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DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,

RESTRICTIONS AND EASEMENTS

FOR

ST. ANDREWS

THIS INSTRUMENT ESTABLISHES A MANDATORY MEMBERSHIP HOMEOWNERS ASSOCIATION, BUT DOES NOT SUBMIT THE COMMUNITY TO THE PROVISIONS OF THE GEORGIA PROPERTY OWNERS' ASSOCIATION ACT, O.C.G.A. § 44-3-220, *ET SEQ.* OR THE PROVISIONS OF THE GEORGIA CONDOMINIUM ACT, O.C.G.A. § 44-3-70, *ET SEQ.*

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EXHIBITS

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EXHIBIT "B" - ADDITIONAL PROPERTY WHICH MAY BE UNILATERALLY SUBMITTED TO THIS
DECLARATION BY DECLARANT

EXHIBIT "C" - BYLAWS OF ST. ANDREWS COMMUNITY ASSOCIATION, INC.

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,

RESTRICTIONS AND EASEMENTS

FOR

ST. ANDREWS

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR ST. ANDREWS ("Declaration") is made on the date hereinafter set forth by **MJH HOMES, LLC**, a Georgia limited liability company (hereinafter sometimes called "Declarant") and **GDCI GA 5, L.P.**, a Georgia limited liability company (hereinafter sometimes called "GDCI");

W I T N E S S E T H

WHEREAS, Declarant and GDCI are the owners of the real property described in Exhibit "A" hereof; and

WHEREAS, Declarant and GDCI desire to subject the real property described in Exhibit "A" hereof to the provisions of this Declaration to provide for a general plan for the subdivision, development and improvement of the Community in an orderly manner with appropriate architectural, landscaping, construction, development and maintenance controls to maintain the value, aesthetic appearance and architectural harmony of the Community during and after development; and to provide for the subjecting of other real property to the provisions of this Declaration as provided herein;

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

Article 1
Definitions

The following words, when used in this Declaration or in any Supplementary Declaration, shall have the following meanings:

1.1 "Articles of Incorporation" means the Articles of Incorporation of St. Andrews Community Association, Inc., filed with the Georgia Secretary of State and incorporated herein by this reference, as may be amended from time to time.

1.2 "Association" means St. Andrews Community Association, Inc., a Georgia nonprofit corporation, its successors and assigns.

1.3 "Board of Directors" or "Board" means the appointed or elected body of the Association, vested with the authority to operate and manage the affairs of the Association under the Georgia Nonprofit Corporation Code, O.C.G.A. Section 14-3-101, *et seq.*

1.4 "Bylaws" means the Bylaws of St. Andrews Community Association, Inc., attached to this Declaration as Exhibit "C" and incorporated herein by this reference, as may be amended from time to time.

1.5 "Common Property" means any and all real and personal property, including, without limitation, easements and other interests therein, and the facilities and improvements located thereon, together with any easements now or hereafter owned by the Association for the use and enjoyment of the Owners.

1.6 "Community" refers to that certain real property described in Exhibit "A", attached hereto, and such additions thereto as may be made by Supplementary Declaration as provided herein.

1.7 "Community-Wide Standard" means the standard of conduct, maintenance or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board of Directors of the Association and may be articulated in the Architectural Guidelines established pursuant to Section 6.4 hereof, but must be consistent with the Community-Wide Standard originally established by the Declarant.

1.8 "Declarant" means **MJH HOMES, LLC**, a Georgia limited liability company and its successor, successor-in-title or assigns taking title to any portion of the property described in Exhibit "A" or Exhibit "B" hereof for the purpose of development and/or sale and designated as Declarant in a recorded instrument by the then holder of the rights of Declarant hereunder. Any or all of the rights of Declarant set forth in this Declaration, the Articles of Incorporation or the Bylaws may be transferred or assigned in whole or in part to other Persons, provided that, the transfer or assignment shall not reduce an obligation nor enlarge a right beyond that which Declarant has under this Declaration, the Articles of Incorporation or the Bylaws. No transfer or assignment of the rights of Declarant provided for herein shall be effective unless it is in a written instrument signed by Declarant and recorded in the Fulton County, Georgia land records.

Notwithstanding the foregoing, in the event Declarant is in breach of that certain Agreement of Purchase and Sale St. Andrews, Fulton County, Georgia (Finished Lots) ("Agreement") by and between Declarant and GDCI, having an effective date of March 25, 2015, covering the purchase and sale of all or a portion of the real property which is intended to comprise the Community, after any applicable notice and cure periods have run and such Agreement has been terminated, GDCI may, but shall not be obligated to, with ten (10) days prior written notice to Declarant, unilaterally assume all rights of Declarant arising under the Declaration by filing for record a document evidencing the assumption of such rights. Upon the date of the recording of said document by GDCI assuming the rights of Declarant under the Declaration in the Office of the Clerk of Superior Court of Fulton County, Georgia, then and thereafter, all rights of MJH Homes, LLC, as Declarant, arising hereunder shall automatically cease and such rights shall be vested with GDCI. Notwithstanding anything to the contrary herein, MJH Homes, LLC shall retain the right to exercise architectural control over exterior modifications and construction on any Unit originally acquired by MJH Homes, LLC pursuant to the Agreement and shall retain such easement rights, as described in Section 11.9 hereof, to maintain and carry on, upon such portion of the Community as reasonably necessary, such facilities and activities as may be required or convenient for the development, construction and sales activities related to property within the Community developed by MJH Homes, LLC, and said rights shall be restated in the document evidencing the assumption by GDCI of the rights of MJH Homes, LLC as Declarant. GDCI's option hereunder shall automatically expire when MJH Homes, LLC has acquired all of the property described in the Agreement.

1.9 "Detached Lot" means any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes a single-family dwelling site, which dwelling will not be attached by one or more party walls to another dwelling, as shown on a plat recorded in the Office of the Clerk of Superior Court of Fulton County, Georgia. The ownership of each Detached Lot shall include, and there shall automatically pass with the title to each Detached Lot as an appurtenance thereto, whether or not separately described, membership in the Association and all rights and interest of an Owner in and to the Common Property.

1.10 "Easement and Cost Sharing Agreement" means that certain Declaration of Easements and Cost Sharing Agreement by and between Camden USA, Inc. and Camden Realty, Inc., recorded March 6, 2014 at Deed Book 53617, Page 1, *et seq.*, Fulton County, Georgia land records, which document imposes easements and cost sharing obligations on the property described therein, which property includes the Community.

1.11 "Live/Work Townhome Unit" means a Townhome Unit consisting of both a commercial and a residential component that is occupied by the same Owner and/or Occupant. Units 1-6, inclusive, as more particularly identified on the recorded subdivision plat(s) for the Community, are Live/Work Townhome Units. The restrictions applicable to the Live/Work Townhome Units are set forth in Section 9.7 hereof.

1.12 "Master Declaration" means that certain Declaration of Covenants, Conditions, Easements and Restrictions, recorded December 27, 2012 at Deed Book 52063, Page 455, *et seq.*, Fulton County, Georgia land records. The covenants and conditions set forth in the Master

Declaration shall be in addition to, not in lieu of, the covenants, conditions and restrictions set forth in this Declaration.

1.13 "Mortgage" means any and all instruments used for the purpose of encumbering or conveying title to real property in the Community as security for the payment or satisfaction of an obligation, including, without limitation, any mortgage, deed to secure debt or deed of trust.

1.14 "Mortgagee" means the holder of a Mortgage.

1.15 "Occupant" means any Person occupying all or any portion of a Unit for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

1.16 "Owner" means the record owner, whether one or more Persons, of the fee simple title to any Unit within the Community but does not include any Mortgagee.

1.17 "Person" includes any individual, individual acting in a fiduciary capacity, corporation, limited partnership, limited liability company, general partnership, joint stock company, joint venture, association, company or other organization, recognized as a separate legal entity under Georgia law.

1.18 "Supplementary Declaration" means a supplement to this Declaration which subjects additional property to the provisions of this Declaration and/or imposes additional covenants, conditions, restrictions or easements on the land described therein.

1.18 "Total Association Vote" means the votes attributable to the entire membership of the Association (including the votes of the Declarant) as of the record date for such action, but specifically excluding the votes of those Owners whose voting rights have been suspended as provided herein, whether or not such members are present or represented at the meeting, if any, where such votes are to be cast. If, for example, and without limitation, a majority of the Total Association Vote is required to approve a matter, such matter must receive more than half of the votes attributable to all existing members of the Association as of the record date for such action, (and excluding the votes of any Owners whose voting rights have been suspended as provided herein) whether or not such members are present or represented at the meeting, if any, where such votes are to be cast.

1.19 "Townhome Unit" shall mean any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site which will be attached by one or more party walls to another townhome. Where the residential dwelling located on a Townhome Unit is attached by a party wall to one or more other residential dwellings located on adjacent Townhome Units, the boundary between such residential dwellings shall be a line running along the center of the party wall separating said residential dwellings. The ownership of each Townhome Unit shall include, and there shall automatically pass with the title to each Townhome Unit as an appurtenance thereto, whether or not separately described, membership in the Association and all of the rights and interest of an Owner in and to the Common Property, as herein provided.

The ownership of each Townhome Unit shall also include the exclusive right to use and possession of any and all portions of the heating and air conditioning units which are appurtenant to and serve each Townhome Unit (including, but not limited to, compressors, conduits, wires and pipes) and any driveway, walkway, porch, deck, balcony, courtyard, patio, steps, wall, roof, foundation, courtyard, sunroom or any similar appurtenance as may be attached to a Townhome Unit when such Townhome Unit is initially constructed.

1.20 "Unit" shall mean either a Townhome Unit (including a Live/Work Townhome Unit) or a Detached Lot. The ownership of each Unit shall include, and there shall automatically pass with the title to each Unit as an appurtenance thereto, whether or not separately described, membership in the Association and all of the rights and interest of an Owner in and to the Common Property, as herein provided.

Article 2 Property Subject To This Declaration

2.1 Property Hereby Subjected To This Declaration. The real property which is, by the recording of this Declaration, subject to the covenants, conditions, restrictions and easements hereinafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied and encumbered subject to this Declaration is the real property described in Exhibit "A" attached hereto and by this reference made a part hereof.

2.2 Unilateral Annexation By Declarant. As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time at any time until ten (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 this reference incorporated herein, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of Superior Court of Fulton County, Georgia a Supplementary Declaration describing the property being subjected. Any annexation shall be effective upon the filing for record of such Supplementary Declaration, unless a later effective date is provided therein.

Declarant intends to annex hereto the property contained in Declarant's land plan for the development, as amended from time to time, which property is a portion of the property described in Exhibit "B". However, inclusion of property on Declarant's land plan or in Exhibit "B" shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land plan bar Declarant from subjecting such property to the Declaration. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as the rights of existing Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property. If any 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 such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any

subsequent owner thereof, regardless of whether such uses are consistent with the covenants and restrictions imposed herein.

2.3 Annexation by Association. Upon the written consent of: (a) the owner(s) thereof; (b) the Declarant; and (c) the Owners of at least two-thirds (2/3) of the Units, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of Superior Court of Fulton County, Georgia a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be executed on behalf of the Association by the President of the Association whose signature shall be attested by the Secretary of the Association. The annexation shall be effective only upon the filing for record of such Supplementary Declaration, unless a later effective date is provided therein.

2.4 Withdrawal of Property. So long as Declarant has the right to unilaterally annex additional property to the provisions of this Declaration pursuant to Section 2.2 hereof, Declarant shall have the right to amend this Declaration to remove any portion of the Community then owned by Declarant or the Association from the coverage of this Declaration and the jurisdiction of the Association, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Community, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community. Any withdrawal shall be accomplished by filing an amendment to this Declaration which describes the property to be removed and is executed by the Declarant and the Owner(s) of the property being removed if not the Declarant. Any withdrawal shall be effective upon filing for record of such amendment in the Fulton County, Georgia land records, unless a later effective date is provided therein. Such amendment shall be executed by the Declarant and the Owner(s) of the property being removed and shall not require the vote or consent of any other Unit Owners in the Community.

2.5 Additional Covenants, Easements and Cost Sharing Agreements. Each Owner and Occupant acknowledges and agrees that the property encumbered by this Declaration is also subject to the provisions of the Master Declaration and the Easement and Cost Sharing Agreement, as applicable. Each Owner and Occupant agrees to comply with the covenants, conditions and use restrictions set forth in the Master Declaration and the Easement and Cost Sharing Agreement, respectively, and that such covenants, conditions and use restrictions shall be in addition to, not in lieu of, the restrictions set forth herein.

Article 3

Association Membership and Voting Rights

3.1 Membership. Every Person who is the record owner of a fee or undivided fee interest in any Unit subject to this Declaration shall have a membership in the Association. The foregoing is not intended to include Mortgagees and the conveyance 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 Unit. Membership shall be appurtenant to and may not be separated from ownership of a Unit. The rights and privileges of membership, including the right to hold office, may be exercised by a member or the designee of a member, but in no event

shall more than one office be held for each Unit owned. This Section is not intended to prohibit the same individual from being both an officer and a director of the Association. Nothing in this Section shall restrict the number of votes cast or the number of the officers and directors appointed by the Declarant.

3.2 Voting. Members shall be entitled to cast one vote for each Unit owned. When more than one Person holds an ownership interest in a Unit, the vote for such Unit shall be exercised as those Owners themselves determine and advise the Secretary prior to any meeting or referendum. The vote attributable to a Unit shall be suspended in the event more than one Person seeks to exercise it. The Board of Directors may suspend the voting rights of any Owner for any period during which any past due assessment against any Unit of the Owner remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws, rules and regulations or Architectural Guidelines established pursuant to Article 6 hereof.

Article 4 Assessments

4.1 Purpose of Assessments. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners of Units, including, without limitation, the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

4.2 Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) general assessments; (b) special assessments; (c) specific assessments; and (d) Townhome Unit assessments, if applicable. All assessments, together with late charges (in an amount equal to the greater of Ten and No/100 Dollars (\$10.00) or ten percent (10%) of the amount of the assessment or installment not paid when due), interest (at a rate set by the Board of Directors from time to time, but not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due) and costs of collection, including, without limitation, reasonable attorney's fees actually incurred, shall, from the time the sums become due and payable, be a charge on the land and a continuing lien in favor of the Association on the Unit 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 costs of collection, including, without limitation, reasonable attorney's fees actually incurred, and the award of attorneys' fees shall not be construed in accordance with the provisions of O.C.G.A. Section 13-1-11(a)(2). All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien shall be required. Each assessment, together with such charges, interest, late fees and costs of collection, including, without limitation, reasonable attorneys' fees actually incurred, shall also be the personal obligation of the Person who was the Owner of the Unit 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 Unit and each grantee of an

Owner shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of the grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings.

No Owner may waive or otherwise be exempt from liability for the assessments provided for herein for any reason, including, by way of illustration and not limitation, the following: (a) abandonment of the Unit; (b) nonuse of the Common Property; (c) the Association's failure to perform its obligations required under the Declaration; or (d) inconvenience or discomfort arising out of the Association's performance of its duties. No diminution or abatement of any assessment shall be claimed or allowed by reason of any failure of the Association to take some action or perform some function required to be taken or performed by the Association, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

4.3 Budget. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year. The Board shall cause the budget and the general assessment to be levied against each Unit for the year to be delivered to each member at least thirty (30) days prior to the due date of such general assessment. The budget and the general assessment shall become effective unless disapproved at a meeting by a majority of the Total Association Vote and the Declarant. Notwithstanding the foregoing, however, in the event the proposed budget is disapproved by the membership and the Declarant or the Board fails for any reason to determine the budget for any period, then and until such time as a budget has been determined, as provided herein, the budget in effect shall continue.

4.4 General Assessments. General assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the general assessment shall be paid in monthly installments. General assessments include any sums the Board determines necessary for the continued ownership, operation and maintenance of the Common Property, operating expenses of the Association, payment for any items of betterment and the establishment of reserve funds as the Board shall deem proper. General assessments may include, without limitation, the following: (a) sums for property taxes for the Common Property; (b) insurance premiums; (c) legal and accounting fees; (d) management fees; (e) charges for utilities and other services provided by the Association, if any; (f) landscape maintenance; (g) costs incurred to maintain the storm water drainage facilities serving the Community; (h) costs incurred to maintain the Community entry features and any lighting and/or irrigation expenses associated therewith; (i) charges for trash and recycling within the Community; (j) costs incurred to maintain the private Community streets, alleys and sidewalks; (k) costs incurred pursuant to the Master Declaration and the Easement and Cost Sharing Agreement; and (l) expenses and liabilities incurred as provided herein, in the Articles of Incorporation and Bylaws for the indemnification of officers and directors and in connection with the enforcement of rights and duties of the Association against Owners and others.

4.5 Townhome Unit Assessments. The Board may levy assessments against the Townhome Units for those costs and expenses incurred by the Association which exclusively benefit the Townhome Units as more particularly set forth in Section 9.4 hereof.

