjacent Townhome Lots. This easement is for the sole purpose of the placement, existence, use and maintenance of a driveway turnaround as originally constructed on and to serve the Townhome Lot. If the driveway turnaround on and serving the Townhome Lot is originally constructed so as to not utilize portions of this easement, the portions of this easement not utilized (which could be all of this easement, as the case may be) shall terminate and be null and void forever and of no further force and effect at any time.

(b) This easement shall be for the benefit of the Owner of the Townhome Lot served by a driveway turnaround originally constructed in whole or in part on an adjacent Townhome Lot and shall be solely for access to, and ingress and egress to and from, the Owner's Townhome Lot by the Owner and his or her family members, invitees and designees in, upon, over and across the driveway turnaround serving the Owner's Townhome Lot. No other Person shall be allowed to change, alter or diminish the rights of the Owner of the Townhome Lot benefited by this easement to the use and enjoyment of the driveway turnaround serving the Owner's Townhome Lot. The

driveway turnaround shall be cleaned, maintained, repaired and replaced by the Owner of the Townhome Lot served by the driveway turnaround. However, the Owner of the Townhome Lot served by the driveway turnaround shall not in any way expand this easement/encroachment after initial construction on the Townhome Lot.

Section 10 **Condemnation**

If all or any part of the Common Area owned by the Association shall be taken (or conveyed in lieu of and under threat of condemnation by the Board, acting on behalf of the Association or on the written direction of all Owners of Lots subject to the taking, if any) by any authority having the power of condemnation or eminent domain, the Association shall represent the Owners, or may delegate the representation to the Master Association. The award made for the taking shall be payable to the Association as trustee for all Owners. The provisions of Section 7.2 above, applicable to damage or destruction of property insured by the Association, shall govern replacement or restoration and the actions to be taken if the improvements are not restored or replaced. Any and all condemnation proceeds relating to Common Area owned by the Association shall remain the property of the Association. No portion of any condemnation proceeds related to Common Area shall be paid or payable to any Owners or their Mortgagees.

Section 11 **Amendments**

11.1. Unilateral Amendments By Declarant. This Declaration may be amended unilaterally at any time and from time to time by Declarant:

- (a) if the 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;
- (b) if the amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Townhome Lots subject to this Declaration;
- (c) if the 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 Loan Mortgage Corporation, to enable the lender or purchaser to make or purchase Mortgage loans on the Townhome Lots subject to this Declaration; or
- (d) if the amendment is necessary to enable any governmental agency or reputable private insurance company to guarantee or insure Mortgage loans on the Townhome Lots subject to this Declaration.

Any amendment may not adversely affect the title to any Owner's Townhome Lot unless the Owner shall consent thereto in writing.

11.2. Amendments During Declarant Control Period. During the Declarant Control Period, Declarant may unilaterally amend this Declaration for any other purpose (beyond the list in Section 11.1). However, any amendment may not:

- (a) materially adversely affect the substantive rights of any Owners hereunder;
- (b) adversely affect title to any Townhome Lot without the consent of the affected Owner; or
- (c) adversely affect the rights of the holder of any security interest granted by Declarant encumbering any portion of the Community unless the holder thereof consents thereto in writing.

11.3. Amendments By the Members. In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of at least 2/3 of the Total Association Vote and, during the Declarant Control Period, the written consent of the Declarant.

11.4. General. Amendments to this Declaration shall become effective upon recordation, unless a later effective date is specified therein. During the Declarant Control Period, no provision of this Declaration which reserves or grants special rights to the Declarant and/or its respective affiliates shall be amended without the prior written consent of the Declarant and/or its respective affiliates affected by the amendment. Any lawsuit challenging any aspect of an amendment to this Declaration must be filed in a court of competent jurisdiction in the county in which the Community is located within 1 year of the recordation of the amendment.

Section 12 **Enforcement and Remedies**

12.1. Enforcement.

(a) Each Owner and every Occupant of a Townhome Lot shall comply strictly with the Governing Documents, as they may be lawfully amended or modified from time to time, and with the covenants, conditions and restrictions set forth in this Declaration and in the deed to his or her Townhome Lot, if any.

