

TMP MASTER

BK 35833 PG 0166

**MASTER DECLARATION OF PROTECTIVE COVENANTS,  
CONDITIONS, RESTRICTIONS AND EASEMENTS**

**FOR**

**TOWNE PARK PLACE**

THIS MASTER DECLARATION is made on the date set forth below by Dan Woodley Communities, Inc., a Georgia corporation ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article II, Section 1 of this Master Declaration;

WHEREAS, Declarant desires to subject the real property described in Article II, Section 1 to the provisions of this Master Declaration to provide for a general plan for the subdivision, development and improvement of Towne Park Place in an orderly manner with appropriate architectural, landscaping, construction, development and maintenance controls to maintain the value, aesthetic appearance and architectural harmony of Towne Park Place during and after development; and to provide for the subjecting of other real property to the provisions of this Master Declaration.

NOW, THEREFORE, Declarant hereby declares that the real property described in Article II, Section 1 is hereby subjected to the provisions of this Master Declaration and shall be held, sold, transferred, conveyed, used, occupied and encumbered subject to the covenants, conditions, restrictions and easements, hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to the real property hereby 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 heirs, legal representatives, successors-in-title and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

**THIS MASTER DECLARATION DOES NOT AND IS NOT INTENDED TO CREATE A CONDOMINIUM REGIME SUBJECT TO THE GEORGIA CONDOMINIUM ACT, O.C.G.A. SECTION 44-3-70, ET SEQ.**

**THIS MASTER DECLARATION DOES NOT AND IS NOT INTENDED TO SUBMIT THE PROPERTY TO THE TERMS OF THE GEORGIA PROPERTY OWNERS' ASSOCIATION ACT, O.C.G.A. SECTION 44-3-220, ET SEQ.**

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**EXHIBITS**

DEFINITIONS..... "A"

LEGAL DESCRIPTION OF SUBMITTED PROPERTY..... "B"

LEGAL DESCRIPTION OF ADDITIONAL PROPERTY THAT MAY UNILATERALLY  
BE SUBMITTED BY DECLARANT..... "C"

LEGAL DESCRIPTION OF PARCELS..... "D"

BYLAWS OF TOWNE PARK PLACE MASTER ASSOCIATION, INC..... "E"

**Article I**  
**Definitions**

Unless the context shall prohibit, certain words used in this Master Declaration shall be defined as set forth in Exhibit "A", attached and made a part of this Master Declaration.

**Article II**  
**Property Subject To This Master Declaration**

Section 1. Property Hereby Subjected to This Master Declaration. The real property described in Exhibit "B" attached hereto and by reference made a part hereof is, by the recording of this Master Declaration, subject to the covenants and restrictions hereinafter set forth and any and all easements, restrictions and/or requirements as set forth on the Survey and, by virtue of the recording of this Master Declaration, shall be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to this Master Declaration.

Section 2. Other Property. Only the real property described in Section 1 of this Article II is hereby made subject to this Master Declaration. However, as provided on Article XI, by one (1) or more Supplementary Declarations, the Declarant of the Master Association has the right, but not the obligation, to subject other real property to this Master Declaration, as hereinafter provided.

**Article III**  
**Parcels and Exclusive Common Property**

Section 1. Creation of Parcels. The Declarant, in its sole discretion, may establish Parcels within the Development. Exhibit "B" to this Master Declaration and any amendment which submits additional property to this Master Declaration may assign the property described therein or property already submitted to this Master Declaration to a specific Parcel by name, which Parcel may be then existing or newly created. If Parcels are shown on the Survey, all Units located within a particular Parcel shall be deemed a part of such Parcel. The Units within a particular Parcel may be subject to additional covenants and/or the Owners within the Parcel may be mandatory members of a Parcel Association in addition to the Master Association. However, a Parcel Association shall not be required except as required by law. Any Parcel, which does not have a Parcel Association, shall have a Parcel Committee, as described in Article V, Section 2 of the Bylaws, to represent the interests of Owners of Units in such Parcel. Notwithstanding anything to the contrary stated herein, the Declarant may unilaterally amend this Master Declaration or any amendment to the Master Declaration, which submits additional property to this Master Declaration from time to time to establish or to redesignate Parcel boundaries.

Section 2. Powers of the Master Association Relating to Parcels. The Master Association shall have the power to veto any action taken or contemplated to be taken by any Parcel, which the Board reasonably determines to be adverse to the interests of the Master Association or its members or inconsistent with the Development-Wide Standard. The Master Association also shall have the power to require specific action to be taken by any Parcel in connection with its obligations and responsibilities hereunder or under any other covenants affecting the Development. Without limiting the generality of the foregoing, the Master Association may (a) require specific maintenance or repairs or aesthetic changes to be effectuated by the Parcel; and (b) require that a proposed Parcel budget include certain items and that expenditures be made therefore.

Any action required by the Master Association in a written notice pursuant to the foregoing paragraph to be taken by a Parcel shall be taken within the reasonable time frame set by the Master Association in such written notice. If the Parcel fails to comply with the requirements set forth in such

written notice, the Master Association shall have the right to effect such action on behalf of the Parcel. To cover the Master Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the requirements of the Master Association, the Master Association shall assess the Units in such Parcel for their pro-rata share of any expenses incurred by the Master Association in taking such action in the manner provided in Article V, Section 6. Such assessments may be collected as a specific assessment hereunder and shall be subject to all lien rights provided for herein.

Section 3. Exclusive Common Property. Certain portions of the Common Property may be designated as Exclusive Common Property and reserved for the exclusive use or primary benefit of Owners and Occupants of Units within a particular Parcel or Parcels. By way of illustration and not limitation, Exclusive Common Property may include courtyards, landscaped medians and cul-de-sacs, park areas, alleys and other portion of the Common Property within a particular Parcel or Parcels. All costs associated with maintenance, repair, replacement, and insurance of Exclusive Common Property shall be assessed as a Parcel Assessment against the Owners of Units in those Parcels to which the Exclusive Common Property is assigned.

Initially, any Exclusive Common Property shall be designated as such and the exclusive use thereof shall be assigned in the deed by which the Declarant conveys the Common Property to the Master Association or on the plat of survey relating to such Common Property; provided, however, any such assignment shall not preclude the Declarant from later assigning use of the same Exclusive Common Property to additional Units and/or Parcels, so long as the Declarant has a right unilaterally to subject additional property to this Master Declaration. Thereafter, a portion of the Common Property may be assigned as Exclusive Common Property of a particular Parcel or Parcels and Exclusive Common Property may be reassigned only upon the vote of members holding a majority of the Total Association Vote, including a majority of the votes within the Parcel(s) to which the Exclusive Common Property is assigned, if applicable, and within the Parcel(s) to which the Exclusive Common Property is to be assigned. As long as the Declarant owns any property described on Exhibit "B" or Exhibit "C" for development and/or sale, any such assignment or reassignment shall also require the consent of the Declarant.

#### Article IV

##### Master Association Membership and Voting Rights

Section 1. Membership. Every Person who is the record owner of a fee interest in any Unit that is subject to this Master Declaration shall automatically be a member of the Master Association upon taking title to a Unit and shall remain a member for the entire period of ownership. Membership shall not include Persons who hold a security interest only and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Unit. In the event of multiple Owners of a Unit, votes and rights of use and enjoyment shall be as provided in this Master Declaration and in the Bylaws. Membership shall go along with and may not be separated from ownership of any Unit. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor more than one (1) office held for each Unit owned.

Section 2. Voting. Members shall be entitled to one (1) vote for each Unit owned. When more than one (1) Person holds an ownership interest in any Unit, the vote for such Unit shall be cast as those Owners decide and instruct the Secretary prior to any meeting. If the Secretary is not instructed, the Unit's vote shall be suspended in the event more than one (1) Owner of a Unit attempts to cast it.

Article V  
Assessments

Section 1. Purpose of Assessment. 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 and Occupants of Units, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Unit, by acceptance of a deed to the Unit, whether or not stated in the deed, covenants and agrees to pay to the Master Association: (a) Annual Assessments to fund Common Expenses for the general benefit of all Units; (b) Parcel Assessments to fund Parcel Expenses benefiting only Units within a particular Parcel or Parcels; (c) special assessments, such assessments to be established and collected as hereinafter provided; and (d) specific assessments against any particular Unit which are established pursuant to the terms of this Master Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Master Declaration. All such assessments, together with late charges, interest (not to exceed the maximum rate permitted by law per annum on the principal amount due), costs, including, without limitation, reasonable attorney's fees actually incurred, shall be (a) a charge on the land and a continuing lien upon the Unit against which each assessment is made from the time the sums become due and payable; and (b) the personal obligation of every Person who is an Owner of the Unit at the time the assessment becomes due. The grantee of each Owner shall be jointly and severally liable for the portion of an assessment as is due and payable at the time of transfer of the Unit. However, the liability of a grantee for the unpaid assessments of an Owner shall not apply to any first Mortgage holder taking title through foreclosure proceedings or by deed in lieu of foreclosure; provided, however, any first mortgage holder who takes title through foreclosure proceedings or by deed in lieu of foreclosure shall be liable for all assessments due after the date of foreclosure.