4.6 Special Assessments. The Association, acting through the Board of Directors, may levy a special assessment against all Owners in the Community for unbudgeted or unanticipated expenses or expenses in excess of those budgeted. So long as the total amount of special assessments allocated to each Unit in a single fiscal year does not exceed the amount of the annual general assessment in any such fiscal year, the Board may impose the special assessment without a vote of the Owners. Except for special assessments levied pursuant to Section 10.3 hereof, any special assessment which would cause the total amount of the special assessments allocated to any one Unit in a single fiscal year to exceed the amount of the annual general assessment must be approved by two-thirds (2/3) of the Total Association Vote and the Declarant in order to be effective. Special assessments shall be paid as determined by the Board. The Board may permit a special assessment to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

4.7 Specific Assessments. The Board shall have the power to levy specific assessments as, in its discretion, it shall deem appropriate. The failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association 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. By way of explanation and not limitation, the following shall constitute specific assessments: (a) fines levied pursuant to this Declaration; (b) the working capital contribution as provided in Section 4.14 hereof; and (c) the cost of maintenance performed by the Association for which an Owner is responsible.

In addition to the foregoing, the Board of Directors may also specifically assess Owners for Association expenses as follows: (a) expenses of the Association which benefit less than all of the Units may be specifically assessed equitably among all of the Units which are benefited according to the benefit received; (b) expenses of the Association which benefit all Units, but do not provide an equal benefit to all Units, may be specifically assessed equitably among all Units according to the benefit received; and (c) expenses of the Association which are attributable to or incurred as a result of the conduct of an Owner or the Occupants, tenants, guests or invitees of an Owner may be specifically assessed against the Unit of such Owner.

4.8 Subordination of Liens to Mortgages. Notwithstanding anything to the contrary in this Declaration or any other document related thereto or executed in connection therewith, the lien of all assessments authorized herein is hereby made subordinate to the lien of any first Mortgage placed on a Unit, if, but only if, all assessments and charges with respect to such Unit authorized herein having a due date on or prior to the date of the Mortgage as filed of record have been paid. The lien hereby subordinated is only such lien as relates to assessments and charges authorized hereunder having a due date subsequent to the date such Mortgage is filed of record and prior to the satisfaction, cancellation or foreclosure of such Mortgage or the sale or transfer of the property Unit to any proceeding in lieu of foreclosure or the sale or transfer of the Unit pursuant to a sale under power contained in such Mortgage. Such subordination is merely a subordination and shall not relieve an Owner of the personal obligation to pay all assessments coming due during such period of ownership; shall not relieve such Unit from the lien provided for herein (except to the extent a subordinated lien is extinguished as a result of such

subordination as against a Mortgagee or such Mortgagee's assignee or transferee by foreclosure or by sale under power); and no sale or transfer of such Unit to the Mortgagee or to any other Person pursuant to a decree of foreclosure, or pursuant to any other proceeding in lieu of foreclosure or pursuant to a sale under power, shall relieve any existing or previous Owner of such Unit of any personal obligation or relieve such Unit or the then Owner of such Unit from liability for any assessment authorized hereunder that becomes due after such sale and transfer.

4.9 Remedies of the Association. Any assessments or installments thereof which are not paid when due shall be delinquent. In addition to the lien rights, the personal obligation of the then Owner to pay such assessments shall remain such Owner's personal obligation and shall also pass to such Owner's successors-in-title. Such Owner shall nevertheless remain as fully obligated as before to pay to the Association any and all amounts which such Owner was obligated to pay immediately preceding the transfer or conveyance; and such Owner and such successors-in-title shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such Owner and such successors-in-title creating any indemnification of the Owner or any relationship of principal and surety as between themselves. Any assessment or installment thereof delinquent for a period of more than ten (10) days shall incur a late charge (in an amount equal to the greater of Ten and No/100 Dollars (\$10.00) or ten percent (10%) of the assessment or installment not paid when due) and interest (at a rate set by the Board of Directors from time to time, but not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due). 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 costs of collection, including, without limitation, reasonable attorney's fees actually incurred, and the award of attorneys' fees shall not be construed in accordance with the provisions of O.C.G.A. Section 13-1-11(a)(2).

The Association may cause a notice of delinquency to be given to any Owner who has not paid within ten (10) days following the due date. In the event that the assessment remains unpaid after sixty (60) days, the Association may institute suit to collect such amounts and/or to foreclose its lien. The Association may file a claim of lien with the Office of the Clerk of Superior Court of Fulton County, Georgia, but no such claim of lien shall be required to establish or perfect the lien for unpaid assessments. Each Owner, by acceptance of a deed, vests in the Association the right and power to bring all actions against such Owner personally for the collection of such charges as a debt or to foreclose the lien. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Owners. The Association shall have the power to bid on any Unit at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. The Association may also suspend the membership rights of the delinquent Owner, including the right to vote, the right of use and enjoyment in and to the Common Property and the right to receive and enjoy such services and other benefits as may then be provided by the Association, if any. Any suspension shall not affect an Owner's obligation to pay assessments coming due during the period of such suspension and shall not affect the permanent lien on such Unit in favor of the Association.

4.10 Date of Commencement of Assessments. Assessments shall commence when the Board of Directors first determines a budget and levies assessments. The assessments provided for herein shall commence as to a Unit on the date that such Unit has been improved with a

dwelling for which a certificate of occupancy has been issued and has been conveyed to an Owner who intends to occupy the dwelling, or, if the dwelling is occupied as a residence before such conveyance, the date of such occupancy. Any Unit 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, any builder approved by Declarant, or any other Person, so long as such Unit is used as a model home and is not occupied for residential purposes.

4.11 Budget Deficits During Declarant Control. For so long as the Declarant has the authority to appoint the directors and officers of the Association, Declarant may, but shall have no obligation to: (a) advance funds or contributions of services or materials or a combination of services and materials, rather than money (herein collectively called "in kind contribution"), or a combination of these, 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 general, special and specific assessments collected by the Association in any fiscal year (such advances shall be evidenced by promissory notes from the Association in favor of the Declarant); or (b) cause the Association to borrow such amount from a commercial lending institution at the then prevailing rates for similar loans in the local area of the Community; provided, however, no Mortgage secured by the Common Property or any of the structures or improvements maintained by the Association shall be given in connection with such loan.

4.12 Failure to Assess. The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay assessments on the same basis as the last year for which an assessment was made, if any, until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association.

4.13 Estoppel Letter. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, 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 Unit. Such 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 five (5) business days after receiving a written request therefor, certify to the amount of any unpaid assessments constituting a lien on a specified Unit. The Association may charge a reasonable fee as may be permitted by law as a prerequisite to the issuance of such statement. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the amount of assessments due with respect to a Unit shall be binding upon the Association. It is the intent of this provision to comply with O.C.G.A. Section 44-14-15(c), as amended.

4.14 Working Capital Contribution. Upon each and every transfer or conveyance of a Unit after it has been improved with a residence for which a certificate of occupancy has been issued, a working capital contribution in an amount determined by the Board from time to time,

but not to exceed the amount of the general assessment applicable to the Unit for the year of such conveyance shall be collected from the new Owner at the closing of such transaction and disbursed to the Association; or if not collected at closing, shall be paid immediately upon demand to the Association.

The working capital contribution shall constitute a specific assessment against the Unit, shall be in addition to, not in lieu of, the general assessment and shall not be considered an advance payment of such assessment. The working capital contribution may be used by the Association for any purpose which provides a direct benefit to the Community, including, without limitation, for the payment of operating expenses of the Association and other expenses incurred by the Association pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the working capital contribution shall not apply to the holder of any first Mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage, but shall apply to the Owner acquiring title to the Unit from the foreclosing Mortgagee.

Article 5

Maintenance: Common Property

5.1 Association's Maintenance Responsibility. The Association shall maintain and keep in good repair the Common Property, which shall include, without limitation, the maintenance, repair and replacement of all landscaping, structures and improvements located thereon. The Association shall also maintain (whether or not constituting Common Property) the following: (a) all Community entry features, including, without limitation, any landscaping associated therewith and any irrigation system and/or lighting system providing water and/or electricity to such entry features, regardless of whether the same are located on a Unit, Common Property or public right-of-way; (b) all storm water detention/retention ponds and storm water drainage facilities serving the Community in accordance with that certain Stormwater Management Facility Inspection and Maintenance/Indemnification Agreement, recorded November 13, 2012, at Deed Book 51880, Page 138, *et seq.*, Fulton County, Georgia land records, regardless of whether such stormwater detention/retention ponds and stormwater drainage facilities are located on a Unit or Common Property; provided, however, each Owner of a Unit, and not the Association, shall be responsible for all storm water drainage facilities which exclusively serve a Unit; (c) all Community green space and open space; (d) lawn and landscape maintenance as provided in Section 5.3 hereof; (e) all private Community streets, sidewalks, street signs and street medians and islands; (f) all pipes, wires, conduits and plumbing systems which serve more than one (1) Unit or a Unit and the Common Property; (g) the centralized mailbox area and the mailboxes located thereon; (h) any retaining walls located in the Community, regardless of whether the same are located on a Unit or Common Property; (i) maintenance to the Townhome Units as provided in Section 9.2 hereof; (j) all benches and bicycle racks located in the Community; and (k) maintenance of and to the Access Drive, as such term is defined in the Easement and Cost Sharing Agreement, subject to reimbursement from the Owner of the Apartment Parcel, as such terms are defined in the Easement and Cost Sharing Agreement.

In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, regardless of whether such property is located within or

outside of the Community, where the Board has determined that such action would benefit the Owners. In addition to the foregoing, the Board, with the consent of the Declarant and without the consent of the members, may enter into easements and covenant to share cost agreements where the Board has determined that such action would benefit the Owners.

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

In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the Occupants, family, guests, lessees or invitees of an Owner, then the Association may perform such maintenance, repair or replacement and all costs thereof, not paid for by insurance, shall be assessed against the Unit of such Owner as a specific assessment. All maintenance by the Association shall be performed consistent with the Community-Wide Standard.

5.2 Owner's Maintenance Responsibility.

(a) General. Except for maintenance performed on or to a Unit by the Association pursuant to Sections 5.1, 5.3 or Article 9 hereof all maintenance of the Unit and all structures, landscaping, and other improvements located thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Unit in a manner consistent with the Community-Wide Standard and this Declaration. All maintenance to a Unit by the Owner thereof, regardless of whether such Unit is a Townhome Unit or Detached Lot, shall include, without limitation, the following: (i) prompt removal of all litter, trash, refuse, and waste; (ii) keeping improvements, and exterior lighting in good repair and working order; (iii) watering landscaped areas; (iv) complying with all governmental health and police requirements; (v) repair of exterior damage to improvements; and (vi) maintaining, repair and/or replacing any pipe(s), wire(s) and conduit(s) which serve only the Unit, regardless of whether said pipe(s), wire(s) or conduit(s) are located within or outside of a Unit's boundaries.

(b) Detached Lots. In addition to the obligations set forth in subsection (a) hereof, Owners of Detached Lots shall be responsible for all maintenance, repair and replacement to the residential dwelling located on such Detached Lot, which shall include, but not be limited to, the following: (i) all components of the roof, roof support structures, and joists; (ii) downspouts and gutters; (iii) foundations, both above and below grade; (iv) all exterior building surfaces of the residential dwelling located on the Detached Lot, including, without limitation, painting and/or pressure washing as needed; (v) all maintenance and repair to any decks, patios or courtyards which are located on a Detached Lot, with the exception of landscaping provided to the courtyard areas by the Association as provided in Section 5.3 hereof; (vi) maintaining, repairing and replacing all storm water drainage facilities, including, all pipes, wires and conduits related thereto, which exclusively serve the Detached Lot; (vii) maintaining, repairing and replacing all pipes, wires and conduits, including, without limitation, plumbing, electric and sanitary sewer systems, which exclusively serve the Detached Lot; and (viii) all driveways and walkways which exclusively serve the Detached Lot.

(c) Townhome Units. Maintenance to the Townhome Units by the Association and Townhome Unit Owners, respectively, is more particularly set forth in Section 9.2 hereof.

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

5.3 Landscaping and Lawn Maintenance.

(a) General. As provided in Section 5.1 above, the Association shall maintain and keep in good repair the lawn and landscaping in the Community as provided herein. The Board of Directors in its sole discretion may leave portions of the Community as undisturbed natural areas and may change the landscaping in the Community at any time and from time to time or may, with the consent of the Declarant, change the level of landscaping performed.

The Board of Directors may promulgate rules setting forth the extent of landscaping maintenance to be performed by the Association and the rights of Owners with respect to adding or modifying landscaping improvements. Landscaping improvements installed by an Owner in accordance with the provisions of this Declaration shall be maintained by the Owner in a manner consistent with the Community-Wide Standard. Any approved landscaping improvements originally installed by an Owner which are not properly maintained, including, but not limited to, damaged, diseased or dead plants, shrubs and trees may, at the sole discretion of the Board of Directors, be removed from the Community and the costs associated therewith shall be assessed against the Owner and the Unit as a specific assessment.

(b) Lawn and Landscaping to Detached Lots. As provided above, the Association shall provide lawn and landscaping services to the courtyard areas located on the Detached Lots, which shall include, without limitation, the following: (i) tree and shrub pruning; (ii) shrub fertilization; (iii) any hardscaping installed by the Declarant or a builder approved by the Declarant; and (iv) such other landscaping as the Board may determine to be in the best interest of the Owners of the Detached Lots.

In the event that a fence is erected or installed on a Detached Lot by Declarant or an Owner pursuant to the provisions of Article 6 hereof, the Association shall continue to maintain the area enclosed by said fence; provided, however, the Owner must allow access through an unlocked gate and no pet shall be present in the enclosed area in order for said enclosed area to

be maintained by the Association. In the event that the Detached Lot Owner refuses access to the area enclosed by the fence, the gate is locked or a pet is present at the time that the maintenance is to be performed said Owner shall be responsible for ensuring that the enclosed area is maintained in accordance with the Community-Wide Standard and shall not be entitled to a reduction in the liability for assessments due in the event the Association is unable to maintain such property.

(c) Lawn and Landscaping to Townhome Units. Townhome Units 7-13, as the same are identified on the recorded subdivision plat(s) for the Community, contain courtyard areas which are located in the rear of the residential dwelling located on the Townhome Unit. The Association shall maintain the landscaping located within such courtyard area, which shall include, without limitation: (i) tree and shrub pruning; (ii) shrub fertilization; (iii) any hardscaping installed by the Declarant or a builder approved by the Declarant; and (iv) such other landscaping as the Board may determine to be in the best interest of the Owners of the Townhome Units.

5.4 Failure of Owner to Maintain. In the event that the Board of Directors determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair or replacement, or, in the event that such maintenance, repair or replacement is not capable of completion within a ten-day period, to commence such work which shall be completed within a reasonable period of time. If an Owner does not comply with the provisions hereof, the Association may provide such maintenance, repair or replacement to the Unit and all costs associated therewith shall be assessed against the Owner and the Unit as a specific assessment. This provision shall not apply to Units owned by GDCI or Declarant unless improved with a dwelling and occupied as a residence.

In addition to the foregoing, any approved landscaping improvements originally installed by an Owner in the courtyard area located on a Townhome Unit or Detached Lot, as applicable, which are not properly maintained, including, but not limited to, damaged, diseased or dead plants, shrubs and trees may, at the sole discretion of the Board of Directors, be removed from the Community and the costs associated therewith shall be assessed against the Owner and the Unit as a specific assessment.

5.5 Conveyance of Common Property by Declarant to Association; No Implied Rights. The Declarant, GDCI, or the owner of the property if not the Declarant or GDCI, 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. Such conveyance shall be deemed to be accepted by the Association upon delivery of any personal property or upon recordation of an instrument of conveyance of any interest in real property, and the property shall thereafter be Common Property to be used and maintained, if and as provided in Section 5.1 hereof, by the

Association for the benefit of its members. So long as Declarant owns any property primarily for development and/or sale in the Community or has the right unilaterally to annex additional property to the Declaration, Declarant or GDCI may, upon written notice to the Association, require the Association to reconvey all or any portion of the Common Property, improved or unimproved, at no charge to Declarant, without a vote of the members of the Association, if all or any portion of the Common Property is: (a) found by Declarant to have been conveyed in error; (b) needed by Declarant, GDCI or a builder with the consent of Declarant to make adjustments in property boundary lines; or (c) reasonably determined by Declarant to be needed by Declarant, GDCI or a builder with consent of Declarant due to changes in the overall scheme of development for the Community.