(b) The Board may exercise any of the remedies set forth in this Declaration, including, without limitation, the following:

- (i) impose fines following the process outlined in Section 12.2 or other sanctions as provided herein;
- (ii) the remedies set forth in Section 4.7 relating to nonpayment of assessments; and

(iii) the remedies set forth in Section 5.3(c) for failure to perform maintenance.

(c) Failure to comply with the Governing Documents shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board, on behalf of the Association, or, in a proper case, by an aggrieved Owner.

(d) Failure by the Association or any Owner to enforce any of the foregoing against any Owner shall in no event be deemed a waiver of the right to do so thereafter against that Owner or any other Owner failing to comply in a similar manner.

(e) The Board shall have the right to record in the appropriate land records a notice of violation of the Governing Documents and to assess the cost of recording and removing the notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

12.2. Fining Procedure. The Board may impose a fine (a late charge shall not constitute a fine) against an Owner as long as the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

(i) the alleged violation;

(ii) the action required to abate the violation; and

(iii) a time period, not less than 10 days, during which the violation may be abated without further sanction (if the violation is a continuing one), or a statement that any future violation of the same rule may result in the imposition of a fine (if the violation is not continuing). The Board or its designee may demand immediate abatement in circumstances which, in the Board's determination, pose a danger to safety or property.

(b) Notice. If the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board may, upon notice stating the nature of the violation, impose a fine within 12 months of the demand. Fines will be effective upon sending that notice. The notice will state a time period, not less than 10 days, during which the violator may request, in writing, a hearing regarding the proposed fine and violation. All rights to have the fine reconsidered are waived if a hearing is not requested within 10 days from the date of the notice. The violator may produce any statements, evidence, and witnesses at the hearing. If a hearing is requested on a timely basis, it shall be held before the Board in executive session, and the violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing.

12.3. Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Townhome Lot or any portion of the Common Area to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Governing Documents. Unless an emergency

situation exists, the Board shall give the violating Owner 10 days' written notice of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments.

Section 13 **General Provisions**

13.1. Duration.

(a) The covenants and restrictions of this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, perpetually to the extent permitted by law. However, if Georgia law limits the period during which covenants restricting lands to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by law, after which time any such provisions shall be:

- (i) automatically extended for successive periods of 10 years, unless a written instrument reflecting disapproval signed by the then Owners of at least 2/3 of the Total Association Vote and, during the Declarant Control Period, the Declarant, has been recorded within the year immediately preceding the beginning of a 10 year renewal period agreeing to change such provisions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated to the extent specified therein; or
- (ii) extended as otherwise provided by law.

(b) Every purchaser or grantee of any interest (including, without limitation, a security interest) in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that the provisions of this Declaration may be extended and renewed as provided in this Section.

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

13.3. Severability. Whenever possible, each provision of this Declaration shall be interpreted in a manner as to be effective and valid. If the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, the 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. To this end, the provisions of this Declaration are declared to be severable.

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

13.5. Indemnification. In accordance with, and to the full extent allowed by, the Georgia Nonprofit Corporation Code, the Association shall indemnify every Person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that the Person is or was serving as a director or officer of the Association, against any and all expenses, including attorney's fees, imposed upon or reasonably incurred in connection with any action, suit or proceeding, if the Person acted in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Association only as authorized in a specific case upon a determination that indemnification of the Person is proper under the circumstances.

13.6. Books and Records.

(a) **Inspection by Owners and Mortgagees.** The Governing Documents, membership register, books of account and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by any Owner or by his duly appointed representative and by holders, insurers or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to his or her interest as a member or holder, insurer or guarantor of a first Mortgage at the office of the Association or at another reasonable place as the Board shall prescribe.

(b) **Rules for Inspection.** The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when an inspection may be made; and
- (iii) payment of the cost of reproducing copies of documents.