The Master Association shall, within five (5) days after receiving a written request and for a reasonable charge, furnish a certificate signed by an officer or agent of the Master Association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Master Association certifying the status of assessments on a Unit shall be binding upon the Master Association as of the date of issuance.

Unless otherwise specified herein, Annual Assessments shall be levied equally on all Units and shall be paid in such manner and on such dates as are fixed by the Board of Directors. Upon ten (10) days written notice, the Board may accelerate the Annual Assessment for delinquent Owners. Unless the Board provides otherwise by resolution, Annual Assessments shall be paid in monthly installments.

Section 3. Computation of Annual Assessment. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated common expenses of the Master Association during the coming fiscal year. The budget may include a capital contribution establishing a reserve fund in accordance with a budget separately prepared.

The Annual Assessment to be levied against each Unit for the coming year shall be set at a level which is reasonably expected to produce total revenue to the Master Association equal to the total budgeted common expenses, including reserves. In determining the level of Annual Assessments, the Board, in its discretion, may consider other sources of funds available to the Master Association. In addition, the Board shall take into account the number of Units subject to assessment on the first day of the fiscal year for which the budget is prepared and the number of Units reasonably anticipated to become subject to assessment during the fiscal year.



So long as the Declarant has the right unilaterally to annex additional property pursuant to Article XI hereof, on an annual basis, the Declarant may elect, but shall not be obligated, to reduce the Annual Assessment for any fiscal year by payment of a subsidy. However, any Declarant subsidy shall be conspicuously disclosed as a line item in the income portion of the common expense budget. If the Declarant elects to pay a subsidy the amount of the subsidy shown on the budget shall be an estimate only, and the Declarant shall be obligated to fund such subsidy only to the extent of any operating deficit, if any, between the actual operating expenses of the Master Association and the sum of Annual Assessments, special assessments, Parcel Assessments and specific assessments collected by the Master Association in any assessment year. The payment of a subsidy in one (1) year shall under no circumstances obligate the Declarant to continue payment of a subsidy in future years; provided, however, the Declarant shall be responsible for assessments to the extent required by Section 9 of this Article. The Declarant, in its sole discretion, may choose to characterize all such subsidized amounts expended to offset any actual operating deficit of the Master Association as loans to the Master Association, which, at the Declarant's request shall be evidenced by a promissory note(s) from the Master Association to Declarant. Such promissory note(s), if any, shall be due and payable upon demand, with interest at the rate of ten percent (10.0%) per annum after demand, unless otherwise negotiated and agreed to by the Master Association and the Declarant.

The Board shall deliver or mail a copy of the common expense budget and notice of the amount of the Annual Assessment for each Unit to the Owners thereof at least thirty (30) days prior to the beginning of the fiscal year. The budget and assessment shall become effective unless disapproved at the annual meeting by a majority of the Total Association Vote and the Declarant (so long as the Declarant has an option unilaterally to subject additional property to this Master Declaration as provided in Article XI); provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at this meeting.

Notwithstanding the above, in the event the proposed budget is disapproved or the Board fails to prepare and distribute the budget for any year, then until such a budget is prepared and distributed, the budget in effect for the immediately preceding year shall continue for the current year. In such case, the Board of Directors may propose a new budget at any time during the year at a special meeting of the Master Association. The proposed budget and assessment shall be delivered to the members at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings. Enforcement under this Section is not dependent upon or related to other restrictions and/or other actions.

**Section 4. Computation of Parcel Assessments.** It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a separate budget covering the estimated Parcel Expenses to be incurred by the Master Association for each Parcel on whose behalf Parcel Expenses are expected to be incurred during the coming fiscal year. The Board shall be entitled to set such budget to the extent that this Master Declaration, any Supplementary Declaration, or the Bylaws specifically authorize the Board to assess certain costs as a Parcel Assessment. Notwithstanding the above, under no circumstances shall the Board of Directors impose a Parcel Assessment for any fees related to the maintenance, repair or operation of the walking trails or any other recreational amenity that may be added to the Development for the use and enjoyment of all Owners in the Development.

The budget may include a capital contribution establishing a reserve fund for repair and replacement of capital items within the Parcel, as appropriate. Parcel Expenses shall be allocated equally among all Units within the Parcel, and levied as a Parcel Assessment, except that any portion of the assessment intended for exterior maintenance of structures, insurance on structures, or replacement reserves which pertain to particular structures shall be levied on each of the benefited Units in proportion to the benefit received, if so directed by the Parcel in writing to the Board of Directors.

The Board shall cause a copy of such budget and notice of the amount of the Parcel Assessment to be levied on each Unit in the Parcel for the coming year to be delivered to the Owners of each Unit in the Development at least thirty (30) days prior to the beginning of the fiscal year. Such budget and Parcel Assessment shall become effective unless disapproved at the annual meeting by a majority of the Owners of Units in the Parcel to which the Parcel Assessment applies; provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at this meeting.

In the event the proposed budget for any Parcel is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget shall have been determined, the budget in effect for the immediately preceding year shall continue for the current year. In such case, the Board of Directors may propose a new budget at any time during the year at a special meeting of the Master Association. The proposed budget and assessment shall be delivered to the members at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings. Enforcement under this Section is not dependent upon or related to other restrictions and/or other actions.

Section 5. Special Assessments. In addition to the other assessments authorized herein, the Master Association may levy special assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special assessments may be levied against the entire membership, if the special assessment is for Common Expenses, or against the Units within a particular Parcel, if the special assessment is for Parcel Expenses. Special assessments must be approved by the affirmative vote, written consent or any combination thereof, of Owners holding a majority of the votes allocated to properties which will be subject to the special assessment and the Declarant (so long as the Declarant has an option unilaterally to subject additional property to this Master Declaration as provided in Article XI). Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Section 6. Specific Assessments. The Board shall have the power to specifically assess specific Units pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Master Association or the Board of Directors 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. Fines levied pursuant to Article XIV, Section 1, costs and expenses of self-help pursuant to Article XIV, Section 2 and the costs of maintenance performed by the Master Association, which the Owner is responsible for under Article VIII, Sections 1 and 2 shall be specific assessments. The Board may also specifically assess Units for the following Master Association expenses, except for expenses incurred for maintenance and repair of items, which are the maintenance responsibility of the Master Association:

- (a) Expenses of the Master 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 Master Association which benefit all Units, but which do not provide an equal benefit to all Units, may be assessed equitably among all Units according to the benefit received.

The Master Association may also levy specific assessments against any Unit or Parcel to reimburse the Master Association for costs incurred in bringing the Unit or Parcel into compliance with the

provisions of this Master Declaration, any other applicable covenants, the Articles, the Bylaws, and the rules and regulations of the Master Association. Such specific assessments may be levied upon the vote of the Board after notice to the Owner or Parcel, as applicable, and an opportunity for a hearing in accordance with Article XIV, Section 1 hereof.

Section 7. Lien for Assessments. All assessments levied against any Unit, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall be secured by a lien on the Unit in favor of the Master Association from the time the sums become due and payable. The Master Association shall have the right, but not the obligation to evidence the existence of the lien by filing a notice of lien in the Gwinnett County, Georgia records. The lien shall be superior to all other liens and encumbrances on the Unit, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on a first Mortgage or on any Mortgage to Declarant duly recorded in the Gwinnett County, Georgia, records and all amounts advanced under the terms of and secured by the Mortgage.

All Persons acquiring liens or encumbrances on any Unit after this Master Declaration has been recorded, other than as provided above, shall be deemed to consent that their liens or encumbrances shall be inferior to future liens for assessments, whether or not prior consent is specifically set forth in the instruments creating their liens or encumbrances.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Master Association. Any assessments or installments of assessment, which are not paid when due, shall be delinquent. Any assessment or installment delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board may from time to time determine, which shall not exceed fifteen percent (15%) of the assessment payment. The Master Association shall cause a notice of delinquency to be given to any Owner who has not paid within ten (10) days following the due date. If the assessment is not paid when due, a lien shall attach and, in addition, the lien shall include the late charge, interest at a rate not to exceed the highest rate allowed under Georgia law, and all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. The existence of the lien may, but is not required to be, evidenced by the filing of a notice of lien in the Gwinnett County, Georgia records. In the event that the assessment remains unpaid after sixty (60) days, the Master Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Master Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the lien. The lien provided for in this Article shall be in favor of the Master Association and shall be for the benefit of all other Owners. The Master Association, acting on behalf of the Owners, shall have the power to bid on the Unit at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the Unit.