The Association hereby constitutes and appoints Declarant as its agent and attorney-in-fact to accept on behalf of the Association any such conveyance to the Association, to reconvey any such property on behalf of the Association and to execute on behalf of the Association any and all documents, including, without limitation, deeds, necessary or convenient to effectuate and document any such conveyance to or reconveyance from the Association. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise. The Declarant or any builder approved by Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section and shall have no duty or obligation to convey any property or property rights to the Association regardless of whether such property has been made available for the use of Owners. The Declarant or any builder with the consent of Declarant may reserve, by lease, license, easement or otherwise such rights of use and enjoyment in and to all or any portion of the property so conveyed as Declarant or such builder may reasonably require so long as such 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 such property rights, easements or licenses are conveyed by the Declarant or the owner of such property to the Association or the Owners, as the case may be, by an instrument recorded in the Fulton County, Georgia land records.

5.6 Partition. The Common Property shall remain undivided and no Owner shall bring any action for partition or division of the whole or any part thereof without the written consent of: (a) all Owners of all portions of the property located within the Community; and (b) all holders of all Mortgages encumbering any portion of the property, including, but not limited to, the Units located within the Community.

5.7 Condemnation. In the event of a taking by eminent domain of all or any portion of the Common Property on which improvements have been constructed, the Association shall, if reasonably possible, restore or replace such improvements on the remaining Common Property, unless within sixty (60) days after such taking, an alternative plan is approved by at least seventy-five percent (75%) of the Total Association Vote and the Declarant. The provisions of this Declaration applicable to the replacement or restoration of damaged improvements on the Common Property shall also apply to and govern the actions to be taken in the event that the improvements are not restored or replaced after a condemnation.

5.8 Liability. Owners, Occupants and their guests shall use any portion of the Community located outside of the boundary of an individual Unit at their own risk and shall assume sole responsibility for their personal belongings used or stored thereon. All Owners and Occupants shall have an affirmative duty and responsibility to inspect the Common Property and all portions of the Community not contained within a Unit for any defects, perils or other unsafe conditions relating to the use and enjoyment thereof. The Association, GDCI, the Declarant and their respective officers, directors, employees, representatives and agents shall not be held liable for: (a) personal injury to any person occurring on the Common Property; (b) loss or damage to personal belongings used or stored on the Common Property or on any other portion of the Community; or (c) loss or damage, by theft or otherwise, of any other property of an Owner or Occupant.

In addition to the foregoing, the Association, GDCI, the Declarant and their respective officers, directors, employees, representatives or agents shall not be liable for injury or damage to any Person or property: (a) caused by the elements or by an Owner or any other Person; (b) 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 from any portion of the Common Property; or (c) caused by any street, pipe, plumbing, drain, pond, lake, dam, 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.

5.9 Garbage Pick-Up and Recycling. The Association shall contract with a private trash removal company on behalf of all Owners and Occupants in the Community to pick up all usual and customary household trash and recycling on a regular basis. All charges for usual and customary trash collection and recycling shall be assessed to each Unit equally as part of the general assessment in accordance with Section 4.4 hereof. While the removal of normal household trash and recycling will be covered by such contract, additional charges may be incurred for the removal of used appliances, other large items or any other extraordinary pick-up needs and such additional charges incurred by the Association may be specifically assessed against the applicable Unit pursuant to Section 4.7 hereof. If a Unit Owner, for any reason, refuses trash collection and recycling service provided by the Association, such Owner shall nevertheless still be obligated to pay the full amount of the general assessment. Trash and recycling receptacles shall be placed at the curb no earlier than 5:00 p.m. the day before pick-up and shall be removed within twenty-four (24) hours. All Community trash removal and recycling shall be subject to such further rules and regulations as the Board may adopt, including without limitation, the designation of a particular trash pick-up day throughout all or a portion of the Community.

Article 6 Architectural Standards

6.1 Master Declaration Approval. In addition to the requirements set forth in Article 6 hereof, each Owner and Occupant shall obtain the approval of the declarant under the Master Declaration, in the manner set forth in the Master Declaration, prior to commencing any exterior construction activity on any Unit in the Community. Notwithstanding the foregoing, all

proposed construction, modifications, alterations and improvements shall be approved pursuant to this Declaration before being submitted for approval pursuant to the Master Declaration. In the event that any proposed construction is disapproved under this Declaration, it shall automatically be disapproved under the Master Declaration.

In addition to the foregoing, any improvements, maintenance or repairs to the Common Property made by or on behalf of the Association shall be approved in accordance with the provisions of the Master Declaration prior to the installation or construction of such improvements, maintenance or repair.

6.2 General. No exterior construction, alteration or addition of any improvements of any nature whatsoever (including, without limitation, staking, clearing, excavating, grading, filling, construction of impervious surface, building, exterior alteration of existing improvements, changing the exterior color of any existing improvement, installing storm doors, windows and fences, and planting and removing landscaping materials), shall be commenced or placed upon any part of the Community unless, installed by the Declarant or an affiliate of the Declarant, approved in accordance with this Article, or otherwise expressly permitted under this Declaration. Any Owner may remodel, paint or redecorate the interior of a structure located on a Unit without approval hereunder. However, additions and/or modifications to the interior of porches, patios, courtyards, decks and similar portions of a structure visible from outside of the dwelling located on a Unit shall be subject to approval. No approval shall be required to repaint the exterior of a structure located on a Unit in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of the Declarant or its affiliates, GDCI or to improvements to the Common Property made by or on behalf of the Association.

This Article may not be amended without the written consent of the Declarant until: (a) the Declarant no longer owns any property in the Community and no longer has the right to unilaterally annex additional property to the Community; and (b) each Unit has been improved with a dwelling for which a certificate of occupancy has been issued.

6.3 Guidelines and Procedures. Except as provided above or as specifically articulated in the Architectural Guidelines established pursuant Section 6.4 hereof, no exterior construction, addition or alteration shall be made unless and until plans and specifications shall have been submitted in writing to and approved by the Declarant. Such plans and specifications shall be of sufficient detail to allow the Declarant to make its review and to the extent required by the Declarant shall show the nature, kind, shape, height, materials and location of the proposed structure or improvement. The Declarant shall be the sole arbiter of such plans and specifications and may withhold approval for any reason, including, without limitation, purely aesthetic considerations, and it shall be entitled to stop any construction in violation of such plans and specifications, applicable Architectural Guidelines or any other provisions of the Declaration. If the Declarant fails to approve or disapprove submitted plans and specifications within forty-five (45) days after receipt of all required information, such approval shall be deemed to have been given. If construction does not commence on a project for which plans have been approved within twelve (12) months of such approval, such approval shall be deemed

withdrawn, and it shall be necessary for the Owner to resubmit the plans to the Declarant for reconsideration.

As a condition of approval under this Article, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for the maintenance, repair, replacement and insurance to and on any improvement, change, modification, addition or alteration. In the discretion of the Declarant, an Owner may be required to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest. The Declarant and its representatives and agents shall have the right, during reasonable hours and after reasonable notice, to enter upon any property in the Community to determine whether or not these restrictive covenants have been or are being complied with and such Persons shall not be deemed guilty of trespass by reason of such entry; provided, however, nothing in this paragraph shall be construed as permitting entry into any residential dwelling located on a Unit without the consent of the Owner.

All provisions of this Declaration and any Association rules and Architectural Guidelines shall apply to all Owners, Occupants, tenants, guests, and invitees of any Unit.

6.4 Architectural Guidelines. The Declarant may adopt written architectural, fencing and landscaping guidelines and application and review procedures, which may provide for a review fee (collectively, the "Architectural Guidelines"). The Declarant shall have the sole and full authority to prepare and to amend, from time to time at its sole discretion and without notice, the initial Architectural Guidelines, which may be modified in whole or in part, repealed or expanded by the Declarant at any time and from time to time at its sole discretion. In the event Declarant modifies, expands or repeals all or any portion of the Architectural Guidelines, said new Architectural Guidelines shall be distributed 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 by a majority of the Total Association Vote and the Declarant. The Declarant shall make the Architectural Guidelines available to Owners and Occupants who seek to engage in construction upon all or any portion of the Community and such Owners and Occupants shall conduct their operations strictly in accordance therewith and with the provisions of this Article 6. The Declarant shall provide, without cost, a copy of the Architectural Guidelines then in effect to any requesting Owner or Mortgagee.

All Owners and Occupants of Units are hereby notified that the use of their Units is limited by the Architectural Guidelines as they may be amended, expanded, and otherwise modified hereunder. Each Owner, by acceptance of a deed or entering into a contract of sale, acknowledges and agrees that the use and enjoyment and marketability of his or her Unit can be affected, that the Architectural Guidelines may change from time to time, and that such changed Architectural Guidelines may or may not be set forth in an instrument recorded in the Fulton County, Georgia land records.

6.5 Limitation of Liability. Plans and specifications are not approved for engineering or structural design, quality of materials or for compliance with permitting requirements, building codes, zoning conditions or other applicable local laws, ordinances and regulations governing construction in the Community and by approving such plans and specifications the Declarant, the

Association and their respective directors, officers, members, representatives, agents or employees assume no liability or responsibility therefor or for any defect in any structure or improvement constructed from such plans and specifications or for any violation of building codes, permitting requirements, zoning conditions or any other violation of applicable laws, ordinances or regulations governing construction in the Community. Neither Declarant, the Association, nor their respective officers, directors, members, employees, representatives and agents shall be liable in damages to anyone submitting plans and specifications for approval or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every Person who submits plans and specifications and every Owner agrees that such Person or Owner will not bring any action or suit against Declarant, the Association or their respective officers, directors, members, employees, representatives, and agents to recover any damages and hereby releases, remises, quitclaims and covenants not to sue for all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

6.6 No Waiver. The approval of the Declarant of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval or consent of the Declarant, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications or drawings or matters whatsoever subsequently or additionally submitted for approval or consent.

6.7 Variances. Notwithstanding anything to the contrary contained herein, the Declarant shall be authorized to grant individual variances from any of the provisions of this Declaration and the Architectural Guidelines, if it determines that waiver of application or enforcement of the provision in a particular case is dictated by unique circumstances, such as, but not limited to, topography, natural obstructions, hardship or aesthetic or environmental considerations. No variance shall: (a) be effective unless in writing; (b) be inconsistent with the overall scheme of development for the Community; or (c) estop the Declarant from denying a variance in other similar circumstances. For purposes of this provision, the inability to obtain approval of any governmental agency or the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

6.8 Enforcement. Any structure, improvement or landscaping improvement placed or made in violation of this Article shall be deemed to be nonconforming. Upon written request from the Declarant, an Owner shall, at his or her own cost and expense, remove such nonconforming structure or improvement and restore the land to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, the Declarant and its agents shall have the right to enter the property, remove the nonconforming structure or improvement, and restore the property to substantially the same condition as previously existed. All costs, including, without limitation, reasonable attorney's fees actually incurred, may be assessed against the Unit as a specific assessment. Neither the Declarant, the Association nor their respective officers, directors, members, employees, representatives and agents shall be held liable to any Person for exercising the rights granted by

this Section, including, without limitation, claims for damages resulting from the removal of the nonconforming structure or improvement as provided herein. In the event of noncompliance with this Article, the Association or the Declarant, as the case may be, may also record in the appropriate land records a notice of violation hereunder naming the violating Owner. In addition to the foregoing, the Association or the Declarant shall have the authority and standing to pursue any and all remedies available at law and equity to enforce the provisions of this Article, including, without limitation, the right to levy and collect fines as provided herein and in the Bylaws. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Architectural Guidelines may be excluded by the Association or the Declarant from the Community, subject to any applicable notice and hearing procedures contained in the Bylaws.

6.9 Architectural Review by Declarant. Until: (a) the Declarant no longer owns any property in the Community and no longer has the right to unilaterally annex additional property to the Community; and (b) each Unit has been improved with a dwelling for which a certificate of occupancy has been issued, the Declarant shall have the sole right, power and authority under this Article. Notwithstanding the foregoing, the Declarant may in its sole discretion relinquish architectural control as to certain types of improvements or modifications to the Board of Directors while retaining control over all other building and construction in the Community; provided, however, any right, power or authority of the Declarant which may be relinquished to the Association prior to the termination of the rights of Declarant hereunder shall only be by a written instrument executed by Declarant and recorded in the Fulton County, Georgia land records and no such right, power or authority shall be relinquished by implication or otherwise. For example and without limitation, the Declarant may relinquish control over modifications of existing structures to the Board of Directors while retaining all authority to review and approve new home construction. Upon the surrender in writing of all or a portion of such right and authority, the Board of Directors shall then have such jurisdiction over architectural control under this Article as may have been relinquished by the Declarant. Notwithstanding anything to the contrary herein, the establishment of an advisory architectural review committee shall not be deemed to be a relinquishment by Declarant of any of its right, power and authority hereunder.

After the termination or voluntary surrender of all or a portion of the rights of Declarant hereunder, the Board of Directors shall have all right, power and authority to review and approve all building and construction activity within the Community and this Article shall then be read and interpreted as if any reference to the authority of or action by the Declarant in this Article 6 were a reference to the authority of or action by the Board of Directors. The Board of Directors may, but shall have no obligation to, establish an architectural review committee ("ARC"), which shall then have such rights, powers and authority as may be granted to it by the Board of Directors. The Board of Directors may grant to the ARC all of its rights, powers and authorities hereunder, or may grant the ARC such limited rights as it deems appropriate in its sole discretion. In the event that all or any portion of such rights, powers and authorities are granted to an ARC, this Article or portions thereof, as appropriate, shall then be read and interpreted as if any reference to the authority of or action by the Declarant in this Article 6 were a reference to the ARC. Notwithstanding anything herein to the contrary, the Board of Directors shall have the sole right and authority to appoint and remove the members of the ARC.

Article 7
Use Restrictions and Rules

7.1 Rules and Regulations. The Board of Directors may, from time to time, with the consent of Declarant and without a vote of the members, promulgate, modify or delete reasonable rules and regulations applicable to the Units in the Community. Such rules and regulations shall be distributed to all Owners 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 by a majority of the Total Association Vote and the Declarant.

All Owners and Occupants of Units are hereby notified that the use of their Unit is limited by the rules and regulations as they may be amended, expanded, and otherwise modified hereunder. Each Owner, by acceptance of a deed or entering into a contract of sale, acknowledges and agrees that the use and enjoyment and marketability of his or her Unit can be affected, that the rules and regulations may change from time to time, and that such changed rules and regulations may or may not be set forth in an instrument recorded in the Fulton County, Georgia land records.

7.2 Residential Use. Each Unit shall be used for residential purposes exclusively, except that the commercial/office component of a Live/Work Townhome Unit may be used for non-residential purposes as provided in Section 9.7 hereof. Leasing of a Unit for residential occupancy shall not be considered a business or business activity. Except for the Live/Work Townhome Units, no trade or business of any kind may be conducted in or from a Unit, except that the Owner or Occupant residing at the Unit may conduct business activities within the residential dwelling located on such Unit so long as the business activity: (a) does not otherwise violate the provisions of the Declaration, Bylaws or rules and regulations of the Association; (b) is not apparent or detectable by sight, sound or smell from the exterior of the Unit; (c) does not unduly increase traffic flow or parking congestion; (d) conforms to all zoning requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; (h) does not threaten the security or safety of other residents of the Community; and (i) does not involve door-to-door solicitation within the Community, all as may be determined in each case in the sole discretion of the Board of Directors. The Board may issue rules regarding permitted business activities. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) the activity is engaged in full or part-time; (y) the activity is intended to or does generate a profit; or (z) a license is required for the activity. Nothing in this Section 7.2 shall be construed as prohibiting the Declarant or any builder with the consent of Declarant from maintaining model homes, speculative housing, sales trailers or construction trailers on Units in the Community.

7.3 Signs. No sign of any kind shall be erected within the Community without prior written approval under Article 6 hereof; provided, however, the following signs may be erected or displayed on a Unit without prior approval under Article 6: (a) one (1) professionally lettered "For Sale" or "For Rent" sign consistent with the Community-Wide Standard and applicable Architectural Guidelines; (b) security signs not larger than 18-inches by 18-inches; (c) signs required by legal proceedings consistent with the Community-Wide Standard; and (d) such other signs as may be permitted in the Architectural Guidelines. Notwithstanding the foregoing, the Board, the Declarant and any builder with the consent of Declarant shall have the right to erect reasonable and appropriate signs, which may include signs related to the construction, development, marketing and sale of residential dwellings located on Units in the Community. The Board of Directors shall have the right to adopt reasonable rules and regulations governing the display and placement of signs in the Community, including, without limitation, imposing reasonable time, place and manner restrictions. The Board or Declarant may impose a reasonable fine per day for the display of any sign which violates this provision and is not removed within twenty-four (24) hours after written demand is delivered to the Owner at that Unit. The provisions of this Section shall not apply to any Mortgagee in possession due to foreclosure of a first Mortgage or as grantee pursuant to any deed in lieu of such foreclosure.

7.4 Vehicles; Parking.

(a) General. Vehicles shall be parked only in appropriate parking spaces serving the Unit or other designated parking areas established by the Board, if any. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go carts, golf carts, trucks, campers, buses, vans and automobiles. The term "parking areas serving a Unit " shall refer to the number of garage parking spaces and, if and only if, the Owner or Occupants of a Unit have more vehicles than the number of garage parking spaces, those excess vehicles which are an Occupant's primary means of transportation on a regular basis may be parked on the driveway located on such Unit; provided, however, no vehicle parked on a driveway shall encroach onto any portion of a sidewalk, alley, street or any grassy or landscaped area within the Community. All parking shall be subject to such other rules and regulations as the Board may adopt from time to time.