(c) **Inspection by members of the Board.** Every member of the Board shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a member of the Board includes the right to make extra copies of documents at the reasonable expense of the Association.

13.7. Financial Statements. Financial statements for the Association shall be compiled annually in the manner as the Board may decide. The Owners, by a Majority of the Total Association Vote, may require that the financial statements of the Association be audited as a common expense by a certified public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all costs associated therewith, the holder shall be entitled

to receive a copy of the financial statements of the Association within 90 days of the date of the request.

13.8. Notice of Sale. If an Owner sells or leases his or her Townhome Lot, the Owner shall, within 10 days after the sale of a Townhome Lot, give to the Association, in writing, the name of the purchaser or lessee of the Townhome Lot and any other information as the Board may reasonably require. Owners must also notify the Association of leases as specified in Section 8 of the Master Declaration.

13.9. Board Agreements and Actions Binding on All. All agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, Mortgagees and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community. During the Declarant Control Period, all agreements and determinations are subject to the approval of the Declarant.

13.10. Variances. Notwithstanding anything to the contrary contained herein, the Board shall be authorized to grant individual variances from any of the provisions of the Governing Documents if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

13.11. Litigation.

(a) No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least 75% of the Total Association Vote and, during the Declarant Control Period, by Declarant. This Section shall not apply, however, to:

- (i) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens);
- (ii) the imposition and collection of assessments as provided in Section 4;
- (iii) proceedings involving challenges to ad valorem taxation;
- (iv) counterclaims brought by the Association in proceedings instituted against it; or
- (v) actions brought by the Association against any contractor, vendor, or supplier of goods or services arising out of a contract for goods or services to which the Association is a party.

(b) This Section shall not be amended unless the amendment is made by the Declarant pursuant to Section 11, or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

13.12. Implied Rights. The Association may exercise any right or privilege given to it expressly by Governing Documents, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

13.13. Security. The Declarant and the Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community and the Townhome Lots safer than they otherwise might be. HOWEVER, THE ASSOCIATION, THE DECLARANT, ITS PARTNERS AND AFFILIATES, ANY SUCCESSOR DECLARANT, AND THE OFFICERS, DIRECTORS, COMMITTEES, MEMBERS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS OF THE FOREGOING, SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMUNITY, NOR SHALL ANY OF THE FOREGOING BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM CANNOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED.

EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, THE DECLARANT, ITS PARTNERS AND AFFILIATES, ANY SUCCESSOR DECLARANT, AND THE OFFICERS, DIRECTORS, COMMITTEES, MEMBERS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS OF THE FOREGOING, ARE NOT INSURERS AND THAT EACH PERSON USING THE COMMUNITY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO PROPERTY, TO TOWNHOME LOTS, AND TO THE CONTENTS OF TOWNHOME LOTS AND THE STRUCTURES THEREON RESULTING FROM ACTS OF THIRD PARTIES.

THE RESPONSIBILITY FOR SECURITY LIES SOLELY WITH THE OWNER OF A TOWNHOME LOT IN THE COMMUNITY.

13.14. No Discrimination. No action shall be taken by the Declarant, the Association or the Board which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or disability.

Section 14

Declarant Rights

14.1. Conveyance of Property to Association; No Implied Rights.

(a) Declarant and its respective affiliates may transfer or convey to the Association at any time and from time to time any personal property and any interest in improved or unimproved real property. This may include the conveyance of small strips or parcels of land throughout the Community that have not otherwise been conveyed to Owners, even if the strips or parcels do not have any use or the strips or parcels create an additional maintenance burden on the Association. The conveyance shall be accepted by the Association, and the property shall thereafter be Common Area to be maintained by the Association for the benefit of all or a part of its members.

(b) During the Declarant Control Period, Declarant may, upon written notice to the Association, require the Association to reconvey to Declarant or its designee all or any portion of the Common Area, improved or unimproved, at no charge to Declarant or its designee, without a vote of the members of the Association, if all or a portion of the Common Area is:

- (i) found by Declarant to have been conveyed in error;
- (ii) needed by Declarant to make adjustments in property boundary lines; or
- (iii) reasonably determined by Declarant to be needed due to changes in the overall scheme of development for the Community.