No Owner may waive or otherwise exempt himself or herself from liability for assessments, by abandoning the Unit or in any other manner. The obligation to pay assessments is a separate and independent covenant on the part of each Owner and no reduction of any assessment shall be claimed or allowed by reason of (a) any alleged failure of the Master Association to take some action or perform some function required to be taken or performed by the Master Association under this Master Declaration or the Bylaws, (b) for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Master Association, or (c) from any action taken by the Master Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

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

Section 9. Date of Commencement of Assessments.

(a) The Annual Assessments shall commence as to each Unit on the day on which such Unit is conveyed to a Person other than the Declarant or an Approved Builder. Neither the Declarant or an Approved Builder who purchases a Unit for the purpose of construction and resale of the Unit shall be responsible for the payment of any type of assessment; provided, however, assessments shall commence on Units containing occupied residences or commercial space that are owned by Declarant or an Approved Builder on the first day of the month following the occupancy of the Unit. The first Annual Assessment and Parcel Assessment, if any, shall be adjusted according to the number of months then remaining in that fiscal year. Subsequent assessments shall be due and payable on the first business day of the Master Association's fiscal year, unless provided otherwise by the Board of Directors.

(b) Any Unit that 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 Master Declaration whether owned by Declarant or any other Person, so long as such Unit is approved for use as a model home and is not occupied for residential purposes.

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

Section 10. Coordination with Parcel Associations. The Board of Directors may require any Parcel Association to collect the Annual Assessments, Parcel Assessments, Special Assessments and Specific Assessments due from the Members of the Parcel Association and to pay all such assessments collected to the Master Association prior to the due date thereof. Unless otherwise directed by the Board of Directors, each Parcel Association shall include the Annual Assessment and Parcel Assessment of the Master Association as a separate line item in the annual budget of the Parcel Association. The Master Association shall provide to each Parcel Association a copy of the budget and assessment to be levied against each Unit in such a Parcel at least thirty (30) days prior to the proposed effective date thereof.

To the extent that Specific Assessments for items related to the Parcel Associations (as provided in Section 4 of this Article) are levied, the Master Association shall advise the appropriate Parcel Association in writing of the due date for said assessment and the Parcel Association shall collect the assessment as provided for herein. To the extent that assessments are levied against a Unit Owner or Occupant, the Master Association assigns assessment collection responsibility to the Parcel Association, if any, including full and complete lien rights and any other rights set forth in this Master Declaration.

Section 11. Capitalization of the Master Association. Upon acquisition of record title to a Unit by the first Owner thereof other than Declarant or an Approved Builder, a contribution shall be made by or on behalf of the Owner to the working capital of the Master Association in an amount equal to Seven Hundred

and Fifty and No/100 Dollars (\$750.00) or such other amount determined by resolution of the Board; provided, however, such amount shall not be changed without the consent of the Declarant so long as the Declarant owns any property in the Development. This amount shall be in addition to, not in lieu of, the Annual Assessment and shall not be considered an advance payment of such assessment. This amount shall be collected and disbursed to the Master Association at closing of the purchase and sale of the Unit for use in covering operating expenses and other expenses incurred by the Master Association pursuant to this Master Declaration and the Bylaws.

Section 12. Budget Deficits During the Declarant Control Period. During the Declarant Control Period, Declarant may: (a) advance funds to the Master Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Master Association (but specifically not including an allocation for capital reserves) and the sum of the Annual, Special and Specific Assessments collected by the Master Association in any fiscal year, and such advances shall be evidenced by promissory notes from the Master Association in favor of Declarant; or (b) cause the Master Association to borrow such amount from a commercial lending institution at the then-prevailing rates for such a loan in the local area of the Development. Declarant in its sole discretion may guarantee repayment of such loan, if required by the lending institution, but no Mortgage secured by the Common Property or any of the improvements maintained by the Master Association shall be given in connection with such loan. In no event shall the absence of a capital reserve account and/or required capital reserve contribution constitute a breach of duty on the part of the Master Association or its directors and officers.

#### Article VI Architectural Standards

Section 1. Purpose. The primary purpose of the procedures set forth herein is to protect and preserve property values in the Development by maintaining architectural and aesthetic harmony and compatibility among the Units and the structures on the Units in the Development. The architectural controls and standards may be designed and applied to reflect that Units within the Development are of varying sizes, topographies and locations, and that improvements and modifications suitable for one Unit may be inappropriate for another Unit. Therefore, the Board is authorized to apply or adopt different standards for different Units to reflect the varying sizes and layouts of Units within the Development, provided such is consistent with the Development-Wide Standard.

Section 2. Architectural Control Committee. During the Declarant Control Period, the Declarant shall have the right to appoint all members of the Master Association's Architectural Control Committee (the "ACC"). There shall be no surrender of the Declarant's right to appoint members of the ACC prior to that time except in a written instrument in recordable form executed by Declarant. After the Declarant's right to appoint members of the ACC has expired, the Board of Directors shall appoint the members of the ACC or may adopt a resolution making the Board the ACC.

The Board may employ for the ACC architects, engineers, or other Persons necessary to enable the ACC to perform its review. The ACC may, from time to time, delegate any of its rights or responsibilities hereunder to one (1) or more duly licensed architects or other qualified Persons, who shall have full authority to act on behalf of the ACC for all matters delegated.

Section 3. Guidelines and Procedures. The Declarant shall prepare the initial design and development guidelines and application and review procedures (the "Design Guidelines"), which shall be applicable to all construction activities within the Development. The Design Guidelines may contain general provisions applicable to all of the Development, as well as specific provisions which vary from one (1) portion of the Development to another depending upon the location, unique characteristics, and intended use.

The ACC shall adopt such Design Guidelines at its initial organizational meeting and thereafter shall have sole and full authority to amend them from time to time, without the consent of the Owners. The ACC shall make the Design Guidelines available to Owners, Approved Builders, and such other parties who seek to engage in development of or construction upon all of any portion of the Development, and all such Persons shall conduct their activities in strict accordance with such Design Guidelines. In the discretion of the Declarant, such Design Guidelines may be recorded in the Gwinnett County, Georgia records, in which event the recorded version, as it may unilaterally be amended from time to time by the ACC by recordation of amendments thereto, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

Any amendments to the Design Guidelines adopted from time to time by the ACC in accordance with this Section shall apply to construction and modifications approved after the date of such amendment only, and shall not apply to plans or specifications previously approved or require modifications to or removal of structures previously approved by the ACC.

Section 4. Applications. Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ACC may reasonably require. The ACC shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction, which is not in conformance with approved plans. In the event that the ACC fails to approve or to disapprove any application within forty-five (45) days after submission of all information and materials reasonably requested, the application shall be deemed approved. However no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted by the ACC pursuant to Section 13 of this Article.

Section 5. Fees and Charges. The ACC, in exercise of its architectural review and approval powers hereunder, may seek assistance from one or more independent architects, engineers, inspectors, attorneys and/or other professionals, and the costs thereof may be assessed as an architectural review fee against the Owner requesting ACC approval of plans and specifications.

Section 6. Appeal. After the expiration of the Declarant Control Period, an Owner shall have the right to appeal the ACC's decision to the Board of Directors unless the Board has adopted a resolution making the Board the ACC. The Board shall rule on the appeal within forty-five (45) days of receiving written notice requesting an appeal from the Owner. In ruling on the appeal, the Board shall consider all relevant materials presented to it by either the Owner or the ACC. The Board of Directors shall have the final authority to override a decision by the ACC. If the Board does not receive written notice by certified mail requesting an appeal within fourteen (14) days from the date of the ACC's notice to the Owner of its decision, the decision of the ACC shall become final and all rights of appeal shall terminate and thereafter be void.

Section 7. Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration, unless otherwise agreed to by the ACC. It is the responsibility of every Owner of a Unit to determine for him or herself what architectural modifications have been made to his or her Unit by any predecessor-in-interest. In the discretion of the ACC, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

Section 8. Encroachments onto Common Property. The ACC subject to this Article VI may allow encroachments onto the Common Property, as it deems acceptable.

Section 9. Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and neither the Declarant, the Board of Directors or the ACC shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Master Association, the Board of Directors, the ACC, or member of any of the foregoing shall be held liable for any injury, damage or loss arising out of the manner or quality of approved construction or modifications to any Unit.

Section 10. No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and ACC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the ACC may adopt different architectural standards and Design Guidelines for different Parcels and for different parts of the same Parcel, based on visibility and location of the proposed modification in the Development. The approval of either the Board of Directors or the ACC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors, or the ACC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 11. Enforcement. Any construction, alteration, or other work done in violation of this Article shall be deemed to be nonconforming and shall authorize the Board or the ACC to enjoin such violation and to recover damages therefrom, including attorney's fees incurred in enforcing the Master Declaration, in addition to such other remedies as provided herein. Upon written request from the Board or the ACC, the Owner shall, at its own cost and expense, remove such construction, alteration, or other work and shall restore the Unit to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or the ACC or their designees shall have the right, in addition to the other rights set forth in this Master Declaration, to enter the Unit, remove the violation, and restore the Unit to substantially the same condition as existed prior to the construction, alteration, or other work. All costs thereof, including reasonable attorney's fees, may be assessed against such Unit and collected as an assessment pursuant to this Master Declaration. Additionally, all costs incurred by the Master Association in compelling any Owner to make required repairs or remove debris hereunder, or costs incurred by the Master Association in performing such work if the Owner as appropriate, fails to do so, including attorney fees actually incurred, shall be an assessment against such Owner and Unit.