(b) Garages. All homes shall contain a garage; carports shall not be permitted. Garage doors should be kept closed at all times, except during times of ingress and egress from the garage. Garages shall be used primarily for the parking of vehicles and not for storage or other purposes; provided, however, use of a garage for storage purposes shall be permitted so long as such storage does not prevent an Owner or Occupant from parking such vehicle in the garage. Garages shall not be converted to additional living space except with written permission pursuant to Article 6 hereof.

(c) Disabled and Stored Vehicles. No vehicle may be left upon any portion of the Community, except in an enclosed garage or other area designated by the Board, if any, for a period longer than five (5) days if it is not licensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle may be removed from the Community by the Board of Directors or the appropriate authority of Fulton County. Any towed vehicle, boat, personal watercraft, recreational vehicle, motor home,

trailer, motorcycle, minibike, scooter, go cart, golf cart, commercial truck, camper, bus or mobile home regularly stored in the Community or temporarily kept in the Community, except if kept in an enclosed garage or other area designated by the Board, if any, for periods longer than twenty-four (24) consecutive hours may be removed from the Community by the Board of Directors (the temporary removal of such vehicle to break the continuity of the twenty-four (24) hour period shall not be sufficient to establish compliance with this restriction). Trucks with mounted campers which are used as a primary means of transportation shall not be considered recreational vehicles provided they are used on a regular basis for transportation and the camper is stored out of public view upon removal. No eighteen wheel trucks or the cabs of such trucks or trucks with a load capacity in excess of three-quarters of a ton shall be parked, kept or stored within the Community except during the time reasonably necessary to provide service to or delivery within the Community.

(d) Guest Parking Spaces. Each Owner and Occupant acknowledges that there may be striped and lined parallel parking spaces located along the private streets within Community. Each Owner and Occupant understands that these striped and lined parking spaces shall be used by the guests, tenants, invitees and licensees of Owners and Occupants and shall be on a first-come, first-served basis.

(e) Commercial Vehicles. The term "commercial vehicles" as used herein, shall include, without limitation, any vehicle which bears any indicia of commercial use, including, but not limited to, writing, logos, advertising signs, ladders, ladder racks, vehicles displaying signage of a commercial or business nature or vehicles which are not primarily used for the transportation of passengers, all as determined by the Board in its sole discretion. Commercial vehicles shall not be permitted in the Community, except if kept in an enclosed garage; provided however, construction, service, and delivery vehicles shall be exempt from this provision for such period of time as is reasonably necessary to provide service to or make a delivery within the Community.

(f) Remedies of the Association for Noncompliance. If any vehicle is parked on any portion of the Common Property in violation of this Section or in violation of the Association's rules and regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of the person or entity that will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within twelve (12) months of such notice, the Board or agent of the Association may have the vehicle towed in accordance with the notice, without further notice to the Owner or user of the vehicle. Notwithstanding the foregoing, if a vehicle is parked on a private Community street or alley such that it is blocking another vehicle or access to a Unit, is parked on any grassy or landscaped area, is obstructing the flow of traffic or otherwise creates a hazardous condition, no notice shall be required and the vehicle shall be towed immediately.

If a vehicle is towed in accordance with this Section, the Declarant, the Association and their respective affiliates, directors, officers, employees, representatives or agents, shall not be

liable to any Person for any claim of damage resulting from the towing activity. The Board of Directors may exercise any and all remedies available for a violation of this Section, including, without limitation, the right to levy and collect fines against a non-complying Owner or Occupant, which remedies shall be in addition to not in lieu of its authority to remove the violating vehicle.

(g) Declarant and Builder Exemption. Notwithstanding anything to the contrary in this Section 7.4, the Declarant, and its respective agents, subcontractors and assigns and any builder approved by Declarant shall have the right, during regular business hours, to park vehicles on any and all streets within the Community as needed in order to facilitate the construction, development, maintenance and build out of the Community.

(g) Traffic Regulations. All vehicular traffic on any private streets or alleys in the Community shall be subject to the provisions of the state and local laws concerning the operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including imposing reasonable safety measures and speed limits within the Community. The Association shall be entitled to enforce the same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between the provisions of state and local laws and any rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle within the Community. All vehicles of any kind and nature which are operated on the streets or alleys in the Community shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.

7.5 Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on any Unit, with the exception of dogs, cats or other usual and common household pets in a reasonable number as determined by the Board from time to time. No pets shall be kept, bred or maintained for any commercial purpose. No dog runs, runners or exterior pens for household pets shall be erected or maintained on any Unit unless approved in accordance with the provisions of Article 6 hereof. Dogs shall at all times when outside of a dwelling located on a Unit be kept on a leash or otherwise under the physical control of a responsible person. All Owners must control their pets at all times, whether or not such Owner is present, in a manner that will prevent any pet from: (a) making noise at objectionable sound levels for extended periods of time, whether continuously or intermittently; (b) endangering the health or safety of other Owners, their families, guests or invitees or creating fear in other Owners as to the safety of themselves, their families, guests or invitees; or (c) otherwise constituting a nuisance or inconvenience to the Owner(s) or Occupant(s) of any other Unit; all of the foregoing as determined by the Association in its sole discretion. The Association may require that an Owner remove any animal that presents an actual threat to the health or safety of residents and require abatement of any nuisance or unreasonable source of annoyance. In the event that an Owner fails to remove an animal as provided herein, the Association shall have the right to institute legal action to have the animal removed and all costs associated therewith,

including, without limitation, reasonable attorneys' fees actually incurred, shall be a specific assessment against the Unit of such Owner.

All pets shall be registered, licensed and inoculated if and as required by law. Animal control authorities shall be permitted to enter the Community to patrol and remove unlicensed pets. Animal waste deposited in the Community must be removed by the owner of the animal or the person responsible for the animal. The Association may adopt reasonable rules and regulations designed to minimize damage and disturbance to other Owners and Occupants, including without limitation, regulations requiring damage deposits, waste removal, leash controls and noise controls.

7.6 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on a Unit. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance or nuisance to any Person using any property within the Community. No plants, animals, device or thing of any sort shall be maintained in the Community whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community by other Owners and Occupants. Without limiting the generality of the foregoing, no exterior speakers, horns, whistles, bells, or other sound devices, except security devices used exclusively for security purposes, screaming, shouting, excessively loud talking, fighting, raucous behavior, insobriety, playing loud music or television, use of any alarm, equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations, or any conduct which creates any noxious or offensive odors outside of a home shall be permitted, located, used or placed on any portion of a Unit. The inconvenience complained of shall not be fanciful, or such as would affect only one of fastidious taste, but it shall be such as would affect an ordinary, reasonable person as determined in a particular instance by the Board. Notwithstanding the foregoing, each Owner and Occupant acknowledges that the Declarant, any builder approved by Declarant and their respective agents, subcontractors, employees and assigns may engage in construction activities in the Community and further agrees that such construction activities shall not be deemed a nuisance as provided herein.

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

7.8 Antennas. No exterior antenna, receiving dish or similar apparatus of any kind for receiving and/or transmitting audio or video signals shall be placed, allowed or maintained upon any portion of the Community, including any Unit, unless approved in accordance with the

provisions of Article 6 hereof; provided, however, no such approval shall be necessary to install the following on a residential dwelling located on a Unit: (a) antennas designed to receive direct broadcast satellite services, including direct-to-home satellite services or antennae designed to receive or transmit fixed wireless signals via satellite, that are one meter or less in diameter; (b) antennas designed to receive video programming services via multi-point distribution services or antennae designed to receive or transmit fixed wireless signals other than via satellite that are one meter or less in diameter or diagonal measurement; or (c) antennas that are designed and intended to receive television broadcast signals. Owners shall install any permitted antennae on the rear of the residential dwelling located on a Unit unless such installation: (x) imposes unreasonable delay or prevents the use of the antennae; (y) unreasonably increases the cost of installation; or (x) an acceptable quality signal cannot otherwise be obtained. All antennas and satellite dishes shall be installed by a licensed and insured contractor.

7.9 Tree Removal. No trees that are more than four (4) inches in diameter at a point twelve (12) inches above the ground and no ornamental or flowering trees, including, but not limited to, dogwood trees, cottonwood trees, cherry trees or apple trees, regardless of diameter, shall be removed from a Unit unless approved in accordance with the provisions of Article 6 hereof or as may be otherwise permitted under to the Architectural Guidelines. The Association and Owners shall also comply with all zoning conditions and local ordinances applicable to tree removal. In the event of a conflict between the provisions of this Section and any zoning condition or local ordinance, the more restrictive provision shall govern. This provision shall not apply to the removal of trees by the Declarant or a builder with the consent of Declarant.

7.10 Drainage. Catch basins, retention ponds, detention ponds, drainage easement areas and related drainage facilities are for the purpose of controlling the natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner may obstruct or alter drainage flow after the location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains without approval in accordance with the provisions of Article 6 hereof. In the event storm water drainage from any Unit or Units flows across another Unit, provisions shall be made by the Owner of such downstream Unit to permit such drainage to continue, without restriction or reduction, across the downstream Unit and into the natural drainage channel or course although no specific drainage easement for such flow of water is provided on the recorded subdivision plat(s) for the Community. The elevation of a Unit shall not be changed so as to materially affect the surface elevation or grade of surrounding Units.

7.11 Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, shrub or other planting or thing shall be placed or permitted to remain where, in the opinion of the Board, it would create an unsafe condition.

7.12 Garbage Cans, Woodpiles, Etc. All garbage cans, woodpiles, air conditioning units, heat pumps, swimming pool pumps, filters and related equipment, and other similar items shall be located or screened so as to be concealed from view from the streets and neighboring property. All rubbish, trash and garbage shall be regularly removed and shall not be allowed to accumulate.

7.13 Subdivision of Units. No Unit shall be subdivided or its boundary lines changed except with prior written approval in accordance with the provisions of Article 6 hereof. Declarant, however, hereby expressly reserves the right to subdivide and/or revise and re-record the subdivision plat of any Unit(s) with the consent of the Owner of the effected Unit(s) and to approve the revision and re-recording of any plat of any Unit(s) owned by any builder or developer, including, but not limited to, changing any Unit to Common Property or creating a public or private street over any Unit or property that was formerly a Unit, without the consent of any Person, other than the Owner(s) of such property.

7.14 Firearms. The discharge of firearms or fireworks within the Community is prohibited. The term "firearms" includes, but is not limited to, "B-B" guns, pellet guns, archery equipment and firearms of all types, regardless of size. The term "fireworks" shall include, but not be limited to, those items as listed in O.C.G.A. Section 25-10-1, as amended.

7.15 Fences. The installation and construction of fences in the Community shall be governed by the restrictions set forth herein.

(a) Detached Lots. Any fence erected or installed on a Detached Lot by the Declarant or an Owner pursuant to Article 6 hereof or in accordance with applicable Architectural Guidelines shall contain at least one gate which provides access to the area enclosed by such fence.

(b) Townhome Units. No fence or fencing type barrier of any kind shall be placed, erected, allowed or maintained upon any Townhome Unit in the Community, except for those fences installed by Declarant within a courtyard area appurtenant to the residential dwelling located on Townhome Units 7-13, as the same are identified on one or more recorded subdivision plats for the Community.

(c) Common Property. The Declarant, a builder with the consent of Declarant, and the Association may erect any type of fence on the Common Property or elsewhere within the Community as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for the health and safety of Owners and Occupants.

7.16 Utility Lines. No overhead utility lines, including lines for cable television, shall be installed within the Community.

7.17 Air-Conditioning Units. No window air-conditioning units may be installed.

7.18 Lighting. Exterior lighting on any Unit visible from the street shall not be permitted, except for: (a) approved lighting as originally installed on a Unit; (b) one decorative post light; (c) street lights in conformity with an established street lighting program for the Community; (d) seasonal decorative lights for a reasonable period of time during the holiday season as may be determined by the Board in its sole discretion; (e) front house illumination of model homes; or (f) other lighting approved under and pursuant to Article 6 hereof or as may be permitted in the Architectural Guidelines. Religious or holiday symbols and decorations may be displayed on a Unit of the kinds normally displayed in single-family residential neighborhoods;

provided, however, the Association may adopt reasonable time, place and manner restrictions with respect to said symbols and decorations visible from outside of a structure located on a Unit, including, without limitation, limitations on appearance, style, size, and number.

7.19 Artificial Vegetation, Exterior Sculpture and Similar Items. No artificial vegetation shall be permitted on the exterior of any Unit. Exterior sculpture, fountains or similar items must be approved under and pursuant to Article 6 hereof.

7.20 Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless as an integral and harmonious part of the architectural design of a structure or otherwise screened from view and approved under of Article 6 hereof or as may be otherwise permitted in the Architectural Guidelines.

7.21 Abandoned Personal Property. Personal property, other than vehicles as provided for in Section 7.5 hereof, is prohibited from being stored, kept, or allowed to remain unattended upon any portion of the Common Property, without the prior written approval of the Board. If the Board determines that a violation exists, then, not less than twenty-four (24) hours after written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Board may remove the personal property and it shall have no obligation to return or replace such property or reimburse the owner of the property. The notice shall include the name and telephone number of the Person which will remove the property and the name and telephone number of an individual to contact regarding the alleged violation.

The Board, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the location of the property within three (3) days after the property is removed. The Association and any director, officer, employee or agent thereof shall not be liable to any Person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

7.22 Artificial Vegetation, Gardens, Play Equipment, Exterior Sculpture, Water Features and Similar Items. No artificial vegetation shall be permitted in the Community. No vegetable garden, hammock, statuary, play equipment (including, without limitation, basketball goals), exterior sculpture, fountains or water features may be erected on any Unit without prior written approval in accordance with the provisions of Article 6 hereof and/or in compliance with the Architectural Guidelines established thereunder.

7.23 Clotheslines. No exterior clotheslines of any type shall be permitted upon any Unit.

7.24 Entry Features. Owners shall not alter, remove or add improvements to any entry features or streetscapes constructed or erected by or on behalf of the Declarant, a builder or the Association on any Unit in connection with the original development of the Community, or any

part of any easement area associated therewith, without prior approval in accordance with the provisions of Article 6 hereof.

7.25 Window Treatments and Awnings. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades or for any other purpose. The side of all window treatments, with the exception of stained wood blinds or shutters, which can be seen at any time from the outside of any structure located on a Unit shall be white, off-white or such other color(s) as may be permitted in the Architectural Guidelines. Bed sheets, blankets, towels, black plastic, paper and similar type items shall not be used as window treatments.

7.26 Outbuildings and Similar Structures. No structure of a temporary nature shall be erected or allowed to remain on any Unit, and no trailer, camper, shack, tent, garage, barn or other structure may be used as a residence, either temporarily or permanently, without written approval in accordance with the provisions of Article 6 hereof or in compliance with the Architectural Guidelines. However, this Section shall not be construed to prevent Declarant, any builder approved by Declarant and those engaged in development, construction, marketing, property management or sales in the Community from using sheds, trailers or other temporary structures for any of the foregoing purposes. In addition, nothing in this Declaration shall be construed to prevent Declarant or any builder approved by Declarant from developing, constructing, marketing, or maintaining model homes or speculative housing within the Community.

7.27 Garage Sales. No garage sale, carport sale, yard sale, flea market, or similar activity shall be conducted in any portion of the Community without the prior written consent of the Board of Directors. If permitted, such activities shall be subject to all reasonable conditions that the Board may impose.

7.28 Flags. No flags may be displayed on any Unit without prior written approval in accordance with the provisions of Article 6 hereof or as may be otherwise permitted in the Architectural Guidelines; provided, however no such approval shall be required to display the flag of the United States of America and/or the current flag of the State of Georgia on a Unit in accordance with the provisions of the U.S. Flag Code (36 US Code 10) and usual and customary practice. The Board of Directors may promulgate reasonable rules and regulations with respect to the display of flags in the Community, including, without limitation, regulating the size of flags that may be displayed and imposing reasonable time, place and manner restrictions pertaining to the display of the United States flag; provided, however, the Association shall not enact any rule or regulation which has the effect of prohibiting any Owner from displaying the flag of the United States of America on a Unit in the Community in contravention of the Freedom to Display the American Flag Act of 2005.

7.29 Decks, Patios and Porches. No laundry, garments, towels or objects other than potted plants, grills and patio furniture, shall be placed on a deck, patio or porch, except as may be authorized by the Board of Directors or permitted under applicable Architectural Guidelines. Objects shall not be permitted to hang over or be attached to any deck, patio or porch or to otherwise protrude outside of the vertical plane formed by the exterior surface of any deck, patio or porch. No deck, patio or porch shall be enclosed without prior approval in accordance with the provisions of Article 6 of the Declaration.