(c) The Association hereby constitutes and appoints Declarant as the Association's agent and attorney-in-fact to accept/make on behalf of the Association any conveyances and reconveyances and to execute on behalf of the Association any and all documents, including, without limitation, deeds, necessary or convenient to effectuate and document any of the foregoing conveyances and reconveyances, and all of the acts of the attorney-in-fact are hereby ratified. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise.

(d) Declarant and its affiliates shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section and Declarant and its affiliates shall have no duty or obligation to convey any property or property rights to the Association, regardless of whether or not any property has been made available for the use of Owners. The Association shall also accept assignment of, and shall assume and agree to perform, any contracts entered into by Declarant and its affiliates for the benefit of the Association, its members or the Owners.

(e) Declarant may reserve, by condition, restriction, lease, license, easement or otherwise, the rights of use and enjoyment in and to all or any portion of the property conveyed as Declarant may reasonably require, so long as the reservation is not materially inconsistent with the overall scheme of development for the Community. Neither the recordation of any subdivision plat, nor the use by the Owners or maintenance by the Association of any property, shall create

any rights, easements or licenses in the Association or the Owners, express or implied, unless and until any property, rights, easements or licenses are conveyed to the Association or the Owners, as the case may be, by an instrument recorded in the land/real estate records of the county where the property is located.

14.2. Construction and Sale Period.

(a) Notwithstanding any provisions contained in the Governing Documents, the Declarant hereby expressly reserves unto itself, and its respective successors and assigns, a non-exclusive, perpetual right, privilege, and easement with respect to the Community for the benefit of the Declarant and its respective successors and assigns, over, under, in, and/or on the Community, without obligation and without charge, for the purposes of taking all actions related to or connected with construction, installation, relocation, development, sale, maintenance, repair or replacement in the Community and any other property now owned or which may in the future be owned by the Declarant in accordance with Declarant's right to annex additional property.

(b) The reserved easement shall constitute a burden on the title to the Community and specifically includes, but is not limited to:

- (i) the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Community;
- (ii) the right to tie into any portion of the Community with streets, driveways, parking areas and walkways;
- (iii) the right to tie into and/or otherwise connect and use (without a tap-on or any other fee payable to the Association or any Owner for so doing), replace, relocate, maintain and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community;
- (iv) the right to use (continually or from time to time) without charge any clubhouse or similar structure and appurtenant recreational facilities, if any, for business purposes or company functions and any similar use, including, but not limited to, sales and marketing meetings, offices for sales or other employees and agents, a design studio and employee parties; and
- (v) the right to construct, install, replace, relocate, maintain, repair, use and enjoy signs, model residences, construction trailers and sales offices in the Community.

(c) Declarant hereby expressly reserves the right to dump and bury rocks on property within the Community as needed for efficient construction.

(d) No rights, privileges and easements granted or reserved herein shall be merged into the title of any property, including, without limitation, the Community, but shall be held independent of the title, and no such right, privilege or easement shall be surrendered, conveyed or released unless and until and except by delivery of a quitclaim deed from the Declarant releasing such right, privilege or easement by express reference thereto.

(e) During the Declarant Control Period, any proposed amendment to Section 14 shall require the prior written consent of the Declarant.

14.3. Assignment of Declarant Rights. The Declarant may assign its rights, duties and privileges as “Declarant” to another party. Any successor Declarant must be the purchaser (for the purpose of development or sale) of all or any portion of the remaining undeveloped or unsold portions of the real property described in Exhibit “A”, attached hereto, or in Exhibit “B”, attached hereto. In the instrument of conveyance to any successor or in a separate recorded document, the prior Declarant must designate the successor party as the “Declarant” hereunder. Upon designation of a successor Declarant, all rights of the former Declarant in and to the status as “Declarant” hereunder shall cease. As to all of the property described in Exhibit “A”, attached hereto, and in Exhibit “B”, attached hereto, which is now or hereafter subjected to this Declaration, there shall be only one Person or legal entity entitled to exercise the rights and powers of the “Declarant” hereunder at any one point in time.

