


Jay C. Stephenson
Clerk of Superior Court Cobb Cty. Ga.
A COURT MAY HAVE THE WORDS IN BOLD MAY HAVE THE WORDS IN BOLD MAY HAVE THE WORDS IN BOLD

After recording, please return to:
Kathy K. Dorough
Dorough & Dorough, LLC
One Decatur TownCenter, Suite 240
150 E. Ponce de Leon Avenue
Decatur, Georgia 30030

CROSS REFERENCE: Deed Book: 12295
Page: 452

**FIRST AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS
FOR PACES POINT**

THIS FIRST AMENDMENT (hereinafter referred to as "First Amendment") is made this 1st day of April, 2001 by **PACES POINT NEIGHBORHOOD ASSOCIATION, INC.**, a Georgia nonprofit corporation (hereinafter referred to as "Association") and **JOHN WIELAND HOMES AND NEIGHBORHOODS, INC.**, a Georgia corporation (hereinafter referred to as "Declarant").

WITNESSETH

WHEREAS, Declarant executed that certain Declaration of Protective Covenants for Paces Point, which was recorded on March 15, 1999 in Deed Book 12295, Page 452, *et seq.*, Cobb County, Georgia records (hereinafter as supplemented and/or amended from time to time, the "Declaration"); and

WHEREAS, the Association is a non-profit corporation organized under the Georgia Nonprofit Code to be the Association named in the Declaration to have the power and authority set forth therein; and

WHEREAS, the Association and the Owners and the Declarant desire to amend the Declaration as set forth herein to modify Article VII entitled, "Insurance and Casualty Loss" and intend for this First Amendment to be prospective only; and

WHEREAS, pursuant to Article XII, Section 4 of the Declaration the 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 (other than Units of Declarant so long as the consent of Declarant is required) and the consent of Declarant (so long as the Declarant owns any property

for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community);

NOW THEREFORE, the undersigned hereby adopt this First Amendment to the Declaration of Protective Covenants for Paces Point, hereby declaring that all the property now or hereafter subject to the Declaration shall be held, conveyed, encumbered, used, occupied and improved subject of the Declaration, amended as follows:

1.

The Declaration is hereby amended by deleting Article VII, entitled, "Insurance and Casualty Loss" in its entirety and replacing it with the following Article VII:

Article VII
Insurance and Casualty Losses

Section 1. Insurance on Common Property. 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, the U.S. Department of Housing and Urban Development, or other governmental agencies as applicable to the Community. Accordingly, the Board of Directors shall obtain casualty insurance for all insurable improvements, if any, located on the Common Property which the Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. 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 One Million (\$1,000,000.00) Dollars. Policies may contain a reasonable deductible as determined by the Board of Directors. In addition to the other insurance required by this Section, the Board of Directors shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors, officers, employees and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall at least equal three months' total assessments plus reserves on hand. Fidelity coverage shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation. All such insurance coverage shall be written in the name of the Association.

Section 2. Individual Insurance. 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

individual Units and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry all-risk casualty insurance on the Unit and all structures constructed thereon and a liability policy covering damage or injury occurring on a Unit. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an all-risk policy, if reasonably available and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The policies required hereunder shall be in effect at all times. Upon request by the Board of Directors, Owners shall provide evidence of such insurance coverage by submitting the declarations page of their current policy showing that it is in good standing. Should the Owner fail to provide evidence of such insurance coverage, the Association reserves the right to obtain such insurance on behalf of Owner and to specifically assess the cost of said insurance and any related costs associated therewith against the Owner in accordance with Article IV, Section 8 hereof.

Section 3. Damage and Destruction - Insured by Association.

Immediately after damage or destruction by fire or other casualty to any portion of any 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 necessitated by changes in applicable building codes. Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within 60 days after the casualty, a proposal not to repair or reconstruct such property is approved by at least 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 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 Owner of each Unit. Additional assessments may be made in like manner, as necessary, 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 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,

the property shall thereafter be maintained by the Association in a neat and attractive condition.

Section 4. Damage and Destruction - Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Unit shall be repaired by the Owner thereof within 75 days after such damage or destruction or, where repairs cannot be completed within 75 days, they shall be commenced within such period and shall be completed within a reasonable time thereafter.

2.

The Declaration is hereby further amended by adding at the end of Article V, Section 1 entitled, "Association's Responsibility" a new paragraph to read as follows:

"The Association shall be indemnified for any expenses incurred in connection with repair to any Area of Common Responsibility resulting from an insurable loss covered under the Owner's individual insurance policy."

3.

Unless otherwise defined herein, the words used in this First Amendment shall have the same meaning as set forth in the Declaration.

4.

This First Amendment shall be effective only upon being recorded in the records of the Clerk of Superior Court of Cobb County, Georgia and shall be enforceable against current Owners of a Unit subject to the Declaration.

5.

Except as herein modified, the Declaration shall remain in full force and effect.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Association and Declarant have caused this First Amendment to be executed under seal the day and year first above written.

ASSOCIATION: PACES POINT NEIGHBORHOOD ASSOCIATION, INC., a Georgia corporation

By: [Signature]
Bob Anastasio, President

Attest: [Signature]
Name: Antoinette C. Tansley
Title: Director

Signed, sealed and delivered in the presence of

[AFFIX CORPORATE SEAL]

[Signature]
Witness

[Signature]
Notary Public

[AFFIX NOTARY SEAL]



[SIGNATURES CONTINUE ON NEXT PAGE]



DECLARANT: **JOHN WIELAND HOMES AND NEIGHBORHOODS, INC.**, a Georgia corporation

By: *Dan Fields*
Dan Fields, Assistant Secretary
Vice President
[AFFIX CORPORATE SEAL]

Signed, sealed and delivered in the presence of

Will Peruse
Witness

Jonathan F. Young
Notary Public

[AFFIX NOTARY SEAL]




Jay C. Stephenson

Jay C. Stephenson
Clerk of Superior Court Cobb Cty. Ga.

EXHIBIT "A"

Sworn Statement Of President Of
Paces Point Neighborhood Association, Inc.

STATE OF GEORGIA

COUNTY OF COBB

Re: Paces Point

Personally appeared before me, the undersigned deponent who, being duly sworn, deposed and said on oath that:

1. Deponent is the President of Paces Point Neighborhood Association, Inc.
2. Deponent is duly qualified and authorized to make this Affidavit and knows the facts contained herein of his own personal knowledge.
3. The foregoing First Amendment to Declaration of Protective Covenants for Paces Point, was approved by the required vote of Owners of at least of two-thirds (2/3) of the Units as provided by law and the Declaration.
4. Deponent makes this Affidavit pursuant to Official Code of Georgia Annotated Section 44-2-20.

This the 5th day of MARCH, 2001.

Bob Anastasio
Bob Anastasio, President

Signed, sealed and delivered
in the presence of

Sybil D Walker
Notary Public

[AFFIX NOTARY SEAL]

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