If any Owner or Occupant makes any exterior change, alteration, or construction (including landscaping) in violation of this Article, he, she or it does so at his, her or its sole risk and expense. The Board may require that the change, alteration, or construction remain without reimbursement to the Owner or Occupant for any expense he, she or it may have incurred in making the change, alteration, or construction, or, the Board may remove such construction at any time without notice to such Owner or Occupant.

Section 12. Commencement of Construction. All changes, modifications and improvements approved by the ACC hereunder must be commenced within six (6) months from the date of approval. If approved construction is not commenced within such time period, then such approval shall be deemed revoked by the ACC, unless the ACC gives a written extension for commencing the work. All work approved by the ACC hereunder shall be completed in its entirety within ninety (90) days from the date of commencement, unless otherwise agreed to by the ACC. All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or improvement.

Section 13. Variances.

(a) The ACC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing, (ii) be contrary to the restrictions set forth in the body of this Master Declaration, or (iii) prevent the ACC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

(b) The architectural standards and Design Guidelines and their enforcement may vary from time to time. These variances shall not constitute a waiver by the ACC or the Board of the right to adopt and enforce architectural standards and Design Guidelines under this Article. No decision by the ACC or Board shall constitute a binding precedent with respect to subsequent decisions of the ACC or Board. However, nothing in this Article shall permit the ACC or the Board to enforce retroactively its architectural standards or Design Guidelines against an Owner whose architectural change has been approved under the architectural standards of a previous ACC or Board.

**Article VII**  
**Use Restrictions and Rules**

Section 1. General. This Article, beginning at Section 2, sets out certain use restrictions, which must be complied with by all Owners and Occupants in the Development. These use restrictions may only be amended in the manner provided in Article XIV, Section 5, regarding amendment of this Master Declaration. In addition, the Board may, from time to time, without consent of the Owners, adopt, modify, or delete rules and regulations applicable to the Development. This authority shall include, but shall not be limited to, the right to: (a) regulate the use and enjoyment of the recreational amenities located on the Common Property; and (b) limit the type and size and to set the maximum and minimum speeds of vehicles within the Development. The Board shall also have the authority to impose all other necessary traffic and parking regulations and to restrict the maximum noise levels of vehicles in the Development. These rules shall be distributed to all Owners prior to the date that they are to become effective and after distribution shall be binding upon all Owners and Occupants in the Development until and unless overruled, canceled, or modified in a regular or special meeting by a majority of the Total Association Vote and the consent of Declarant (so long as the Declarant has an option unilaterally to subject additional property to this Master Declaration as provided in Article XI). Notwithstanding the above, until such time as one hundred percent (100%) of the Development has been developed and conveyed to purchasers in the normal course of development and sale, and Declarant no longer has the right to unilaterally annex additional property to the Development as provided in Article XI hereof, no rules and regulations, which affect the Declarant, may be adopted, modified, or deleted without the written consent of Declarant. In the event of conflict or inconsistency between use restrictions in this Master Declaration and any use restrictions in any Supplementary Declaration, the stricter provision shall control.

Section 2. Use of Property. The Declarant shall have the sole and exclusive authority to designate the intended use of the property located in the Development as "residential," "commercial," or "mixed-use". After termination of the rights of Declarant hereunder, the Board of Directors shall have such authority; provided, however, the Board of Directors shall not change the designated use of a Unit without the written consent of the Owner of such Unit. All use designations shall be contained in this Master Declaration, in one (1) or more Supplementary Declarations.



(a) Residential Use. All Units located within a Parcel designated by Declarant as "residential" ("Residential Unit") shall be used for residential purposes exclusively, and no trade or business of any kind may be conducted in or from a Residential Unit or any part of the Development, except that the Owner or Occupant residing in a Residential Unit may conduct ancillary business activities within the Residential Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the Residential Unit; (ii) the business activity does not involve visitation of the Residential Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a Residential Unit without business activity; (iii) the business activity is legal and conforms to all zoning requirements for the Development; (iv) the business activity does not increase traffic in the Development in excess of what would normally be expected for Residential Units in the Development without business activity (other than by deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services); (v) the business activity does not increase the insurance premium paid by the Master Association or otherwise negatively affect the Master Association's ability to obtain insurance coverage; (vi) the business activity is consistent with the residential character of the Development and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Development, as determined in the Board's discretion; and (vii) the business activity does not result in a materially greater use of the Common Property or Master Association services. Notwithstanding anything to the contrary stated herein, leasing of a Residential Unit for residential occupancy shall not be considered a business or business activity.

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: (A) such activity is engaged in full or part-time; (B) such activity is intended to or does generate a profit; or (C) a license is required therefore.

(b) Commercial Use. All Units located within a Parcel designated by Declarant as "commercial" ("Commercial Unit") shall be used only for such commercial or business purposes permitted by applicable zoning ordinance and use restrictions, provided that such commercial or business activity does not constitute a nuisance or hazardous or offensive use, or threaten the security or safety of other Owners and Occupants of the Development, as may be determined in the reasonable discretion of the Board of Directors.

(i) Permitted Uses. Notwithstanding anything to the contrary stated herein, Commercial Units may be owned and operated for commercial or business uses (and the Master Association and the Owners of the Residential Units and the Mixed-Use Units shall have no right to object to such commercial or business uses), including, without limitation, the use of property for: (A) governmental, professional or business office(s); (B) commercial condominium(s); (C) café, coffee shop, delicatessen, bakery or restaurant; (D) retail and wholesale sales; (E) wholesale distribution; (F) bank and financial institution; (G) research and development purposes; and (H) medical purposes.

The Board of Directors may permit, at its sole discretion, any additional commercial uses that are consistent with the overall scheme of the Development and may adopt from time to time rules and regulations pertaining to permitted commercial uses; provided, however, the Board of Directors shall not restrict any pre-existing permissible commercial uses. Except as otherwise specifically provided for herein, no Owner, Occupant, tenant, visitor, guest or invitee of a Commercial Unit shall have access, ingress, or egress to or through any portion of the Development except said such Commercial Unit.

(ii) Prohibited Uses. In addition to commercial uses that are inconsistent with the zoning for the Development or otherwise prohibited pursuant to this Master Declaration, the following uses and activities are prohibited within the Development: (A) trailer courts, mobile home parks and recreation vehicle campgrounds; (B) oil drilling, water drilling, oil refining, quarrying or mining operations and all construction incident thereto; (C) junk yards and recycling facilities; (D) commercial excavation of building or construction materials, except in the usual course of construction of improvements; (E) dumping, disposal, incineration or reduction of garbage, sewage, offal, dead animals or refuse; (F) fat rendering; (G) stockyard or slaughter of animals; (H) refining of petroleum or of its products; (I) smelting of iron, tin, zinc or other ores; (J) cemeteries; (K) labor camps and migrant worker camps; (L) jails or honor farms; (M) munitions or explosives and related manufacturing or storage; (N) automobile, truck or recreational vehicle dealerships; (O) drive through or franchise fast food restaurants; (P) pawn shops; (Q) adult book or gift stores which cater to prurient interests; (R) outside sales; (S) billiard parlors; (T) tattoo or body piercing shops; (U) dry cleaning plants; (V) liquor stores; (W) convenience food stores; (X) building materials or farm equipment sales; and (Z) religious facilities.

(iii) Additional Restrictions on Use of Commercial Units. In addition, all portions of a Commercial Unit shall be used and maintained in accordance with the following restrictions: (A) All mechanical apparatus shall be kept free of unreasonable vibration and noise that might be transmitted beyond a Commercial Unit; (B) No objectionable odors shall be allowed to emanate or be dispelled from a Commercial Unit, and all refuse, trash and garbage generated from a Commercial Unit shall be disposed of in sealed, rodent-proof containers and transported off the Development; (C) No auction, distress, fire or bankruptcy sale, or a real or fictitious going out of business sale shall be advertised or conducted in a Commercial Unit. A Commercial Unit shall not be used to suffer, permit or conduct the type of business commonly called a "cut price," "outlet," "discount" or "cut rate" dealer or store, flea market or temporary outlet for any goods; (D) Duly authorized representatives of the Master Association shall have the right, from time to time, to enter any portion of a Commercial Unit at reasonable hours, upon at least forty-eight (48) hours prior written notice to inspect the Commercial Unit to determine whether or not the Commercial Unit is being operated in compliance with all applicable covenants, conditions and restrictions; provided, however, that such representatives shall, at all times, be accompanied by a duly authorized representative of the owner, tenant or licensee of the space being inspected if said owner, tenant or licensee makes available such duly authorized representative for such purpose; (E) a place of business located within a Commercial Unit may be open for business between the hours of 7:00 a.m. and 7:00 p.m., or such other hours as approved by the Board of Directors of the Master Association.