IN WITNESS WHEREOF, the Declarant and the Association have caused this Declaration to be executed under seal as of _____, 2016.

Signed, sealed and
delivered in the
presence of:

Unofficial Witness

Notary Public

My Commission Expires:

Exact Date of Execution
by Notary Public:

[AFFIX NOTARIAL SEAL]

Signed, sealed and
delivered in the
presence of:

Unofficial Witness

Notary Public

My Commission Expires:

Exact Date of Execution
by Notary Public:

[AFFIX NOTARIAL SEAL]

DECLARANT:

PULTE HOME CORPORATION

By: _____

Caryn Kinzler,
Vice President of Finance – Georgia Division

ASSOCIATION:

BRAEDEN TOWNHOME ASSOCIATION,
INC.

By: _____

_____, President

EXHIBIT “A”

Property Subject to Declaration

EXHIBIT “B”

Additional Property which can be Unilaterally Subjected to Declaration by Declarant

Any land located within a 3 miles radius of the northeast corner of the intersection of Kimball Bridge Road and Northwinds Parkway, City of Alpharetta, Fulton County, Georgia.

EXHIBIT “C”

Bylaws of Braeden Townhome Association, Inc.

BYLAWS

OF

BRAEDEN TOWNHOME ASSOCIATION, INC.

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BYLAWS
OF
BRAEDEN TOWNHOME ASSOCIATION, INC.

Section 1
Name, Membership and Definitions

1.1. Name. The name of the Association shall be Braeden Townhome Association, Inc. (the “Association”).

1.2. Membership. The Association shall have one class of membership, as is more fully set forth in the Declaration of Protective Covenants for Braeden Townhomes (the Declaration, as amended, supplemented, renewed, or extended from time to time, is hereinafter sometimes referred to as the “Declaration”), the terms of which pertaining to membership are specifically incorporated by reference herein.

1.3. Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit.

Section 2
Association: Meetings, Quorum, Voting, Proxies

2.1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at another suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

2.2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one year from the date the Declaration is recorded. Annual meetings shall be set by the Board so as to occur no later than 60 days after the close of the Association’s fiscal year or at another date and time as the Board of Directors may decide in its sole discretion. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

2.3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a Majority of the Board of Directors or upon a petition signed by at least 25% of the Total Association Vote (the separate consent of Declarant shall not be required). The notice of any special meeting shall state the date, time and place of the meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

2.4. Notice of Meetings. It shall be the duty of the Secretary of the Association to mail or to cause to be delivered to the Owner of record of each Townhome Lot a notice of each annual or special meeting of the Association stating the time and place where it is to be held and, for a special meeting, the purpose thereof. If an Owner wishes notice to be given at an address other

than his or her Townhome Lot, he or she shall have designated by notice in writing to the Secretary of the Association the other address. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than 10 nor more than 30 days before the date of a meeting.

2.5. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after the meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed a waiver by the member of notice of the time, date and place thereof, unless the member specifically objects to lack of proper notice at the time the meeting is called to order.

2.6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a Majority of the members who are present at the meeting, either in person or by proxy, may adjourn the meeting to a time not less than 5 nor more than 30 days from the time the original meeting was called. At the adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.7. Voting. The voting rights of the members shall be as set forth in the Declaration, and are specifically incorporated herein.

2.8. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary of the Association before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Townhome Lot, or upon receipt of notice by the Secretary of the Association of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of 11 months from the date of the proxy.