7.30 Natural Buffer Area. In accordance with site specific zoning conditions, there is a thirty foot (30') natural buffer area along the western boundary of the Community, as the same is identified on the recorded subdivision plat(s) for the Community. No activity, other than the planting and maintenance of landscaping, shall be permitted in this natural buffer area unless the same has been approved pursuant to Article 6 and is in accordance with applicable governmental rules, regulations and ordinances.

Article 8 Restriction on Leasing

8.1 General. In order to protect the equity of the individual members, to carry out the purpose for which the Association was formed by preserving the character of the Community as a homogenous residential community of predominantly owner-occupied homes and by preventing the Community from assuming the character of a renter-occupied neighborhood, and to comply with the eligibility requirements for financing in the secondary mortgage market insofar as such criteria provide that the project be substantially owner-occupied, leasing of Units shall be governed by the restrictions imposed by this Article. Units may be leased for residential purposes only, except that the commercial component of a Live/Work Townhome Unit may be leased for those permitted uses set forth in Section 9.7 hereof.

No Owner may lease his or her Unit unless the Owner has received either a leasing permit or a hardship leasing permit, in writing, from the Board of Directors, all as may be more specifically set forth below. A leasing permit or hardship leasing permit will allow an Owner to lease his or her Unit in accordance with the terms and conditions set forth in this Section and in accordance with the rules and regulations of the Association and the covenants and conditions set forth in the Declaration. Notwithstanding anything to the contrary herein, leasing permits and hardship leasing permits shall only be valid as to a specific Owner and Unit and shall not be transferrable between Units or subsequent Owners.

For purposes of this Article 8, leasing means the regular, exclusive occupancy of a Unit by any Person(s) other than the Owner for which the Owner received any consideration or benefit, including, but not limited to, a fee, rent, gratuity or emolument. For purposes hereof the following shall not constitute leasing: (a) occupancy of the Unit by member of the Owner's family; (b) occupancy of the Unit by a roommate of an Owner-Occupant; (c) occupancy of the Unit by one or more wards if the Unit is owned by their legal guardian, or (d) occupancy of the Unit by one or more beneficiaries of a trust if the Unit is owned in trust by the trustee.

8.2 Leasing Permits. Any Owner desiring to lease a Unit shall submit a written request regarding the same to the Board of Directors. The Board of Directors shall automatically approve an Owner's application for a leasing permit and shall issue the same if less than five (5) Units in the Community are leased. If five (5) or more of the Units in the Community are leased, no additional leasing permits shall be issued, except for hardship leasing permits as provided below, until that number falls below five (5). Owners who have been denied a leasing permit shall be placed on a waiting list to be issued such a permit. When the number of leased Units falls below five (5), the Owner at the top of the waiting list shall be issued a leasing permit and shall have

ninety (90) days to lease such Unit at which time if the Unit is not leased, the leasing permit shall be revoked and the Owner shall automatically be placed at the bottom of the waiting list. Notwithstanding anything to the contrary herein, the issuance of a hardship leasing permit to an Owner shall not cause such Owner to be removed from the waiting list for a leasing permit.

Leasing permits are automatically revoked upon: (a) the sale or transfer of a Unit to a third party (excluding sales or transfers to an Owner's spouse); (b) the failure of an Owner to lease his or her Unit within ninety (90) consecutive days at any time after the issuance of such leasing permit; or (c) the occupancy of the Unit by the Owner.

8.3 Hardship Leasing Permits. If an Owner must lease his or her Unit to avoid an undue hardship, the Owner shall apply to the Board in writing for a hardship leasing permit. The Board may issue or deny requests for hardship leasing permits in its discretion after considering the following factors, which include, but are not limited to: (a) the nature, degree and likely duration of the hardship; (b) the harm, if any, which will result to the Community if the hardship leasing permit is approved; (c) the number of hardship leasing permits which have been issued to other Owners; (d) the Owner's role in causing the hardship or ability to cure the hardship; and (e) whether previous hardship leasing permits have been issued to the Owner.

A hardship hereunder shall include, but not be limited to, the following situations: (a) an Owner dies and the Unit is being administered by his or her estate; (b) an Owner must relocate outside metropolitan Atlanta and cannot, within six months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value, after making reasonable efforts to do so; or (c) an Owner takes a leave of absence or temporarily relocates out of the metropolitan Atlanta area and intends to return to reside in the Unit within one year.

Hardship leasing permits shall be valid for a term not to exceed one (1) year. Owners may reapply for additional hardship leasing permits at the expiration of a hardship leasing permit in accordance with the procedures set forth herein.

8.4 Leasing Provisions. Leasing authorized under this Article shall be governed by the following provisions:

(a) Notice. Within ten (10) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board of Directors with the following information: (i) a copy of the fully executed lease agreement; (ii) the name of the lessee and all other people occupying the Unit; (iii) the phone number of the lessee; (iv) the Owner's address and telephone number other than at the Unit; and (v) other such information as the Board may reasonably require.

(b) General. Units may be leased only in their entirety; rooms, basements or fractions or portions of a Unit may not be leased without the prior written approval of the Board of Directors. All leases shall be in writing. There shall be no subleasing of Units or assignment of leases unless approved in writing by the Board of Directors. All leases must be for an initial term of at least one (1) year, except with written approval by the Board of Directors, which shall not be unreasonably withheld in cases of undue hardship. The Owner must provide the lessee with copies of the Declaration, Bylaws, and the rules and regulations and Architectural Guidelines of

the Association and the lease shall provide that the Owner has made available to the lessee copies of the Declaration, Bylaws, and the Association's rules and regulations and Architectural Guidelines.

(c) Compliance; Liability for Assessments. If a Unit is leased or occupied in violation of this Article, then the Board of Directors shall be authorized, in addition to all other available remedies, to terminate the lease and occupancy, and to suspend all voting rights and the right to use and enjoy the Common Property, including, without limitation, the right to use and enjoy the Community recreational facilities, of the Owner and any unauthorized tenants(s) or Occupant(s). Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(i) Compliance with Declaration, Bylaws and Rules and Regulations and Architectural Guidelines and Master Declaration. Lessee shall abide by and comply with all provisions of the Declaration, Bylaws, and rules and regulations and Architectural Guidelines adopted pursuant thereto and the Master Declaration. Lessee shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure such compliance. The Owner agrees to cause all Occupants of his or her Unit to comply with the Declaration, Bylaws, and the rules and regulations and Architectural Guidelines adopted pursuant thereto and the Master Declaration and is responsible for all violations caused by such Occupants, notwithstanding the fact that such Occupants of the Unit are fully liable and may be sanctioned for any violation of the Declaration, Bylaws and rules and regulations and Architectural Guidelines adopted pursuant thereto and the Master Declaration.

In the event that the lessee or a person living with the lessee violates the Declaration, Bylaws, or a rule or regulation or Architectural Guideline for which a fine is imposed, notice of the violation shall be given to the Owner and the lessee, and such fine may be assessed against the lessee in accordance with the provisions contained herein. If the fine is not paid by the lessee within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Unit.

Any violation of the Declaration, Bylaws or rules and regulations and Architectural Guidelines adopted pursuant thereto by the lessee, any Occupant, or any guest of the lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law.

(ii) Liability for Assessments; Assignment of Rent. If an Owner who is leasing his or her Unit fails to pay any general, special or specific assessment or any other charge owed to the Association for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board of Directors, lessee shall pay to the Association all unpaid general, special and specific assessments and other charges payable

during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board of Director's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board of Director's request to pay assessments or other charges, lessee shall pay to the Association all amounts authorized under the Declaration as if lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

(iii) Right to Common Property. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Property.

8.5 Mortgagee Exemption. The provisions of this Article shall not apply to any Mortgagee in possession of a Unit through foreclosure or otherwise as a result of the exercise of any rights arising out of a first priority Mortgage on a Unit.

8.6 Rights Reserved by Declarant. Notwithstanding the restriction on the leasing of Units as described herein, Declarant may enter into a lease agreement for the lease of a Unit and the extent and duration of said lease agreement shall be determined solely by Declarant. Under such circumstances, Declarant shall not be required to obtain a leasing permit or a hardship leasing permit as provided herein. Any ability to lease a Unit granted by Declarant which extends beyond the termination of Declarant's rights under this Declaration shall be valid and may not be terminated by the Association so long as the Occupants comply with the terms and conditions imposed by Declarant.

Article 9 Townhomes at St. Andrews

9.1 General. The provisions set forth in this Article shall be applicable only to the Townhome Units, including the Live/Work Townhome Units, within the Community and shall be in addition to the other covenants, conditions, restrictions and easements set forth in this Declaration.

9.2 Townhome Unit Maintenance.

(a) Association Maintenance Responsibility. In addition to the maintenance responsibilities of the Association described in Sections 5.1 and 5.3 hereof, the Association shall also maintain the exterior surfaces of residential dwellings located on all Townhome Units, which shall include the following: (i) painting and/or staining the exterior surfaces of garage doors; (ii) all roofs, downspouts and gutters, including routine cleaning and roof replacement; (iii) painting and/or pressuring washing exterior building surfaces of a Townhome Unit; (iv) painting and/or caulking exterior window frames; provided, however, the Association shall not be responsible for the maintenance, repair and replacement of hardware and glass; (v) painting and/or staining all balconies and decks appurtenant to a Townhome Unit; and (vi) pressure

washing any concrete or similar area comprising the courtyard area; provided, however, the Association shall not be responsible for any repairs to any concrete or similar material. All maintenance performed by the Association shall be on a schedule determined by the Board in its sole discretion. Notwithstanding anything to the contrary herein, the Association shall not be responsible for waterproofing foundations either above or below grade. Any maintenance obligations of the Association undertaken pursuant to this Section 9.2 shall be assessed as a Townhome Unit assessment as provided herein.

The Board of Directors may promulgate rules setting forth the extent of maintenance to be performed by the Association and may assume responsibility for providing additional maintenance as long as all Townhome Units are maintained according to the same standard. The Board of Directors may authorize the officers of the Association to enter into contracts with any Person or Persons to perform maintenance hereunder on behalf of the Association.

(b) Owner Maintenance Responsibility. Owners shall be responsible for all maintenance, repair and replacement to the Townhome Unit except for those items which are maintained by the Association pursuant to Section 9.2(a) hereof. Maintenance by the Owner shall include, but not be limited to the following: (i) all maintenance to the balconies and decks, including joists and support structures, with the exception of painting and/or staining as provided above; (ii) HVAC or similar equipment, regardless of whether the same is located outside the residential dwelling located on a Townhome Unit; (c) all doors, including screen and storm doors, hinges, frames and door frames and hardware which are part of the entry system; (iii) hose bibs contained in exterior walls of a residential dwelling located on a Townhome Unit; (iv) lighting fixtures pertaining to a particular Townhome Unit and being located outside an entryway or in a garage; (v) foundations and footings, including waterproofing; (vi) all driveways and walkways which exclusively serve a Townhome Unit; and (vii) maintenance and repair to the concrete or similar material comprising the courtyard area.

In the event that the Board of Directors determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair or replacement, or, in the event that such maintenance, repair or replacement is not capable of completion within a ten-day period, to commence such work which shall be completed within a reasonable period of time. If an Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair or replacement to the Townhome Unit and all costs thereof shall be assessed against the Owner and the Townhome Unit as a specific assessment.

9.3 Townhome Unit Budget. It shall be the duty of the Board to prepare a budget covering the estimated expenses to be incurred during the coming year for the Townhome Units in the Community which shall include maintenance to the residential dwellings located on Townhome Units. The Board shall cause a copy of such budget and the Townhome Unit

assessment for the coming year to be delivered to each Owner of a Townhome Unit at least thirty (30) days prior to the due date of such assessment. The budget and Townhome Unit assessment shall become effective unless disapproved by a majority of the Owners of Townhome and Declarant. Notwithstanding the foregoing, however, in the event the Townhome Unit Owners and Declarant disapprove the proposed budget or the Board fails for any reason to determine the budget for any period, then and until such time as a budget has been determined, as provided herein, the budget in effect shall continue.

9.4 Townhome Unit Assessments.

(a) General Townhome Unit Assessments. Townhome Unit assessments cover those expenses which are incurred solely for the benefit of the Townhome Units in the Community. Townhome Unit assessments shall be allocated equally among all Townhome Units and shall be in addition to the general assessment paid by all Unit Owners in the Community. Townhome Unit assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the Townhome Unit assessment shall be paid in one annual installment.

(b) Special Townhome Unit Assessments. The Association, acting through the Board of Directors, may levy a special assessment against all Owners of Townhome Units for unbudgeted or unanticipated expenses or expenses in excess of those budgeted. So long as the total amount of special assessments allocated to each Townhome Unit does not exceed the total amount of the general assessment and the Townhome Unit assessment in any one fiscal year, the Board may impose the special assessment without a vote of the Owners of such Townhome Units. Except for special assessments levied pursuant to Section 10.3 hereof, any special assessment which would cause the amount of the special assessments allocated to any one Townhome Unit in a single fiscal year to exceed the total amount of the annual general assessment and the Townhome Unit assessment must be approved by two-thirds (2/3) of the Total Association Vote and the Declarant in order to be effective. Special assessments shall be paid as determined by the Board. The Board may permit a special assessment to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Nonpayment of all or any portion of the Townhome Unit assessments provided for in this Section 9.4 shall entitle the Association to pursue those rights and remedies set forth in Article 4 of this Declaration.

9.5 Party Walls. Each wall built as a part of the original construction of the residential dwelling located on a Townhome Unit which shall serve and separate any two (2) residential dwellings on adjacent Townhome Units shall constitute a party wall and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions. If a party wall is destroyed or damaged by fire or other casualty, then any Owner who has benefited by the wall may restore it, and the other Owner who is benefited by the wall shall contribute one-half of the cost of restoration, without

prejudice, however, to the right of any Owner to call for a larger contribution from any other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

9.6 Use Restrictions and Rules. The use restrictions set forth in this Section 9.6 shall be in addition to, not in lieu of, the use restrictions in Article 7 hereof.

(a) Heating of Units in Colder Months. In order to prevent water pipes from breaking during colder months of the year resulting in damage to residential dwellings located on Townhome Units, increased common expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within all residential dwellings located on Townhome Units shall be maintained with the heat operating and at a minimum of fifty (50°) degrees Fahrenheit when the temperature is forecasted to or does reach thirty two degrees (32°) degrees Fahrenheit or below. Owners shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. If the heating equipment is not working, the Owner shall immediately inform the Owners of the other Townhome Units of such equipment failure and of the time needed in order to repair the equipment. Owners shall take reasonable steps to keep the residential dwelling located on the Townhome Unit heated sufficiently to prevent water pipes from breaking.

(b) Measures Related to Insurance Coverage.

(i) The Board of Directors shall have the authority to require all or any Townhome Unit Owner(s) to do any act or perform any work involving portions of the Community that are the maintenance responsibility of the Townhome Unit Owner which will, in the Board's sole discretion, decrease the possibility of fire or other damage to any improvements located in the Community, reduce the insurance premium paid by the Association for any insurance coverage, or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to: (A) requiring all Owners to turn off cut-off valves, which may now or hereafter be installed, during winter months for outside water spigots; (B) requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent water pipes from freezing; (C) requiring Owners to install smoke detectors; (D) requiring Owners to make improvements to the Owner's Townhome Unit; and (E) such other measures as the Board may reasonable require; provided, however, any work requested by the Association shall not exceed the amount of the annual general assessment together with the Townhome Unit assessment in any twelve (12) month period.

(ii) In addition to, and not in limitation of, any other rights the Association may have, if any Townhome Unit Owner does not comply with any reasonable requirement made by the Board pursuant to subsection (i) above, the Association, upon fifteen (15) days' written notice (during which period the Townhome Unit Owner may perform the required act or work without further liability), may perform such required act or work at the Townhome Unit Owner's sole cost and expense. Such cost shall be a specific assessment and a lien against the Unit and shall be collected as provided herein for the collection of assessments. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subsection (i) above, including, but not limited to, a right of entry during reasonable hours and

after reasonable notice to the Owner or Occupant of the Townhome Unit, except that access may be had at any time without notice in an emergency situation.

9.7 Live/Work Townhome Units. No portion of a Live/Work Townhome Unit may be sold and/or leased separately and the commercial and residential components of a Live/Work Townhome Unit must be occupied by the same Owner(s) and/or Occupant(s). The residential component of a Live/Work Townhome Unit shall be used for residential purposes pursuant to Section 7.2 above. The commercial/office component of a Live/Work Townhome Unit may be used for commercial or business uses permitted by applicable zoning ordinances and use restrictions; provided, however, such commercial or business uses shall not: (a) constitute a nuisance, hazardous or offensive use, or threaten the security or safety of other Owners or Occupants in the Community, as may be determined in the reasonable discretion of the Board; (b) generate vehicular traffic which interferes with residential traffic circulation in the Community; or (c) generate external noise, odor, glare, vibration or electrical interference detectable to the normal sensory perception by adjacent neighbors. Except as otherwise provided for herein, no client, customer, supplier, or other business invitee of the Live/Work Townhome Unit shall have access, ingress, or egress to or through any portion of the Community except for the Live/Work Townhome Unit and such portions of the Common Property which provide access to the Live/Work Townhome Unit.