(c) Mixed Use. All Units within a Parcel designated by Declarant as "mixed use" ("Mixed-Use Unit") shall be used only in conformity with the specific uses specified by Declarant. The Declarant may designate a portion of a Mixed-Use Unit to be used exclusively for commercial purposes and a portion to be used for residential purposes or may specify that the Mixed-Use Unit may be used for any allowed commercial or residential use or any combination of such uses.

Section 3 Zoning Compliance. Without limiting the provisions of this Article, and except to change a permitted zoning non-conformity to a zoning conformity, no Owner shall: (i) alter, modify or limit the maximum density allowed for the other Unit or the permitted land uses of the Development; (ii) alter, change or seek a variance to the current zoning classification of the Development; (iii) cause an increase to the degree of zoning non-conformity of any portion of the Development, including, but not limited to the minimum parking space requirements; or (iv) make any alterations or allow any use of its respective Unit or take or fail to take any action that would violate the provisions of the Gwinnett County Zoning Ordinance (hereinafter collectively referred to as "Zoning Change"). In the event any Owner desires to seek a Zoning Change, such Owner must receive the prior written consent of the Board and Declarant if one hundred percent (100%) of the Development has not been developed and conveyed to purchasers in the normal course

of development. Such consent by the Board shall be deemed proper authorization for the Owner seeking the Zoning Change to act on behalf and as the lawful agent of the other Owners to seek and obtain said Zoning Change, whereupon all Owners shall do all things as may be reasonably requested to obtain approval of the Zoning Change.

Section 4. Leasing. Except as provided herein, the leasing of a Unit within the Development shall be prohibited. "Leasing," for the purposes of this Master Declaration, is defined as the regular, exclusive occupancy of a Unit by any Person other than the Owner; provided, however, for the purposes of this Master Declaration, Leasing shall not include the exclusive occupancy of a Residential Unit by the child or parent of an Owner. Furthermore, for purposes hereof, occupancy by a roommate of an Owner who occupies a Residential Unit as such Owner's primary residence shall not constitute Leasing hereunder. Notwithstanding anything to the contrary stated herein, a Unit may be leased for only those purposes permitted for that particular Unit in accordance with Article VII, Section 2 hereof.

(a) Residential Units. In order to preserve the character of the Development as predominantly owner-occupied, the leasing of Residential Units shall be governed by the restrictions imposed by this Section.

(i) General. An Owner desiring to lease a Residential Unit may do so only if they have applied for and received from the Board of Directors either a "Leasing Permit" or a "Hardship Leasing Permit." Such a permit, upon its issuance, will allow an Owner to lease his or her Residential Unit provided that such leasing is in strict accordance with the terms of the permit and this Section. The Board of Directors shall have the authority to establish conditions as to the duration and use of such permits consistent with this Section. All Leasing Permits and Hardship Leasing Permits shall be valid only as to a specific Owner and his or her Residential Unit and shall not be transferable between either Owners or Residential Units.

(ii) Leasing Permits. The maximum number of Leasing Permits for each Parcel that may be issued by the Master Association shall not exceed twenty-five percent (25%) of the total number of Residential Units located within such Parcel (excluding the Residential Units owned by Declarant) (hereinafter "Maximum Number of Leasing Permits") unless the Maximum Number of Leasing Permits is modified in a Supplementary Declaration. A request by an Owner of a Residential Unit for a Leasing Permit shall be approved if the issuance of a Leasing Permit to such Owner does not exceed the Maximum Number of Leasing Permits. A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (A) the sale or transfer of the Residential Unit to a third party (excluding sales or transfers to (1) an Owner's spouse, (2) a person cohabitating with the Owner, and (3) a corporation, partnership, company, or legal entity in which the Owner is a principal); (B) the failure of the Owner to lease his or her Residential Unit within one hundred eighty (180) days of the Leasing Permit having been issued; or (C) the failure of the Owner to have his or her Residential Unit leased for any consecutive one hundred eighty (180) day period thereafter. If Leasing Permits have been issued for more than the Maximum Number of Leasing Permits, no additional Leasing Permits shall be issued (except for Hardship Leasing Permits) until the number of issued Leasing Permits falls below the Maximum Number of Leasing Permits. An Owner who has been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued the same if Owner so desires when the number of issued Leasing Permits falls below the Maximum Number of Leasing Permits. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

(iii) Hardship Leasing Permits. If the failure to lease will result in a hardship, an Owner may seek to lease his or her Residential Unit on a hardship basis by applying to the Board of Directors for a Hardship Leasing Permit. The Board of Directors shall have the authority to issue or deny

requests for Hardship Leasing Permits in its discretion after considering the following factors: (A) the nature, degree, and likely duration of the hardship, (B) the harm, if any, which will result to the Parcel and/or Development if the Hardship Leasing Permit is approved, (C) the number of Hardship Leasing Permits which have been issued to other Owners within the same Parcel and/or the Development, (D) the Owner's ability to cure the hardship, and (E) whether previous Hardship Leasing Permits have been issued to the Owner. A "hardship," as described herein, shall include, without limitation, the following situations: (A) an Owner of the Residential Unit must relocate his or her residence outside the Atlanta metropolitan area and cannot, within six (6) months from the date that the Residential Unit was placed on the market, sell the Residential Unit except at a price below the current appraised market value, after having made reasonable efforts to do so; (B) an Owner dies and the Residential Unit is being administered by the Owner's estate; and (C) an Owner takes a leave of absence or temporarily relocates and intends to return to reside in the Residential Unit. Hardship Leasing Permits shall be valid for a term not to exceed one (1) year. An Owner may apply for additional Hardship Leasing Permits. Hardship Leasing Permits shall be automatically revoked if during the term of the permit, the Owner is approved for and receives a Leasing Permit.

(iv) Leasing Provisions. Leasing which is authorized, pursuant to either a Leasing Permit or a Hardship Leasing Permit, hereunder shall be governed by the following provisions:

(A) Notice. At least seven (7) days prior to entering into the lease of a Residential Unit, the Owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. In the event a lease is disapproved, the Board shall notify the Unit of the Residential Owner of the requisite action to be taken in order to bring the lease in compliance with the Master Declaration and any rules and regulations adopted pursuant thereto.

(B) General. A Residential Unit may be leased only in its entirety; no fraction or portion of a Residential Unit may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form, which is deemed acceptable. There shall be no subleasing of a Residential Unit or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than one (1) year, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Residential Unit, the Owner thereof shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Residential Unit. The Owner must also provide the lessee copies of the Master Declaration, Bylaws, and the rules and regulations. Nothing herein shall be construed as giving the Master Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease.

(C) Liability for Assessments, Use of Common Property, and Compliance with Master Declaration, Bylaws, and Rules and Regulations. Each Owner of a Residential Unit covenants and agrees that any lease of a Residential 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 Residential Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(1) Compliance with Master Declaration, Bylaws, and Rules and Regulations. The lessee shall comply with all provisions of the Master Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other Occupants and guests of the leased Residential Unit in order to ensure such compliance. The Owner shall cause all Occupants of his or her Residential Unit to comply with the Master Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such Occupants, notwithstanding the

fact that such Occupants of the Residential Unit are fully liable and may be sanctioned for any such violation. If the lessee, or a person living with the lessee, violates the Master Declaration, Bylaws, or a rule or regulation 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 Article XIV of this Master Declaration. If the fine is not paid by the lessee within the time period set by the Board, the Owner of the Residential Unit shall pay the fine upon notice from the Master Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Residential Unit.

Any violation of the Master Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any guest of 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. The Owner hereby delegates and assigns to the Master Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Master Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. In the event the Master Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs, associated with the eviction shall be specifically assessed against the Residential Unit and the Owner thereof, such being deemed hereby as an expense which benefits the leased Residential Unit and the Owner thereof.

(2) Use of Common Property. The Owner of the Residential Unit 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, including but not limited to, the use of Exclusive Common Property and any and all recreational facilities and other amenities.

(3) Liability for Assessments. When an Owner (other than the Declarant or Builder) who is leasing his or her Residential Unit fails to pay any annual or special assessment or any other charge 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, lessee shall pay to the Master Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by Owner. However, lessee need not make such payments to the Master Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to Owner. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Master Association all amounts authorized under the Master 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.

(b) Commercial Units. A Commercial Unit may be leased for only those purposes permitted for that particular Commercial Unit in accordance with Article VII, Section 2 above.