2.9. Quorum. The presence, in person or by proxy, of 25% of the total eligible Association vote shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

2.10. Action by Written Consent. Any action to be taken at a meeting of the members, or any action that may be taken at a meeting of the members, may be taken without a meeting if one or more consents, in writing, setting forth the action so taken shall be signed by members holding the voting power required to pass the action at a meeting held on the date that the last consent is executed and the action is consented to by Declarant (if required during the Declarant Control Period). The action shall be effective upon receipt by the Association of a sufficient number of consents executed by current members unless a later effective date is specified therein. The action shall be approved when the Secretary receives a sufficient number of consents dated within 70 days of the record date for the action. If less than unanimous consent is obtained, the approval shall be effective 10 days after the Secretary gives written notice of the approval to all members who did not sign a consent. Each consent in writing or by electronic transmission shall

be included in the minutes of meetings of members filed in the permanent records of the Association. No consent in writing or by electronic transmission shall be valid unless: (1) the consenting member has been furnished the same material that, pursuant to the Nonprofit Code, would have been required to be sent to members in a notice of a meeting at which the proposed action would have been submitted to the members for action; or (2) the written consent contains an express waiver of the right to receive the material otherwise required to be furnished.

2.11. Action by Written Ballot. Any action to be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and, except in the case of the election of directors, provide an opportunity to vote for or against each proposed action. Approval by written ballot of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize the action and, except in the case of the election of directors, the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter (other than election of directors); and (c) specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board of Directors. The results of each action by written ballot shall be certified by the Secretary of the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Section 3

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 3.2, the directors must reside in the Community and shall be members or spouses of the members; provided, however, no Person and his or her spouse may serve on the Board at the same time.

3.2. Directors Appointed by Declarant. The Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until the expiration or earlier termination of the Declarant Control Period. Each Owner, by acceptance of a deed to or other conveyance of a Townhome Lot, vests in Declarant the authority to appoint and remove directors and officers of the Association as provided herein. The directors appointed by the Declarant need not be Owners or residents in the Community.

3.3. Number of Directors. During the period in which the Declarant has the right to appoint and remove the officers and directors of the Association, the Board of Directors shall consist of 1 to 5 members, determined by the Declarant from time to time in writing in its sole discretion. After the right of the Declarant to appoint and remove the directors and officers of the

Association expires as provided in Section 3.2 above, the Board of Directors shall consist of 3 members who shall be elected as provided below.

3.4. Nomination of Directors. Elected directors may be nominated from the floor and may also be nominated by a nominating or elections committee, if a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

3.5. Election and Term of Office. Owner-elected directors shall be elected and hold office as follows:

(a) After Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting to be held at which Owners shall elect directors.

(b) At annual meetings of the membership thereafter (or by written consent or written ballot in lieu of a meeting as provided in Sections 2.10 and 2.11 hereof), directors shall be elected. All eligible members of the Association shall vote on all directors to be elected, and the candidates receiving the most votes shall be elected; provided, however, the initially elected directors shall serve the remainder of their terms.

(c) The directors shall be elected at-large by all of the Owners in the Community.

(d) It is intended that the elected directors serve staggered terms. Accordingly the initial term of one director shall be fixed at one year, the initial term of one director shall be fixed at 2 years, and the initial term of one director shall be fixed at 3 years. At the expiration of the initial term of office of each respective member of the Board of Directors, a successor shall be elected to serve for a term of 2 years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

3.6. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed, with or without cause, by a Majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed by the Owners shall be given at least 10 days' notice of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any director who has 3 consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment for more than 20 days may be removed by a Majority vote of the directors at a meeting, a quorum being present. This Section shall not apply to directors appointed by Declarant.

3.7. Vacancies. Vacancies in the Board of Directors caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. Each Person so selected shall serve the unexpired portion of the term.

B. Meetings.

3.8. Organizational Meetings. The first meeting of the members of the Board of Directors elected by Owners shall be held within 10 days following each annual meeting of the membership at the time and place as shall be fixed by the Board.

3.9. Regular Meetings. Regular meetings of the Board of Directors may be held at the time and place as shall be determined from time to time by a Majority of the directors. After the Board of Directors is elected by Owners, at least 4 meetings shall be held during each fiscal year with at least one per quarter. Notice of the regular schedule shall constitute sufficient notice of the meetings.