(a) Prohibited Uses. Notwithstanding anything to the contrary stated herein, no part of a Live/Work Townhome Unit shall be used for any of the following purposes:

- (i) cinema/movie theaters;
- (ii) video game centers, pool halls, amusement arcades or galleries, bowling alleys, skating rinks, shooting galleries, or other similar establishments within which arcade games and activities are offered as the establishment's primary activity;
- (iii) sales, repair or maintenance of vehicles, including automobiles, boats, motorcycles, aircraft, trucks or recreational vehicles;
- (iv) tattoo parlors, body piercing shops, and any shops offering or promoting illegal drug paraphernalia or items intended for or commonly associated with the use of illegal drugs;
- (v) the retail sale of food and/or beverages with customers arriving on-site;
- (vi) massage parlor or facility that hosts obscene, nude or semi-nude live performances;
- (vii) adult entertainment store where obscene, pornographic or "adult" materials or paraphernalia, including, but not limited to, movies, films, videos, magazines, or other related items are sold, rented or displayed;
- (viii) carpet cleaning, laundries and dry cleaning establishments;

- (ix) retail pet shops;
- (x) veterinary hospitals or animal raising, breeding, or care facilities;
- (xi) funeral parlors, crematoriums or mortuaries;
- (xii) entertainment, drinking and public eating establishments;
- (xiii) furniture sales;
- (xiv) manufacturing or industrial operations;
- (xv) medical, dental and chiropractic clinics; and
- (xvi) businesses that involve the storage or distribution of prescription drugs.

(b) Permitted Uses. Notwithstanding the foregoing, the commercial component of a Live/Work Townhome Unit may be used for business or professional offices or any use approved under subsection (c) below, subject to any restrictions, conditions and/or limitations set forth in the Commercial Use Guidelines (as such term is defined herein).

(c) Proposed Uses. Any proposed use of the commercial component of the Live/Work Townhome Unit that is not prohibited in subsection (a) above and is not specified in subsection (b) above, shall be submitted for the review, consideration and approval or disapproval of the Board of Directors. The Board of Directors shall have the right to approve or disapprove a proposed use in its sole discretion and impose restrictions, conditions and/or limitations on proposed uses, as may be set forth in the Commercial Use Guidelines established pursuant to subsection (d) hereof. Upon the Board's written approval of a proposed use in accordance with this Section ("Approved Use"), an Owner may use the commercial component of the Live/Work Townhome Unit for such Approved Use subject to any conditions or limitations imposed by the Board in accordance with this Section, the covenants and conditions of this Declaration, the Commercial Use Guidelines (as such term is defined herein), if any, and any additional rules and regulations of the Association. Notwithstanding the foregoing, an Approved Use shall automatically terminate upon: (i) the sale or transfer of the Live/Work Townhome Unit to a third party (excluding sales or transfers to an Owner's spouse); or (ii) discontinuance of the Approved Use by the Owner and/or Occupant of the Live/Work Townhome Unit. Once an Approved Use has been terminated, an Owner must reapply and receive authorization from the Board to use the commercial component of the Live/Work Townhome Unit for such purpose.

(d) Commercial Use Guidelines. The Board may adopt commercial use guidelines ("Commercial Use Guidelines") and application and review procedures. The Commercial Use Guidelines may impose restrictions, conditions and/or limitations on the use of the commercial component of the Live/Work Townhome Unit, including, without limitation, restrictions limiting the business hours of operation and the number of employees permitted to work at the Live/Work Townhome Unit. The Board of Directors shall have authority to prepare and to

amend, from time to time at its sole discretion and without notice, the Commercial Use Guidelines. The Commercial Use Guidelines and any amendments thereto shall be provided to all Owners and Occupants of Live/Work Townhome Units prior to the date they are to become effective and shall thereafter be binding on all Owners and Occupants of Live/Work Townhome Units; provided, however, any amendment to the Commercial Use Guidelines that imposes a greater restriction on the current use of a Live/Work Townhome Unit shall not be enforced unless agreed to in writing by the Owner of the affected Live/Work Townhome Unit at the time such restriction was adopted.

All Owners and Occupants of Live/Work Townhome Units are hereby notified that the use of their Units is limited by the Commercial Use Guidelines as they may be amended, expanded, and otherwise modified hereunder. Each Owner, by acceptance of a deed or entering into a contract of sale, acknowledges and agrees that the use and enjoyment and marketability of his or her Unit can be affected, that the Commercial Use Guidelines may change from time to time, and that such changed Commercial Use Guidelines may or may not be set forth in an instrument recorded in the Fulton County, Georgia land records.

9.8 Easements. The Easements set forth in this Section 9.8 shall be in addition to those easements set forth in Article 11 hereof.

(a) Easement for Encroachment and Overhang. There is hereby reserved to the Declarant for the benefit of each Townhome Unit a reciprocal appurtenant easement for encroachment and overhang between adjacent Townhome Units and between a Townhome Unit and adjacent Common Property due to the original construction or the unintentional placement or settling or shifting of the improvements including, but not limited to, retaining walls, downspouts and gutters, constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than three (3) feet, as measured from any point on such common boundary; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association, other than in the original construction of the Units.

(b) Townhome Unit Owner - Easement for Utilities. GDCI hereby establishes for the benefit of each Townhome Unit 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 such Townhome Unit and situated in, on or under any other Townhome Unit or the Common Property. In the event that any Owner desires access to another Townhome Unit to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of such other Townhome Unit(s) at least two (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 immediately upon request. Any Owner of a Townhome Unit to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected Townhome Units, reasonable steps shall be taken to protect such Townhome Units and the property of the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense.

(c) Townhome Unit Owner - Easement for Maintenance. GDCI hereby reserves for the benefit of each Unit reciprocal appurtenant easements between adjacent Townhome Units for the purpose of maintaining or repairing the improvements located on each Townhome Unit which easement shall extend to a distance of three (3) feet as measured from any point on the common boundary between the Townhome Unit. The easement shall be used only for such period of time as is reasonably necessary in order to complete the maintenance or repair. The Owner exercising this easement right shall be liable for the prompt repair of any damage to the improvements located on the Townhome Unit over which this easement is exercised which arises out of such maintenance or repair work.

9.9 Amendment to Article 9. As long as the substantive rights of existing Owners are not materially adversely affected, the Declarant may unilaterally amend this Declaration to modify the provisions of this Article or impose additional covenants and restrictions for the Townhome Units. Except for unilateral amendments by Declarant as provided herein, this Article 8 may not be amended without the affirmative vote or written consent of Owners of at least two-thirds (2/3) of the Townhome Units and the consent of the Declarant until its rights have terminated as provided in Section 12.5 hereof.

Article 10

Insurance and Casualty Losses

10.1 Insurance Obtained by Association. The Association shall obtain the insurance coverage necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U.S. Department of Veterans Affairs, and the U.S. Department of Housing and Urban Development, as applicable to the Community. Accordingly, the Board of Directors shall obtain casualty insurance for all insurable improvements, whether or not located on the Common Property, which the Association is obligated to maintain. 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 the 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. Notwithstanding anything to the contrary herein, nothing in this Section 10.1 shall be construed as obligating the Association to obtain or maintain any insurance on a Unit, including, without limitation, insurance covering any structures or improvements located thereon or a Unit Owner's or Occupant's personal property.

The Board of Directors shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least Two Million and No/100 Dollars (\$2,000,000.00). Policies may contain a reasonable deductible as determined by the Board of Directors.

Premiums for all insurance obtained by the Association shall be a common expense of the Association.

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, and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employee 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 director's best business judgment and shall satisfy local, state or federal requirements for such coverage, if any. Such coverage, if obtained, shall also 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 ten (10) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage and flood insurance, if and to the extent necessary to satisfy the applicable requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

10.2 Insurance Obtained by Unit Owners. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of a Unit and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall obtain and maintain the following: (a) all-risk casualty insurance on the Unit and all structures, dwellings and improvements located or constructed thereon, which shall cover loss or damage by fire and other hazards commonly insured under an all-risk policy and, if reasonably available, 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; (b) a liability policy covering damage or injury occurring on a Unit; and (c) insurance covering an Owner's or Occupant's personal property. The policies required hereunder shall be in effect at all times.

10.3 Damage and Destruction – Insured by Association.

(a) In General. Immediately after the damage or destruction by fire or other casualty to all or any portion of any structure or improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such 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) Repair and Construction. Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, a proposal not to repair or reconstruct such property is approved by at least seventy-five percent (75%) of the Total Association Vote and the Declarant. If for any reason either the amount of the insurance proceeds to be paid as a result of such 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 such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall

not exceed sixty (60) days. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the members of the Association, levy a special assessment against the Owners of all of the Units. 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, such excess funds shall be deposited to the benefit of the Association. In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then the property shall be 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.

10.4 Damage and Destruction -- Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any structure or improvement located on a Unit shall be repaired or reconstructed by the Owner thereof in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 6 of this Declaration. Said repair or reconstruction shall be completed within seventy-five (75) days after such damage or destruction occurred or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable period of time thereafter. Alternatively, the Owner of the Unit may elect to demolish all improvements on the Unit and remove all debris and ruins therefrom within seventy-five (75) days after such damage or destruction occurred and thereafter maintain the Unit in a neat and attractive, landscaped condition consistent with the Community-Wide Standard and this Declaration. The Owner shall pay all costs which are not covered by insurance proceeds.

Article 11 Easements

11.1 General. Each Unit shall be subject to those easements, if any, shown or set forth on the recorded subdivision plat(s) for the Community, as amended from time to time as well as the easements now or hereafter established by the Declarant in this Declaration or by any other document recorded in the Office of the Clerk of Superior Court for Fulton County, Georgia.

11.2 Easements for Use and Enjoyment – Common Property. Except as otherwise provided herein, every Owner of a Unit shall have a right and easement of ingress and egress, use and enjoyment by the Owner and the Occupants of the Owner's Unit in and to the Common Property which shall be appurtenant to and shall pass with the title to each Unit, subject to the following:

(a) the right of the Association to suspend the right of an Owner to use and enjoy the Common Property for any period during which any past due assessment against any Unit of the Owner remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws, rules and regulations or Architectural Guidelines;

(b) the right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for constructing, repairing or improving any facilities located or to be located thereon and, upon the affirmative vote of the Owners of at least two-thirds (2/3) of the Units (other than Declarant) and the consent of Declarant, to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Unit or other property located within the Community (Regardless of any contrary provision in this Declaration or in any such Mortgage given by the Association, the exercise of any rights by the holder of such Mortgage in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Unit or other property located within the Community.);

(c) the right of the Association, acting through the Board of Directors and without a vote of the members, to dedicate or grant licenses, permits, easements and rights-of-way over, under and through the Common Property;

(d) the right of the Association to transfer or convey title to all or any portion of the Common Property upon the approval of the Owners of at least two-thirds (2/3) of the Units and the consent of Declarant;

(e) all other rights of the Association, the Declarant, Owners and Occupants set forth in this Declaration, in any Supplementary Declaration or in any deed conveying Common Property to the Association; and

(f) all encumbrances and other matters shown by the public records affecting title to the Common Property.

11.3 Easements for Utilities. GDCI hereby grants to the Declarant, the Association and any builder approved by Declarant a blanket easement upon, across, above and under all property within the Community for access, ingress, egress, installing, altering, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Declarant, any builder approved by Declarant or the Association might decide to have installed to serve the Community. Declarant, GDCI, any builder approved by Declarant, the Association or their respective designees may alter drainage and water flow, install, repair, replace and maintain or authorize the installation, repair, replacement and maintenance of such wires, conduits, cables and other equipment related to the providing of any utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Declarant or the Board shall have the right to grant such easement. The Board of Directors, without a vote of the Owners, shall have the right, power and authority to grant permits, licenses, utility easements under, through, or over

the Units and/or the Common Property as may be reasonably necessary to or desirable for the ongoing operation and maintenance of the Community.

11.4 Easement for Emergency Entry. The Association shall have the right, but not the obligation, to enter upon any Unit for emergency, security and safety reasons and to inspect for the purpose of ensuring compliance with this Declaration, the Bylaws, and rules and regulations and Architectural Guidelines, which right may be exercised by any member of the Board, the officers, agents, employees, and managers of the Association 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. This right of entry shall include the right of the Association to enter upon any Unit to cure any condition which may increase the possibility of a fire or other hazard in an emergency situation and in the event an Owner fails or refuses to cure the condition within a reasonable period of time after requested by the Association, but shall not authorize entry into the residential dwelling located on a Unit without the permission of the Owner.

11.5 Easement for Maintenance - Association. GDCI hereby grants to the Declarant and the Association a perpetual easement across the exterior portions of all Units as may be reasonably necessary to perform the maintenance required under this Declaration. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Units, reasonable steps shall be taken to protect such property and damage shall be repaired by the Association or its contractors at their sole cost and expense.

11.6 Easement for Maintenance - Owners. GDCI hereby reserves for the benefit of Declarant and each Unit reciprocal appurtenant easements between adjacent Units for the purpose of maintaining or repairing the improvements located on each Unit which easement shall extend to a distance of three (3) feet as measured from any point on the common boundary between the Unit. The easement shall be used only for such period of time as is reasonably necessary in order to complete the maintenance or repair. The Owner exercising this easement right shall be liable for the prompt repair of any damage to the improvements located on the Unit over which this easement is exercised which arises out of such maintenance or repair work.

11.7 Easement for Signage, Lighting, Landscaping and Similar Items. So long as the rights of Declarant have not terminated as provided in Section 12.5 hereof, GDCI hereby grants to Declarant, a nonexclusive easement over all Units and Common Property for a distance of ten (10) feet behind any Unit line which parallels a street (whether public or private) for the purpose of erecting and maintaining street intersection signs, directional signs, temporary promotional signs, plantings, street lights, entrance features and related landscaping.

11.8 Easement for Entry Features and Streetscapes. GDCI hereby grants to the Declarant, the Association and builder approved by Declarant an easement for ingress, egress, installing, constructing, landscaping and maintaining entry features and similar streetscapes for the Community, over and upon any portion of a Unit containing such entry features or streetscapes as may be more fully described on the recorded subdivision plat(s) 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 entry features and streetscapes and the right to grade the land under and around the same.

11.9 Easement for Drainage. GDCI hereby grants to the Declarant, the Association and any builder approved by Declarant an easement upon, across, above and under all storm water drainage easement areas as shown on the recorded subdivision plat(s) for the Community for access, ingress, egress, installing, altering, repairing, replacing, and maintaining 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. In addition, GDCI hereby grants to the Declarant, the Association and any builder approved by Declarant a blanket easement across all Units for creating and maintaining satisfactory drainage in the Community; provided, however, such easement area shall not include any portion of a Unit within the outer perimeter of the dwelling structure. It is anticipated that increased storm water run-off across downstream Units will result from the construction of impervious surface within the Community. Neither the Declarant, any builder approved by Declarant, the Association nor any other builder or Owner constructing according to plans and specifications approved under Article 6 hereof 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.

11.10 Easement During Construction and Sale Period. Notwithstanding any provisions now or hereafter contained in this Declaration, the Bylaws, Articles of Incorporation, use restrictions, rules and regulations, Architectural Guidelines, and amendments or revisions thereto, GDCI hereby grants to Declarant an easement across the Community to maintain and carry on, upon such portion of the Community as GDCI, Declarant and any builder approved by Declarant may reasonably deem necessary, such facilities and activities as in the sole opinion of GDCI or Declarant may be required or convenient for GDCI's, Declarant's or such builder's, as the case may be, development, construction and sales activities related to property hereby and hereafter subjected to this Declaration or for the development, construction or benefit of any neighboring property including, but not limited to: (a) the right to place or authorize the placement of marketing and directional signs on Units or right-of-ways at street intersections within the Community; (b) the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, on or in the Community, including, without limitation, any Unit; (c) the right to tie into any portion of the Community with streets, driveways, paths, parking areas and walkways; (d) the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, cable television, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; (e) the right to grant easements over, under, in or on the Community, including without limitation the Units, for the benefit of neighboring properties for the purpose of tying into and/or otherwise connecting and using sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; (f) the right to convert Units (with the consent of the Owner thereof) to Common Property and/or streets; (g) the right to construct utilities and other improvements on Common Property; (h) the right to carry on sales and promotional activities in the Community; and (i) the

right to construct and operate business offices, signs, construction trailers, model residences and sales offices. Declarant and any builder approved by Declarant may use residences, offices or other buildings owned or leased by Declarant or such builder, respectively, as model residences and/or sales offices without charge. This Section shall not be amended without the written consent of Declarant until the rights of Declarant have terminated as provided in Sections 11.5 hereof.