(i) Liability for Assessments, Use of Common Property, and Compliance with Master Declaration, Bylaws, and Rules and Regulations. Each Owner of a Commercial Unit covenants and agrees that any lease of a Commercial 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 Commercial Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(A) Compliance with Master Declaration, Bylaws, and Rules and Regulations. The lessee shall comply with all provisions of the Master Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other Occupants, tenants, visitors, guests or invitees of the leased Commercial Unit in order to ensure such compliance. The Owner of a Commercial Unit shall cause all lessees of his or her Commercial Unit to comply with the Master Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such lessees, notwithstanding the fact that such lessees of the Commercial Unit are fully liable and may be sanctioned for any such violation. If the lessee, or any occupant, tenant, visitor, guest or invitee of the Leased Commercial Unit, violates the Master Declaration, Bylaws, or a rule or regulation 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 Article XIV of this Master Declaration. If the fine is not paid by the lessee within the time period set by the Board, the Owner of the Commercial Unit shall pay the fine upon notice from the Master Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Commercial Unit.

Any violation of the Master Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, or any occupant, tenant, visitor, guest or invitee of the Leased Commercial Unit, 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. The Owner hereby delegates and assigns to the Master Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Master Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Master Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs, associated with the eviction shall be specifically assessed against the Commercial Unit and the Owner thereof, such being deemed hereby as an expense which benefits the leased Commercial Unit and the Owner thereof.

(B) Use of 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, including but not limited to, the use of any and all recreational facilities and other amenities.

(C) Liability for Assessments. When an Owner (other than the Declarant or Builder) who is leasing his or her Commercial Unit fails to pay any annual or special assessment or any other charge 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, lessee shall pay to the Master Association all unpaid annual and special 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 Master Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to Owner. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Master Association all amounts authorized under the Master 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.

(c) Applicability of this Section. Notwithstanding the above, this Section shall not apply to any leasing transaction entered into by the Declarant (regardless of whether said lease is entered into prior to or after the expiration of the Declarant Control Period), the Master Association, or 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. Such parties shall be permitted

to lease a Unit without first obtaining a permit in accordance with this Section, and such Units shall not be considered as being leased in determining the maximum number of Units that may be leased in accordance with this Section.

Section 5. Occupants Bound. All provisions of the Master Declaration, Bylaws, and of any rules and regulations, use restrictions or design guidelines promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants even though Occupants are not specifically mentioned. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not paid timely, the fine may then be levied against the Owner.

Section 6. Vehicles and Parking. No Owner or Occupant may keep or bring onto the Development more than a reasonable number of vehicles per Unit, at any time, as determined by the Board. All vehicles shall be parked within garages, on driveways or on other paved parking areas in the Development. Parking in yards is prohibited. The doors of garages shall be kept closed at all times, except during times of entry and exit from the garage, or when someone is working in or around the garage. Vehicles permitted under this subsection may be parked only in designated, lined parking spaces, garages, or other areas authorized in writing by the Board. Disabled and stored vehicles are prohibited from being parked on any portion of the Development, except in garages. For purposes hereof, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Development for fourteen (14) consecutive days or longer without prior written Board permission.

Boats, trailers, panel trucks, buses, trucks with a load capacity of one (1) ton or more, vans (excluding vans used by handicapped persons, mini-vans or utility vehicles used as passenger vehicles and receiving a "car" or "passenger vehicle" classification by the Georgia Department of Motor Vehicles), recreational vehicles (RV's and motor homes), vehicles used primarily for commercial purposes, and vehicles with commercial writings on their exteriors other than Sheriff's, Marshall's, or police officer's vehicles marked as such, are also prohibited from being parked on the Development, except in garages or other areas that have been designated by the Board as parking areas for particular types of vehicles. Notwithstanding the above, trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on the Development during normal business hours for the purpose of serving any Unit or the Common Property; provided, however, no such vehicle shall remain on the Common Property overnight or for any purpose unless prior written consent of the Board is first obtained.

If any vehicle is parked on any portion of the Development in violation of this Section or in violation of the Master Association's rules and regulations, the Board or agent of the Master 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 or booted. The notice shall include the name and telephone number of the person or entity that will do the towing or booting 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 six (6) months of such notice, the Board or agent of the Master Association may have the vehicle towed or booted in accordance with the notice, without further notice to the Owner or user of the vehicle.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to a Unit or residence, is obstructing the flow of traffic, is parked on any grassy area, or otherwise creates a hazardous condition, no notice shall be required and the Board or agent of the Master Association may have the vehicle towed immediately. If a vehicle is towed in accordance with this subsection, neither the Master Association nor any officer or agent of the Master Association shall be liable to any person for any claim of damage as a

result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

Section 7. Garages. No garage may be converted to permanent living space unless approved by the ACC in accordance with the provisions of Article VI hereof. Garage doors shall remain closed at all times, except for necessary use, ingress and egress.

Section 8. Animals and Pets. No Owner or Occupant may keep any pets other than a reasonable number of generally recognized household pets on any portion of the Development. Furthermore, no Owner or Occupant may keep, breed or maintain any pet for any commercial purpose, and no structure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Development without prior written ACC approval. Notwithstanding the foregoing, pets may be kept in fenced areas approved under Article VI or in areas where the pet is restricted by an electronic fence. Pets must be kept on a leash at all times when on the Common Property and on the Unit of another Owner. When on the Common Property, pets must be under voice command or the physical control of a responsible person at all times. The owner of the pet or the person responsible for the pet must remove feces left upon the Common Property by pets.

No potbellied pigs, snakes, pit bulldogs, rotweillers, doberman pinschers, or other animals determined in the Board's sole discretion to be dangerous may be brought onto or kept on the Development at any time. Furthermore, any pet that roams free, or in the Board's sole discretion, endangers the health of any Owner or Occupant, makes objectionable noise, or constitutes a nuisance or inconvenience to the Owners or Occupants or to the owner of any property located adjacent to the Development, may be permanently removed by the Board from the Development upon seven (7) days written notice to the owner of such pet. If the Owner or Occupant fails to remove the pet from the Development, the Board may remove the pet. Notwithstanding the foregoing, any pet which, in the Board's sole discretion, presents an immediate danger to the health, safety or property of any Development member may be removed by the Board without prior written notice to the pet's owner.

All Owners and Occupants keeping pets within the Development shall comply with all applicable governmental ordinances and regulations. Without prejudice to the Board's right to remove any such household pets, the Board may prohibit a household pet that has caused damage or injury from being walked in the Development. Animal control authorities shall be permitted to enter the Development to patrol and remove pets. Pets shall also be registered, licensed and inoculated as required by law. Furthermore, any Owner or Occupant who keeps or maintains any pet upon the Development shall be deemed to have agreed to indemnify and hold the Master Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Development.

Section 9. Signs. No sign of any kind shall be erected by an Owner or Occupant on the exterior of any Unit or Parcel in a location visible from neighboring Parcels or streets without prior written approval under Article VI hereof. Rules may be promulgated under Article VI hereof setting forth the number, size and location of "For Sale," "For Rent" and security signs erected upon any Unit. Notwithstanding the foregoing, any signs required by legal proceedings may be erected upon any Unit. The provisions of this Section shall not apply to the Board of Directors, the Master Association, the Declarant or any Mortgagee that becomes the Owner of any Unit as purchaser at a judicial or foreclosure sale conducted with respect to a first mortgage.

Section 10. Antennas and Satellite Dishes. Except as provided below, no satellite dish, antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained on any portion of the



Development; provided, however, that the Master Association shall have the right to erect, construct and maintain such devices. The following shall apply to all Owners:

(i) No transmission antenna, of any kind, may be erected anywhere on the Development without written approval of the Board of Directors or the ACC.

(ii) No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) antenna larger than one meter in diameter shall be placed, allowed or maintained upon the Development.

(iii) DBS and MMDS satellite dishes or antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Master Association, both as may be amended from time to time.

In the event of a transfer of a Unit which includes the satellite dish or antenna, the Grantee shall assume all responsibility for the satellite dish or antenna and shall comply with this Master Declaration, the Bylaws and the rules and regulations regarding satellite dishes and antennas, including, but not limited to, those requirements relating to maintenance and removal of satellite dish or antenna.

Section 11. Firearms and Fireworks. The use, display or discharge of firearms or fireworks on any portion of the Development is prohibited; provided, however, that the display of lawful firearms in the Development is permitted by law enforcement officers and also is permitted for the limited purpose of transporting the firearms across the Common Property to or from the Owner's Unit. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. The term "fireworks" shall include those items as listed in O.C.G.A. § 25-10-1, as amended.

Section 12. Mechanical Equipment, Garbage Cans, Trash Containers, Tanks, Etc. All mechanical equipment servicing buildings, above-ground tanks and other similar items, storage facilities, garbage cans, and trash containers shall be located or screened to the extent required by the Board of Directors so as to be concealed from the view of neighboring streets and property.

All rubbish, trash, and garbage shall be regularly removed from a Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Property, temporarily or otherwise, except in sealed bags placed in trash cans or proper receptacles designated by the Board for collection. Trash cans and receptacles shall not be placed at the street until twelve (12) hours before pickup and must be removed and stored in a screen area within twelve (12) hours after pickup. Rubbish, trash, garbage, debris or other waste matter of any kind may not be burned within the Development.