3.10. Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a Person at the director's home or office who would reasonably be expected to communicate the notice promptly to the director; (d) by email; or (e) by commercial delivery service to the director's home or office. All notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least 4 days before the time set for the meeting. Notices given by personal delivery, telephone, or electronically, either by confirmed email or facsimile, shall be given at least 48 hours before the time set for the meeting.

3.11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.12. Quorum of Board of Directors. At all meetings of the Board of Directors, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting cannot be held because a quorum is not present, a Majority of the directors who are present at the meeting may adjourn the meeting to a time not less than 5 nor more than 30 days from the time that the original meeting was called. At the adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13. Compensation. No director shall receive any compensation from the Association unless approved by a Majority of the Total Association Vote. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

3.14. Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

3.15. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.16. Action without a Formal Meeting. Any action to be taken at a meeting of the directors, or any action that may be taken at a meeting of the directors, may be taken without a meeting if a consent, in writing, setting forth the action so taken shall be signed by a Majority of the directors and delivered to the Association for filing in the permanent records of the Association.

3.17. Telephonic Participation. One or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all directors participating in the meeting can hear each other at the same time, and those directors so participating shall be present at the meeting. Any meeting at which a quorum participates shall constitute a regular meeting of the Board.

C. Powers and Duties.

3.18. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not directed to be done and exercised exclusively by the members under the terms of the Declaration, the Articles of Incorporation of the Association, or these Bylaws. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

(a) preparing and adopting an annual budget in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting the assessments, and establishing the period of the installment payments of the assessments;

(c) providing for the operation, care, upkeep and maintenance of all areas which are the maintenance responsibility of the Association;

(d) designating, hiring and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of the personnel and for the purchase of equipment, supplies and material to be used by the personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) making and amending use restrictions and rules and regulations;

(g) opening bank accounts on behalf of the Association and designating the signatories required;

(h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(j) paying the cost of all services rendered to the Association or its members which are not directly chargeable to Owners;

(k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any other expenses incurred;

(l) contracting with any Person for the performance of various duties and functions;
and

(m) any and all other duties and responsibilities identified in the Declaration.

The Board shall have the power to enter into common management agreements with trusts, condominiums or other associations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 4 **Officers**

4.1. Officers. The officers of the Association shall be a President, Secretary and Treasurer and, if the Board of Directors so chooses, one or more Vice Presidents. Any two or more offices may be held by the same Person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors. This Section shall not apply to officers appointed by the Declarant.

4.2. Election, Term of Office and Vacancies. Except during the period in which Declarant has the right to appoint the officers of the Association under Section 3.2 of these Bylaws, the officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

4.3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.

4.4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code.

4.5. Vice President. If a Vice President is elected, the Vice President shall act in the President's absence and shall have all powers, duties and responsibilities provided for the President when so acting.

4.6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors, and shall have charge of the books and papers as the Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Georgia law.

4.7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in depositories as may from time to time be designated by the Board of Directors. If no Vice President has been elected, the Treasurer shall act in the President's absence and shall have all powers, duties and responsibilities provided for the President when so acting.

4.8. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. The resignation shall take effect on the date of the receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 5 **Committees**

Committees to perform tasks and to serve for periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 6

Miscellaneous

6.1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of a resolution, the fiscal year shall be the calendar year.

6.2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings when not in conflict with Georgia law, the Articles of Incorporation of the Association, the Declaration, these Bylaws, or a ruling made by the Person presiding over the proceeding.

6.3. Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation of the Association, the Declaration, and these Bylaws, the provisions of Georgia law, the Declaration, the Articles of Incorporation of the Association, and the Bylaws (in that order) shall prevail.

6.4. Amendment. The provisions of the Declaration applicable to amendment of that instrument shall apply to any amendment of these Bylaws.

6.5. Electronic Records, Signatures and Documents. To the extent permitted by Georgia law, the Declaration and these Bylaws, the Association and its members, officers, directors, Owners and Occupants may perform any obligation or exercise any right by use of any technological means providing sufficient security, reliability, identification and verifiability, which technological means have been approved by the Board of Directors in its sole discretion.