11.11 Easement for Private Streets, Sidewalks and Signs. GDCI hereby grants, conveys, declares, creates, imposes and establishes a perpetual, non-exclusive right-of-way easement for vehicular and pedestrian access, ingress and egress over and across the private streets and sidewalks located within the Community. At such time as one or more subdivision plats for the property submitted to this Declaration are recorded in the real estate records of the Office of the Clerk of Superior Court of Fulton County, Georgia, any reference to private streets shall then and thereafter mean a reference to the private streets as actually constructed and depicted on the recorded subdivision plat. The right-of-way easement herein granted shall permit joint usage of such easement by: (a) the Declarant and its affiliates; (b) any builder approved by Declarant; (c) the Owners and Occupants; (d) the legal representatives, successors and assigns of the Owners; and (e) invitees and licensees of the Owners and Occupants. GDCI hereby expressly reserves for itself, its successors and assigns, all rights and privileges incident to the ownership of the fee simple estate of any right-of-way easement area which are not inconsistent with the rights and privileges herein granted, including, without limitation, the right to maintain one or more proprietary signs on the easement area and the right to grant additional non-exclusive easements to third parties, over, under and across the easement area. GDCI hereby reserves for the benefit of itself and grants to the Association as Common Property, the perpetual nonexclusive right and easement upon, over and across those utility easement areas and private streets and roads for the installation, maintenance, and use of such streets and roads, sidewalks, traffic directional signs, grading for proper drainage of said streets and roads, and related activities and improvements.

Article 12 General Provisions

12.1 Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws, rules and regulations, Architectural Guidelines and use restrictions, as amended or modified from time to time, and with the covenants, conditions, easements and restrictions set forth in this Declaration, the recorded subdivision plat(s) and in the deed to such Owner's Unit, if any. Declarant or the Association, acting through the Board of Directors, may impose fines or other sanctions for violations of the foregoing in accordance with this Declaration and the Bylaws, which fines shall be collected as provided herein for the collection of assessments; provided, however, only one fine may be imposed for a single violation such that an Owner or Occupant may not be fined by Declarant and the Association for the same violation; and provided, further, Declarant or the Association, as the case may be, may count each day a violation continues after notice thereof as a separate violation. In the event fines or other sanctions are imposed by Declarant hereunder, Declarant shall have any and all rights to collect such fines or sanctions (which fines shall be payable to the Association) and any related charges, including, without limitation, attorney's fees actually incurred and costs of collection, in the same manner as provided herein for the collection of assessments by the Association acting through the Board.

Failure to comply with this Declaration, the Bylaws, the rules and regulations or Architectural Guidelines shall be grounds for an action to recover sums due for damages or injunctive relief or both, including, without limitation, reasonable attorney's fees actually incurred, maintainable by the Association, the Declarant or an aggrieved Owner. Failure by the Declarant and the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the right to record in the appropriate land records a notice of violation of the Declaration, Bylaws, rules and regulations, use restrictions or Architectural Guidelines, and to assess the cost of recording and removing such notice against the Unit of the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

12.2 Occupants Bound. All provisions of the Declaration, Bylaws, rules and regulations, use restrictions and Architectural Guidelines which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants and the guests and invitees of Owners and Occupants. The Owner shall be responsible for insuring that the Occupants, the guests, invitees and licensees of the Owner and Occupant strictly comply with all provisions of the Declaration, Bylaws, rules and regulations, use restrictions and Architectural Guidelines. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not timely paid, the fine may then be levied against the Owner.

12.3 Self-Help. In addition to any other remedies provided for herein, the Association, acting through the Board, Declarant or their respective duly authorized agents shall have the power to enter upon any Unit or any other portion of the Community to abate or remove any structure, improvement, thing or condition which violates this Declaration, the Bylaws, the rules and regulations, the use restrictions or the Architectural Guidelines. Unless an emergency situation exists, the violating Owner shall be given ten (10) days' written notice of the intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after giving any notice required herein or by law. All costs of self-help, including, without limitation, reasonable attorneys' fees actually incurred, shall be assessed against the Unit of the violating Owner as a specific assessment.

12.4 Duration. The covenants, conditions, restrictions and easements contained in this Declaration shall run with and bind the Community and shall inure to the benefit of and shall be enforceable by the Association, the Declarant and any Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent provided by law; provided, however, if and to the extent that, Georgia law limits the period during which covenants restricting land to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time, any such provision(s) shall be (a) automatically extended for successive periods of twenty (20) years (or the maximum period allowed by Georgia law, if less), unless a written instrument signed by the then Owners of at least two-thirds (2/3) of the Units has been recorded within the two years immediately preceding the beginning of a twenty (20) year renewal period agreeing 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 (b) extended, renewed, modified or terminated as otherwise provided herein or by applicable law.

12.5 Termination of Rights of Declarant. The rights of Declarant to take, approve or consent to actions under this Declaration, the Articles of Incorporation and the Bylaws shall cease and be of no further force and effect upon the earlier of: (a) the date that the Declarant no longer owns any property in the Community and no longer has the right to unilaterally annex additional property to the Community as provided herein and a certificate of occupancy has been issued for a structure on each Unit in the Community; or (b) the date of recording by Declarant in the Fulton County, Georgia land records a written instrument terminating all of Declarant's rights hereunder.

12.6 Amendment.

(a) By Declarant. This Declaration may be amended unilaterally at any time and from time to time by Declarant if such amendment is: (i) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; (iii) required by an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Units subject to this Declaration; or (iv) necessary to enable any governmental agency or private insurance company, including without limitation, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs, to insure or guarantee Mortgage loans on the Units subject to this Declaration; provided, however, such amendment shall not materially adversely affect the substantive rights of any Owner to use his or her Unit without the consent of the affected Owner.

Further, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, such amendment shall not: (i) materially adversely affect the substantive rights of any Owner to use and enjoy his Unit hereunder; (ii) adversely affect title to any Unit without the consent of the affected Owner; or (iii) adversely affect the rights of the then holder of any security interest granted by Declarant encumbering any portion of the Community unless the holder consents in writing thereto.

(b) By the Board. The Board of Directors may, with the written consent of the Declarant and without a vote of the members, amend the Declaration for the following purposes: (i) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith; (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; (iii) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Units subject to this Declaration; or (iv) if such amendment is necessary to enable any governmental agency or private insurance company, including without limitation, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans

Affairs, to insure or guarantee Mortgage loans on the Units subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner of such Unit consents thereto in writing; and (v) for the purpose of electing to be governed by and thereafter comply with the provisions of the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220 *et seq.*

(c) By the Association. In addition to the above, this Declaration may be amended upon the affirmative vote or written consent or any combination thereof of Owners of at least two-thirds (2/3) of the Units and the consent of Declarant; provided, however, the provisions of Article 9 may be amended as provided in Section 9.8 hereof.

The consent of the Declarant to any amendment shall be evidenced by the execution of said amendment by Declarant. The consent of the requisite number of Owners to any amendment shall be evidenced by the execution of the amendment by said Owners, or, in the alternative, the sworn statement of the President or any Vice President or the Secretary of the Association attached to or incorporated in the amendment, which sworn statement states unequivocally that the consent of the required number of Owners was obtained and that any notices required by this Declaration, the Bylaws, the Articles of Incorporation and Georgia law were given. The amendments authorized by this Section may be of uniform or non-uniform application and Owners shall be deemed to have agreed that the Declaration may be amended as provided herein and that any rule of law requiring unanimous approval of amendments having a non-uniform application shall not apply.

12.7 Challenges to Amendment. Any action to challenge the validity of an amendment adopted as provided herein must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

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

12.9 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and, to this end, the provisions of this Declaration are declared to be severable.

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

12.11 No Merger. There shall be no merger of any of the covenants, conditions, restrictions or easements created or reserved hereby with the fee estate of Declarant, by reason of the fact that Declarant may own or hold the estate or interest both encumbered and benefited by

such covenants, conditions, restrictions or easements and no such merger shall occur unless and until Declarant, while owning all of the estate or interests shall execute a written statement or instrument affecting such merger and shall duly record the same.

12.12 Preparer. This Declaration was prepared by Rachel E. Conrad, Dorough & Dorough, LLC, Attorneys at Law, 160 Clairemont Avenue, Suite 650, Decatur, Georgia 30030.

12.13 Notices. Except as otherwise specifically provided in such document(s), as the case may be, notices provided for in this Declaration, the Articles or Bylaws shall be in writing, and shall be addressed to an Owner at the address of the Unit and to GDCI, Declarant, any builder approved by Declarant and to the Association at the address of their respective registered agent on file with the Secretary of State of the State of Georgia. Any Owner may designate a different address, including an electronic mail address, for notices to such Owner by giving written notice to the Association. Owners shall keep the Association advised of their current address and phone number(s) where they can be reached. Notices addressed as above shall be mailed by United States Registered or Certified Mail, return receipt requested, postage paid, or delivered in person, including delivery by Federal Express or other reputable commercial courier service, or issued electronically in accordance with Chapter 12 of Title 10 of the Official Code of Georgia Annotated, the "Uniform Electronic Transactions Act". The time period in which a response to any such notice must be given or any action taken with respect thereto, shall commence to run from the date of personal delivery or date of receipt shown on the return receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice sent.

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

12.15 Indemnification. To the fullest extent allowed by the Georgia Nonprofit Corporation Code, and in accordance therewith, the Association shall indemnify every current and former officer, director and committee member against any and all expenses, including, but not limited to, attorney's fees, imposed upon or reasonably incurred by any officer, director or committee member in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director or committee member, may be

entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

12.16 Variances. Notwithstanding anything to the contrary contained herein, the Board of Directors shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto, if it determines that waiver of application or enforcement of the provision in a particular case is warranted and would not be inconsistent with the overall scheme of development for the Community.

12.17 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least seventy-five percent (75%) of the Total Association Vote and the Declarant. This Section shall not apply to: (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided herein; (c) proceedings involving challenges to *ad valorem* taxation; (d) counterclaims brought by the Association in proceedings instituted against it; or (e) 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. This Section shall not be amended unless such amendment is made unilaterally by the Declarant as provided herein or is approved by the percentage votes necessary to institute proceedings as provided above.

12.18 Security. ALL OWNERS, OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, AS APPLICABLE, ACKNOWLEDGE THAT DECLARANT, GDCI, THE ASSOCIATION AND ITS BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, DO NOT REPRESENT OR WARRANT THAT ANY SAFETY OR SECURITY MEASURES WILL BE IMPLEMENTED IN THE COMMUNITY OR, IF IMPLEMENTED, THAT SUCH SAFETY OR SECURITY MEASURES MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR THAT ANY SUCH SAFETY OR SECURITY MEASURES WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THEY ARE DESIGNED. EACH OWNER, OCCUPANT, GUEST, LICENSEE, OR INVITEE, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT DECLARANT, GDCI, THE ASSOCIATION, THE BOARD OF DIRECTORS AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, ARE NOT INSURERS OR PROVIDERS OF SAFETY OR SECURITY AND SHALL HAVE NO DUTY TO PROVIDE ANY SAFETY OR SECURITY ON THE COMMON PROPERTY OR OTHERWISE; AND THAT EACH OWNER, OCCUPANT, GUEST, LICENSEE, AND INVITEE ASSUMES ALL RISKS OF PERSONAL INJURY AND PROPERTY DAMAGE AND FURTHER ACKNOWLEDGES THAT DECLARANT, GDCI, THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, OCCUPANT, GUEST, LICENSEE, OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE RELATIVE TO ANY SAFETY OR SECURITY MEASURES IMPLEMENTED OR APPROVED.

12.19 Agreements. Subject to the prior approval of Declarant, all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board of Directors, shall be binding upon all Owners, their heirs, legal representatives, successors, assigns and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

12.20 Notice of Sale or Acquisition. Prior to the sale of a Unit, the Owner shall provide the Association with written notice of the name of the purchaser and such other information as the Board may reasonably require. Upon acquisition of title to a Unit, each new Owner shall provide the Association with written notice of the name and mailing address of the Owner and such other information as the Board may reasonably require.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Declarant hereby executes this Declaration under seal,
this 2nd day of July, 2015.

DECLARANT: **MJH HOMES, LLC**, a Georgia limited liability company

By: [Signature] (SEAL)
Print Name: MONTE HEWITT
Title: MANAGER

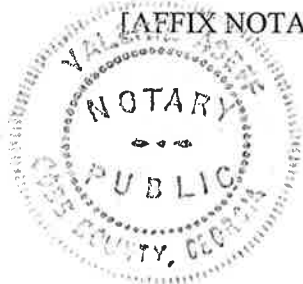
Signed, sealed, and delivered
in the presence of:

[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

My Commission Expires: 9/29/2017

[AFFIX NOTARY SEAL]



[SIGNATURES CONTINUE ON FOLLOWING PAGE]


CONSENT OF OWNER

IN WITNESS WHEREOF, GDCI, as the owner of all or a portion of the tract or parcel of land described on Exhibit "A" attached hereto, does hereby declare and consent, on behalf of St. Andrews and its heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration.

This 24th day of April, 2015.

GDCI GA 5: **GDCI GA 5, L.P.**, a Georgia limited partnership

By: PACIFIC LAND, LLC, a Georgia limited liability company, as its General Partner

By:  (SEAL)
Michael Kilgallon, as its Manager

Signed, sealed, and delivered
in the presence of:


WITNESS


NOTARY PUBLIC

My Commission Expires: Feb 2 2016

[AFFIX NOTARY SEAL]



CONSENT OF LIEN HOLDER

TEXAS CAPITAL BANK, NATIONAL ASSOCIATION, a national banking association ("Lender"), as holder of that certain Deed to Secure Debt and Security Agreement, dated March 27, 2015 and recorded April 8, 2015 in Deed Book 54806, Page 458, *et seq.* Fulton County, Georgia land records (hereinafter referred to as "Security Deed"), encumbering all or a portion of the property described in Exhibit "A" hereof, hereby consents to the Declaration and agrees that any foreclosure of the security title and interest under the Security Deed or any other instrument that Lender holds shall be subject to the Declaration and any amendments thereto with respect to the property described in Exhibit "A".

This 8th day of July, 2015.

LENDER: **TEXAS CAPITAL BANK, NATIONAL ASSOCIATION, a national banking association**

By: Margaret Noles (SEAL)
 Printed Name: Margaret Noles
 Title: Senior Vice President

Signed, sealed and delivered
 In the presence of:

Billy Brannon
 WITNESS Billy Brannon

Avan Blair
 NOTARY PUBLIC

My Commission Expires: 1-28-18

[NOTARY SEAL]

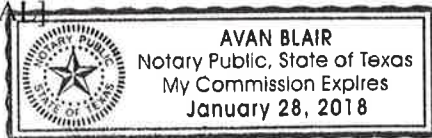


EXHIBIT "A"
Property Description

All that tract or parcel of land lying in the City of Atlanta, Georgia, in Land Lot 99 of the 17th District of Fulton County and being more particularly described as follows:

Commencing at the intersection of the northwesterly right of way of East Andrews Drive Having a 70 foot right of way and the northeasterly right of way of West Paces Ferry Road having a 50 foot right of way and thence run along said northwesterly right of way North 36 degrees 47 minutes 01 seconds East a distance of 295.51 feet to a 5/8" rebar set and the Point of Beginning; Thence from said Point of Beginning and leaving said northwestern right of way running North 53 degrees 12 minutes 59 seconds West a distance of 91.50 feet to a 5/8" rebar set; Thence run North 49 degrees 30 minutes 56 seconds West a distance of 159.89 feet to a 5/8" rebar set; Thence run South 88 degrees 32 minutes 25 seconds West a distance of 59.96 feet to a 1" crimp top found; Thence North 49 degrees 25 minutes 21 seconds West a distance of 36.19 feet to a 1-1/2" crimp top found; Thence North 12 degrees 10 minutes 15 seconds East a distance of 371.23 feet to a 5/8" rebar set; Thence South 52 degrees 21 minutes 29 seconds East a distance of 503.46 feet to a 5/8" rebar set on the northwestern right of way East Andrews Drive; Thence run along said right of way along the arc of a curve to the left having a radius of 798.71 feet a distance of 152.62 feet to a point with said curve being subtended by a chord bearing of South 42 degrees 15 minutes 28 seconds West and a chord distance of 152.39 feet; Thence continue along said right of way South 36 degrees 47 minutes 01 seconds West a distance of 153.87 feet to a 5/8" rebar set and the point of beginning.

Said tract or parcel to contain 2.989 Acres.

EXHIBIT "B"

Additional Property Which May Unilaterally
Be Submitted To This Declaration by Declarant

All that tract or parcel of land lying and being in Land Lot 99 of the 17th District, Fulton County, Georgia.

EXHIBIT "C"

BYLAWS

OF

ST. ANDREWS COMMUNITY ASSOCIATION, INC.