Section 13. Recreational Equipment, Woodpiles, Etc. All recreational equipment, including without limitation, hammocks, and playground equipment, garbage cans, woodpiles, and related equipment and other similar items shall be located or screened so as to be concealed from view from any street or road and from adjacent Units. Notwithstanding anything to the contrary stated herein, portable basketball goals shall be prohibited; provided, however, permanent basketball goals may be placed in the rear yard of a Unit so long as it is concealed from view from any street or road. Any recreational equipment located on the Common Property shall be used at the risk of the user, and the Master Association shall not be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof.

Section 14. Garage Sales. Garage sales, yard sales, flea markets, or similar activities are prohibited unless approved in writing by the Board of Directors.

Section 15. Air Conditioning Units. No window air conditioning units may be installed on any Unit. Condensing units for air conditioners shall only be located in the rear or along the side of a residence constructed upon a Unit and only in locations as permitted by the ACC in accordance with the provisions of Article VI hereof.

Section 16. Fences. No fence or fencing type barrier of any kind, including invisible "Radio Fences" designed to restrain pets, shall be placed, erected, allowed, or maintained upon any portion of the Development, including any Unit, unless the type, fencing material, and location thereof shall have received the prior written consent of the ACC. The Declarant and the Master Association shall be permitted to erect any type of fence on the Common Property or elsewhere within the Development as may be deemed appropriate by the Declarant or the Board of Directors, as the case may be, or as necessary to satisfy the requirements of any law, regulation or governmental authority.

Section 17. Utility Lines. Except as may be permitted by the ACC in accordance with the provisions of Article VI hereof, no overhead utility or cable television lines other than utility lines needed to supply power to homes, shall be permitted within the Development, except for temporary lines as required during construction and lines installed by or at the request of Declarant.

Section 18. Lighting. Except as may be permitted by the ACC in accordance with the provisions of Article VI hereof, exterior lighting visible from the street shall not be permitted except for (a) approved lighting as originally installed on a Unit; (b) one (1) decorative post light, (c) street lights in conformity with an established street lighting program for the Development; (d) seasonal decorative white lights; or (e) front house illumination of model homes, if any.

Section 19. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on a Unit. Exterior sculpture, fountains, flags, and similar items must be approved by the ACC in accordance with the provisions of Article VI hereof; provided, however, the display of flags for generally recognized holidays on which flags are customarily displayed shall be permitted for a period from one (1) week prior to the date of such holiday until one (1) week after the date of such holiday. No awnings, shades or window boxes shall be attached to or otherwise placed on the exterior of any structure on a Unit without the prior written consent of the ACC.

Section 20. Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on and in his or her Unit. No property within the Development shall be used, in whole or in part, for the storage of any property or thing that will cause a 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 discharge 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; provided, however, a restaurant situated on the Commercial Parcel shall be permitted to emit food odors reasonably expected of a restaurant of a similar size. No noxious or offensive activity shall be carried on within the Development, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any person using any property within the Development. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Development. Without limiting the generality of the foregoing, no horn, whistle, siren, bell, amplifier, speaker or other sound device, except for devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Unit unless required by law. However, any siren or device for security purposes shall contain a device, which causes it to automatically shut off within fifteen (15) minutes.

Section 21. Unightly or Unkempt Conditions. The pursuit of hobbies or other activities which might tend to cause disorderly, unsightly, or unkempt conditions, including without limitation, the assembly and disassembly of motor vehicles and other mechanical devices, shall not be pursued or undertaken in any part of the Development except within closed garages.

Section 22. Abandoned Personal Property. Personal property, except for personal property owned by the Master Association, is strictly prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Property, Area of Common Responsibility or on the rights-of-way located within the Development. If the Board or its designee, in its sole discretion, determines that property is kept, stored, or allowed to remain on the Common Property, Area of Common Responsibility or on the rights-of-way located within the Development in violation of this Section, then the Board may remove and either discard or store the personal property in a location which the Board may determine. If personal property is removed in accordance herewith, neither the Master Association nor any officer or agent of the Master Association shall be liable to any Person for any claim of damage resulting from the removal activity. Notwithstanding anything to the contrary, the Board may elect to impose fines or use other sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

Section 23. Tree Removal. No trees that are more than six (6) inches in diameter at a point twelve (12) inches above the ground shall be removed without prior written approval in accordance with the provisions of Article VI hereof. Notwithstanding the above, no consent or approval is required for the removal of any tree, regardless of its diameter, that is diseased or located within five (5) feet of a drainage area, sidewalk, structure, parking area or driveway. Owners shall also comply with any local ordinance applicable to tree removal. In the event of a conflict between the provisions of this Section and any local ordinance, the more restrictive provision shall govern. This provision shall not apply to the removal of trees by the Declarant, the Master Association or any Parcel Association.

Section 24. Drainage. Catch basins, retention ponds, detention ponds and drainage areas are for the purpose of controlling the natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant may obstruct or rechannel drainage flows after the location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains except as may be approved in accordance with the provisions of Article VI hereof. The Declarant hereby reserves for the benefit of Declarant and grants to the Master Association a perpetual easement across the Development for the purpose of altering drainage swales and water flow as may be reasonably necessary to maintain and direct surface water runoff. Notwithstanding the foregoing, rights exercised pursuant to this reserved easement shall be exercised with a *minimum* of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

Section 25. Sight Distance at Intersections. All property located at street intersections and at the intersections of streets and driveways shall be landscaped so as to permit safe sight across the corners. Nothing, including, without limitation, any fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

Section 26. Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless they are an integral and harmonious part of the architectural design of a structure, and approved by the ACC in accordance with the provisions of Article VI hereof.

Section 27. Subdivision of Units. Except as may be initially developed and sold, no Unit shall be subdivided or its boundary lines changed without prior written approval in accordance with the provisions

of Article VI hereof. Declarant, however, hereby expressly reserves the right to replat any Unit(s) owned by Declarant, 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.

Section 28. Outbuildings and Similar Structures. No structure of a temporary nature, unless approved in by the ACC in accordance with the provisions of Article VI hereof, 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. However, this Section shall not be construed to prevent Declarant and those engaged in development, construction, marketing, property management or sales from using sheds, trailers or other temporary structures for any of the foregoing purposes. In addition, nothing in this Master Declaration shall be construed to prevent Declarant from developing, constructing, marketing, or maintaining model homes or speculative housing within the Development.

Section 29. Use of Common Property Including Amenities. There shall be no obstruction of the Common Property, nor shall anything be kept on, parked on, stored on or removed from any part of the Common Property without the prior written consent of the Board, except as specifically provided herein. There shall be no gardening or landscaping on the Common Property by Owners or Occupants without the prior written consent of the Board. This Section shall not apply to the Declarant so long as the Declarant has an option unilaterally to subject additional property to this Master Declaration as provided in Article XI.

Section 30. Swimming Pools. No swimming pool shall be constructed, erected or maintained upon any Unit without the prior written consent of the ACC, and in no event shall any above-ground swimming pool be permitted.

Section 31. Mailboxes. The Declarant shall provide a mailbox or mail slot for each Unit. In the event such mailbox is destroyed or damaged, it shall be replaced or restored to its original appearance, unless prior approval for a different mailbox is given by the ACC in accordance with the provisions of Article VI hereof.

Section 32. Exterior Security Devices. No exterior security devices, including, without limitation, window bars, shall be permitted on any residence on a Unit. Signs placed on the Unit or the exterior of the residence stating that such residence is protected by a security system shall not be deemed to constitute an exterior security device.

Section 33. Fuel or Water Tanks. No fuel tanks or water tanks shall be stored or maintained upon any Unit in such a manner as to be visible from any street or road or from any other Unit, unless used by Declarant, temporarily, in the ordinary course of developing the Development.

Section 34. Window Treatments. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, and shades or for any other purpose. The side of all window treatments, which can be seen at any time from the outside of any residence, must be white or off-white.

Section 35. Retaining Walls. No retaining wall of any kind shall be placed, erected, allowed or maintained upon any portion of the Development, including any Unit, unless the type and location thereof shall have received the prior written consent of the ACC. Any retaining wall visible from the street shall be made of brick or stone, and shall be consistent with the architectural style of the structures and improvements located upon such Unit. Walls made of plain concrete or concrete block shall be prohibited.

Section 36. Erosion Control; Contamination. No activity which may create erosion or siltation problems in the Development shall be undertaken on any Unit without the prior written approval of the Board

of Directors or its designee of plans and specifications for the prevention and control of such erosion or siltation. Such plans and specifications shall be designed by a professional engineer licensed in the State of Georgia and all costs and expenses related thereto shall be borne exclusively by the Unit Owner. The Board of Directors or its designee may, as a condition of approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion or siltation. Such means may include, by way of example and not of limitation, physical devices for controlling the run-off and drainage of water, special precautions in grading, clean-up activities and requiring landscaping as provided for herein. No activity which results in contamination of or any damage to any stream, water course or any other Unit shall be conducted on any Unit, and each Owner shall be liable for all resulting damages from such activity and for restoration of a property damaged from contamination resulting from or attributable to such activity.