Prepared By:
Rachel E. Conrad
DOROUGH & DOROUGH, LLC
Attorneys at Law
160 Clairemont Avenue
Suite 650
Decatur, Georgia 30030
(404) 687-9977

BYLAWS
OF
ST. ANDREWS COMMUNITY ASSOCIATION, INC.

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BYLAWS
OF
ST. ANDREWS COMMUNITY ASSOCIATION, INC.

Article 1
Name, Membership, Applicability and Definitions

1.1 Name. The name of the corporation shall be St. Andrews Community Association, Inc. (hereinafter sometimes referred to as the "Association").

1.2 Membership. The Association shall have one class of membership, as is more fully set forth in that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for St. Andrews (such 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, or the meanings given in the Georgia Nonprofit Corporation Code (O.C.G.A. Section 14-3-101, *et seq.*) (the "Nonprofit Code"). Statutory references shall be construed as meaning the referenced statute or portion thereof as the same may exist from time to time.

Article 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 such other 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 Annual Meetings. There shall be an annual meeting of the members at such date, place and time as the Board of Directors shall determine to receive the reports of the outgoing Board of Directors, to install directors for the ensuing year and to transact such other business as may come before the meeting.

2.3 Special Meetings. The President or the Board of Directors may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association upon the delivery of a petition signed and dated by members entitled to cast at least twenty-five percent (25%) of the Total Association Vote and describing the purpose or purposes for which it is to be held. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose(s) thereof. No business shall be transacted at a special meeting, except those matters that are within the purpose or purposes described in the notice.

2.4 Record Date. The Board of Directors shall fix in advance a record date for a determination of members entitled to notice of and to vote at any meeting of members or any adjournment thereof, or to make a determination of members for any other purpose, such date to be not more than seventy (70) days before the date on which the particular action requiring such determination of members is to be taken.

2.5 Notice of Meetings. It shall be the duty of the Secretary or such other agent as the Association may designate to mail or to cause to be delivered to each member (as shown in the records of the Association as of the record date) a written notice of each annual or special meeting of the Association stating the date, time and place where it is to be held and, if and to the extent required by the Nonprofit Code or other applicable law (the "Governing Law"), the purpose(s) thereof. Such notice shall be delivered personally or sent by United States mail, postage prepaid, statutory overnight delivery, or sent by electronic transmission in accordance with the Nonprofit Code to all members of record at the address shown in the Association's current records. If an Owner wishes notice to be given at an address other than the Unit, the Owner shall designate by notice in writing to the Secretary such other address. Notices shall be mailed or delivered not less than ten (10) days (or if notice is mailed by other than first-class or registered mail, thirty (30) days) nor more than sixty (60) days in advance of any annual, regularly scheduled or special meeting. If any meeting of the members is adjourned to a different date, time or place, notice need not be given of the new date, time or place, if the new date, time or place is announced at the meeting before adjournment. If, however, a new record date is or must be fixed under the Governing Law, notice of the adjourned meeting shall be given to persons who are members of record as of the new record date.

2.6 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 or by electronic transmission signed by the member entitled to notice and delivered to the Association for inclusion in the minutes for filing with the Association's records, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of lack of notice or defective notice, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

2.7 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such 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.

2.8 Membership List. After the record date for any meeting is established by the Board of Directors, the Secretary shall prepare an alphabetical list of the names and addresses of all of the members who are entitled to notice of the meeting. Beginning at least two (2) business days after notice is given of the meeting for which the list was prepared, the list of members shall be available for inspection by any member or a member's agent or attorney: (1) on a reasonably

accessible electronic network, provided that the information required to gain access to such list is included with the notice of the meeting or upon request; or (2) during ordinary business hours at the Association's principal office or at such other reasonable place as may be specified in the notice in the city where the meeting will be held. In the event that the Association makes the list available on an electronic network, the Association may take reasonable steps to ensure that such information is available only to members of the Association. In addition, the list shall be available for inspection at the meeting or any adjournment thereof.

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

2.10 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxy appointment forms shall be in writing, signed either personally or by an electronic transmission, dated, and filed with the Secretary before the appointed time of each meeting. An electronic transmission must contain or be accompanied by information acceptable to the Board from which it can be determined that the member, the member's agent, or the member's attorney-in-fact authorized the electronic transmission. Proxies may be delivered to the Board of Directors by personal delivery, U.S. mail or electronic transmission to the Secretary or other officer or agent authorized to tabulate votes. Every proxy shall be revocable and shall automatically cease upon: (a) receipt of notice by the Secretary of the death or judicially declared incompetence of a member; (b) receipt by the Secretary or other officer or agent authorized to tabulate votes of written revocation signed by the member; (c) receipt by the Secretary or other officer or agent authorized to tabulate votes of a subsequent appointment form signed by the member; (d) attendance by the member and voting in person at any meeting; or (e) the expiration of eleven (11) months from the date of the proxy appointment form.

2.11 Quorum. The presence, in person or by proxy, of members entitled to cast at least twenty-five percent (25%) of the votes entitled to be cast at the meeting 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.

2.12 Action By Written Consent. Any action required or permitted to be approved by the members may be approved without a meeting if one (1) or more consents, in writing or by electronic transmission, setting forth the action so taken, shall be signed, either personally or by an electronic transmission, and dated by members (including the Declarant, if the consent of the Declarant is required) holding the voting power required to pass such action at a meeting held on the record date for such action. The record date for such action shall be the date that the first member signs a consent. Such action shall be approved when the Secretary receives a sufficient number of such consents dated within seventy (70) days of the record date for such action. If less than unanimous consent is obtained, the approval shall be effective ten (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.

2.13 Action By Written Ballot. Any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by ballot in writing or by electronic transmission as provided herein. The Association shall deliver a ballot in writing or by electronic transmission to each member entitled to vote on the matter. The ballot in writing or by electronic transmission shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by ballot in writing or electronic transmission shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely ballot in writing or by electronic transmission received by the Association may not be revoked. Approval by ballot in writing or by electronic transmission 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 such action and 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. The results of each action by ballot shall be certified by the Secretary and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Article 3

Board of Directors: Number, Powers, Meetings

3.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Directors shall be natural persons who are eighteen (18) years of age or older. Except for directors appointed by the Declarant, each director must reside in the Community and be a member or the spouse of a member; provided, however, no Person may serve on the Board at the same time with such Person's spouse or any co-Owner or Occupant of such Person's Unit.

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 such time as the first of the following events shall occur: (a) the expiration of ten (10) years after the date of the recording of the Declaration; (b) the date on which all of the Units planned by Declarant to be a part of the Community shall have been improved with a dwelling and conveyed to an Owner for occupancy as a residence; or (c) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. The directors appointed by the Declarant need not be Owners or residents in the Community.

The total number of Units planned by Declarant for the Community shall initially be the number of Units shown on the Declarant's land use plan for the development as it may be amended from time to time. Inclusion of property on the land use plan shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land use plan bar Declarant from subjecting such property to the Declaration. The final total number of Units planned for the Community shall be the actual number of Units shown on the recorded subdivision plat(s) for the Community regardless of any different number of Units shown from time to time on the land use plan.

3.3 Number of Directors. During the period that the Declarant has the right to appoint and remove the officers and directors of the Association as provided above, the Board of Directors shall consist of one (1) to three (3) members as determined by Declarant in writing from time to time. Thereafter, the Board shall consist of three (3) directors, who shall be elected as provided in Section 3.5 below.

3.4 Nomination of Directors. Elected directors may be nominated from the floor, if a meeting is held for the election of directors and may also be nominated by a nominating committee, if 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. After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting (or take action under Section 2.12 or Section 2.13 in lieu of a meeting) and the members shall elect three (3) directors as follows. the initial term of two (2) directors shall be fixed at two (2) years and the initial term of one (1) director shall be fixed at one (1) year. Thereafter, all successors shall be elected to a term of two (2) years.

Notwithstanding the foregoing, one (1) director shall be elected by Owners of Detached Lots; (1) one director shall be elected by the Owners of the Townhome Units; and the remaining director shall be elected at large by all of the Owners in the Community; it being the intent of this provision to have one member on the Board to represent the concerns and interests of the Owners of the Detached Lots and Townhome Units, respectively, in the Community. Notwithstanding the foregoing, in the event that the Detached Lot Owners or the Townhome Unit Owners are unable to elect a director, such director shall be elected at large by all of the Owners in the Community.

At annual meetings thereafter (or pursuant to Section 2.12 or Section 2.13 in lieu of a meeting), directors shall be elected as necessary to fill vacant seats on the Board and to preserve the scheme of staggered terms with one more or one less director being elected each year than in the previous year. All eligible members of the Association may vote on all directors to be elected, and the candidates receiving the most votes shall be elected. Notwithstanding anything herein to the contrary, the members of the Board of Directors shall continue in office until their respective successors shall have been elected and take office.

3.6 Removal of Directors. At any annual, regular or special meeting of the Association, any one (1) or more of the members of the Board of Directors elected by the members 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; provided, however, in the event that the removed director was elected by the Detached Lot Owners, such successor shall be the Owner of a Detached Lot; and provided further, in the event that the removed director was elected by the Townhome Unit Owners, the successor shall be a Townhome Unit Owner. The notice of the meeting shall state that the purpose or one of the purposes of the meeting is removal of a director. A director whose removal by the members has been proposed shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than thirty (30) days may be removed by a majority vote of the remaining directors. This Section shall not apply to directors appointed by the 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; provided, however, to the extent practical, there shall be at least one Detached Lot Owner and one Townhome Unit Owner on the Board at all times. Each Person so selected shall serve the unexpired portion of the term.

3.8 Organization Meetings. The first meeting of a newly elected Board of Directors shall be held within ten (10) days after the election at such time and place as the directors may conveniently assemble.

3.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, provided that, after the right of Declarant to appoint the directors terminates, at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

3.10 Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President, Vice President or by any two (2) directors. The notice shall specify the date, 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 (including commercial delivery service) to such director's home or office; (b) written notice by first class mail, postage prepaid; (c) by telephone communication (including facsimile), either directly to the director or to the director's home or office; or (d) issued electronically in accordance with the Nonprofit Code, if the director has consented in writing to such method of delivery and has provided the Board with an address regarding the same. All such 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 with the U.S. Postal Service at least four (4) days before the date of the meeting. Notices given by personal delivery, electronic transmission or telephone shall be given at least two (2) days before the day of the meeting.

3.11 Waiver of Notice. The business transacted at 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 either in writing or by electronic transmission which is included in the minutes or filed with the official records of the Association. 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.

3.13 Compensation. No director shall receive any compensation from the Association for acting as such.

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 required or permitted to be taken at a meeting of the directors may be taken without a meeting if one or more consents, in writing or by electronic transmission, setting forth the action so taken, shall be signed by a majority of the directors and delivered to the Association for inclusion in the minutes for filing in the corporate records. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.17 Telephonic Participation. One or more directors may participate in and vote during any meeting of the Board by telephone conference call or any other means of communication by which all directors participating may simultaneously hear each other during the meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

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 by law, the Declaration, the Articles of Incorporation of the Association, or these Bylaws directed to be done and exercised by the members. 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 member to the common expenses;
- (b) making assessments to defray the common expenses and establishing the means and methods of collecting such 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 such personnel and for the purchase of equipment, supplies, and material to be used by such 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 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 and Architectural Guidelines adopted by it, and bringing any proceedings which may be instituted on behalf of or against the members concerning the Association, which enforcement power shall include, without limitation, the power to levy fines as provided herein and in the Declaration in such amounts as from time to time the Board may deem proper in the circumstances, counting each day a violation continues after notice from the Board as a separate violation;
- (i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (j) keeping books with detailed accounts of the receipts and expenditures of the Association and the actions thereof, and specifying the maintenance and repair expenses and any other expenses incurred; and
- (k) authorizing contracts on behalf of the Association.

3.19 Management Agent. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize.

Declarant, or an affiliate of Declarant, may be employed as managing agent or manager. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice.

3.20 Borrowing. The Board of Directors shall have the power to borrow money without the approval of the members of the Association; provided, however, except as otherwise provided in the Declaration, the Board shall obtain membership approval in the same manner as for special assessments, in the event that the total amount of such borrowing exceeds or would exceed ten percent (10%) of the annual budget of the Association.

3.21 Fining Procedure. A fine shall not be imposed (a late charge shall not constitute a fine) unless and until the following procedure is followed:

(a) Written notice shall be delivered to the member by first-class or certified mail sent to the address of the member shown on the Association's records, specifying:

- (1) the nature of the violation, the fine to be imposed and the date, not less than ten (10) days or, in the event of an unapproved sign, twenty-four (24) hours, from the date of the notice, that the fine will take effect;
- (2) that the violator may, within ten (10) days or, in the event of an unapproved sign, twenty four (24) hours, from the date of the notice, request a hearing in writing regarding the fine imposed;
- (3) the name, address and telephone number of a person to contact to challenge the fine;
- (4) that any statements, evidence, and witnesses may be produced by the violator at the hearing; and
- (5) that all rights to have the fine reconsidered are waived if a hearing is not requested within ten (10) days or, in the event of an unapproved sign, twenty-four (24) hours, of the date of the notice.

(b) If a hearing is requested within the requisite time provided above, 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. No fine shall be imposed prior to the date that is five (5) days or, in the event of an unapproved sign, twenty-four (24) hours, after the date of the hearing, as applicable.

(c) Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the violation recurs, the Board may, upon notice stating the nature of the violation and delivered to the member by first class or certified mail sent to the address of the member shown on the Association's records, impose a

fine.

Article 4 Officers

4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Any two (2) 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 provision shall not apply to officers appointed by the Declarant.

4.2 Election, Term of Office, and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association, the officers of the Association shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors following the election of directors. 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 Additional Officers and Agents. The Board of Directors may appoint such other officers, including vice presidents, assistant secretaries and assistant treasurers, and agents as it shall deem necessary. Such officers and agents shall hold their respective offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

4.4 Salaries. The officers shall receive no compensation.

4.5 Removal. Except for officers appointed by the Declarant, any officer may be removed, with or without cause, by the Board of Directors.

4.6 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and directors. The immediate supervision of the affairs of the Association shall be vested in the President. It shall be the President's duty to attend to the business of the Association and maintain strict supervision over all of its affairs and interests. The President shall keep the Board of Directors fully advised about the affairs and conditions of the Association, and shall manage and operate the business of the Association pursuant to and in accordance with such policies as may be prescribed from time to time by the Board of Directors.

4.7 Vice President. The Vice President(s), if any, shall act in the President's absence or disability and shall have all powers, duties, and responsibilities provided for the President when so acting, and shall perform such other duties as shall from time to time be imposed upon any Vice President by the Board or delegated to a Vice President by the President.

4.8 Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors; notify the members and directors of meetings as provided by these

Bylaws and Georgia law; have custody of the seal of the Association; affix such seal to any instrument requiring the same; attest the signature or certify the incumbency or signature of any officer of the Association; and perform such other duties as the President, or the Board of Directors may prescribe. The Secretary shall perform the duties of the Treasurer of the Association in the absence or disability of the Treasurer.

4.9 Treasurer. The Treasurer shall keep, or cause to be kept, the financial books and records of the Association, and shall faithfully account for the Association's funds, financial assets, and other assets entrusted to the Treasurer's care and custody. The Treasurer shall make such reports as may be necessary to keep the President and the Board of Directors informed at all times as to the financial condition of the Association, and shall perform such other duties as the President, or the Board of Directors may prescribe. The Treasurer shall maintain the money and other assets of the Association in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer may provide for the investment of the money and other assets of the Association consistent with the needs of the Association to disburse such money and assets in the course of the Association's business. The Treasurer shall perform the duties of the Secretary of the Association in the absence or disability of the Secretary.

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

Article 5 Committees

Advisory, standing and Ad Hoc committees to perform such tasks and to serve for such periods as may be designated by the Board or as provided in the Declaration are hereby authorized. Each such committee shall be composed and shall operate in accordance with the terms of the Declaration or resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors. An advisory, standing or Ad Hoc committee shall not be authorized to exercise any authority of the Board under the Articles of Incorporation, the Declaration, these Bylaws or the Nonprofit Code except as expressly provided therein.

Article 6 Miscellaneous

6.1 Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by resolution of the Board.

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 or these Bylaws.

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 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.

6.5 Amendment. These Bylaws may be amended by the Board of Directors, with the consent of the Declarant, if such amendment is necessary to: (a) bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) enable any title insurance company to issue title insurance coverage with respect to the Units subject to the Declaration; (c) enable an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make or purchase Mortgage loans on the Units subject to the Declaration; (d) enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Units subject to the Declaration; or (e) comply with the provisions of the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, *et seq.*

Declarant may unilaterally amend these Bylaws for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Owner to use and enjoy such Owner's Unit without the consent of the affected Owner nor shall it adversely affect the rights of the holder of any security interest granted by Declarant without the written consent of such holder.

In addition, these Bylaws may be amended upon the affirmative vote, written consent or any combination of affirmative vote and written consent of at least two-thirds (2/3) of the Total Association Vote and the consent of Declarant.

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