In addition, prior to commencing any improvements on a Unit, the Owner of such Unit and any builders, subcontractors, or other agents of such Owner, shall fulfill their obligations to comply with the requirements of the State of Georgia Department of Natural Resources, Environmental Protection Division ("EPD") and the Permit, as defined in Exhibit "A" attached hereto and incorporated herein by this reference, including, but not limited to the following obligations:

- (a) Submitting a Notice of Intent to the EPD in the manner required by the Permit and applicable law;
- (b) Implementing and complying with those portions of the Erosion, Sedimentation and Control Plan applicable to activities on each Owner's respective Unit;
- (c) Executing the Erosion, Sedimentation and Control Plan or portion thereof in accordance with Part VI.G of the Permit; and
- (d) Complying with all inspection, notification, reporting, and record retention obligations relating to the Comprehensive Monitoring Plan as set forth in the Permit and applicable law.

If the Declarant or any governmental regulatory entity determines that an Owner has failed or refused to properly discharge its obligations under this Section 36, Declarant may give such Owner written notice of Declarant's intent to take such action as Declarant deems necessary, in its sole discretion, to maintain the condition of the Unit in compliance with the Permit. Owner shall authorize Declarant to enter upon the Unit to undertake any necessary corrective actions. Notwithstanding the foregoing, Declarant shall only make such entry after providing the violating Unit Owner with written notice of its intent to enter such Unit. The notice shall set forth with reasonable particularity the actions that Declarant intends to perform. Except in an emergency, Declarant shall have a reasonable period after receipt of such notice to promptly remedy the situation to the satisfaction of Declarant.

Furthermore, if Owner refuses or fails to do so within the time period identified in the notice, Declarant may then enter upon Unit to perform the actions specified in the written notice, on behalf of the Master Association with all such costs being deemed a Master Association common expense occasioned by the conduct of the violating Unit Owner. The Master Association then shall assess all such expenses including attorney's fees actually incurred, against the violating Unit Owner pursuant to Article XIV, Section 1 of this Master Declaration. Additionally, the Master Association may assess fines against the violating Unit Owner hereunder not to exceed Five Hundred and No/100 Dollars (\$500.00) per incident. All costs incurred by the Master Association hereunder, including reasonable attorney's fees actually incurred, and any fines assessed hereunder, shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Unit. Each Owner of a Unit and any builders, subcontractors, or other agents of such Owner, shall indemnify and hold Declarant harmless against any and all expenses, including attorney's fees and legal expenses, in connection with any claim.

cost, damage, fine, suit, other proceedings (including any settlement), or expense reasonably incurred or imposed upon Declarant as a result of any breach of any obligation under this Section 36 or any other violation of the Permit by such Owner or any builders, subcontractors or agents of such Owner.

Notwithstanding any other provisions of this Master Declaration, during the Declarant Control Period, Declarant may delegate all of its rights, powers and responsibilities set forth in this Section 35 to the Master Association.

Section 37. Hazardous Materials. Hazardous Materials may not be used, generated, stored, or disposed of, discharged or release on, above, or under the Development, except in compliance with all applicable laws, regulations, ordinances and permits. Each Owner assumes sole responsibility and liability for compliance with applicable federal, state and local laws and regulations and hereby agrees to indemnify and hold the Declarant and the Master Association harmless from any loss or damage arising out of any release of a Hazardous Material on or from the Owner's Unit. No underground storage tanks shall be installed or maintained within the Development unless approved in accordance with the provisions of Article VI hereof. Each Owner shall: (a) disclose to the Board of Directors all Hazardous Materials proposed to be stored, used or generated in the Development; (b) permit inspection by the Board of Directors or its agents of those portions of a Unit where Hazardous Materials are stored, used, generated or have been released; and (c) comply with all regulations and rules adopted by the Board of Directors regarding maintenance, operation and monitoring of Hazardous Materials, including releases and Hazardous Materials containment systems and actions and procedures to be followed in case of accidental release.

Section 38. Use of Tradename. Each Owner acknowledges that Declarant claims as its sole and exclusive property the trademark, service mark and/or tradename "Towne Park Place" (herein referred to as the "Mark"). Each Owner shall not claim any superior right to said Mark and shall not use the Mark in any manner whatsoever in conjunction with such Owner's Unit or the operations conducted thereon unless it has obtained the prior written consent of the Declarant. Notwithstanding the foregoing, the word "Towne Park Place" may be used in printed or promotional material for sales activities and where such word is used solely to specify the location of the Unit.

Section 39. Traffic Regulations. All vehicular traffic on the private streets and roads in the Development shall be subject to the provisions of state and local laws concerning operation of motor vehicles on public streets. The Master Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits and including modifications of those in force on public streets, within the Development. The Master Association shall be entitled to enforce it by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between such provisions of state and local laws and such rules and regulations promulgated by the Master Association, the rules and regulations of the Master 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 Development. All vehicles of any kind and nature which are operated on the streets in the Development shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.

Section 40. Parcel Declaration. In addition to this Master Declaration, every Parcel having condominium units within such Parcel shall, prior to the conveyance of the first Unit therein to a Person other than an Approved Builder holding title for purposes of development and resale, be subject to a Parcel Declaration, which shall contain, without limitation, covenants and restrictions regulating signage, vehicles, animals, nuisances, unsightly conditions, tree removal and architectural standards within the Parcel. No such Parcel Declaration shall be recorded without the prior review and approval of Declarant, which approval shall not unreasonably be withheld.

**Article VIII**  
**Maintenance and Conveyance of Common Property to Master Association**

Section 1. Master Association's Responsibility.

(a) Area of Common Responsibility. The Master Association shall maintain and keep in good repair the Area of Common Responsibility. This maintenance shall include, without limitation, maintenance, repair and replacement of: (i) all landscaping and improvements situated on the Common Property; (ii) all entry features located in the Development, including, entry area landscaping even if situated on a designated Parcel, any irrigation system and the expenses for water and electricity, if any, provided to all such entry features; (iii) all storm water detention/retention ponds and storm water drainage facilities located in or serving the Development, if and to the extent such improvements or facilities are not maintained by the owner of such facilities or a government body; (iv) all private streets and sidewalks located in the Development; (v) any street lights located in the Development, if and to the extent not maintained by Georgia Power Company; and (vi) the open space park areas and walking trails located in the Development. The costs of the Master Association's responsibilities under this subsection (a) shall be a Common Expense.

(b) Townhomes Parcel. The Master Association shall maintain, replace, and keep in good repair the finished exterior surfaces of all Units located in the Townhomes Parcel, which shall include: (i) periodic painting of all exposed painted surfaces of Units; and (ii) all parts of the roof, including sheathing, underlayment, and decking material. The Master Association shall maintain and keep in good repair all landscaping situated on the Townhomes Parcel except as provided otherwise in this Article. The costs of the Master Association's responsibilities under this subsection (b) shall be levied as a Parcel Assessment and shall not be a Common Expense.

Notwithstanding anything to the contrary stated herein the Master Association shall not be responsible for maintaining or replacing: any glass surfaces, windows, window frames (except for periodic painting and/or staining of the exterior window frames), casings and locks (including caulking of windows); any doors, doorways, door frames, and hardware that are part of the entry system of a Unit located on the Townhomes Parcel (except for periodic painting, staining and/or cleaning of the exterior surface of entry doors and door frames); any portions of the fan coil and heating and air conditioning system, including the air conditioning compressor serving a Unit located on the Townhomes Parcel; and all pipes, lines, ducts, conduits, or other apparatus which serve only such Units located on the Townhomes Parcel, whether located within or outside of such Unit's boundaries (including all electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits, or other apparatus serving only the Unit).

(c) Condominium Parcel. The Master Association shall not have any additional maintenance responsibilities as to the Condominium Parcel in addition to the Master Association's responsibilities under Section 1 of this Article or provided for elsewhere in this Master Declaration.

(d) Commercial Parcel. The Master Association shall not have any additional maintenance responsibilities as to the Commercial Parcel in addition to the Master Association's responsibilities under Section 1 of this Article or provided for elsewhere in this Master Declaration.

(e) General. The Master Association shall perform its maintenance responsibilities in accordance with the standards that are consistent with the Development-Wide Standard. Each Unit in a certain Parcel must receive approximately equal attention as other Units in such Parcel. Repair of damage to buildings from fire, storms or other casualty, shall be the sole responsibility of the Owner.

The Master Association shall have the right, but not the obligation, to maintain other property not owned by the Master Association, whether within or outside the Development and/or to enter into easements and cost sharing agreements regarding such property where the Board of Directors has determined that such action would benefit Owners. In the event that the Master Association determines that the need for maintenance, repair or replacement, which is the responsibility of the Master Association hereunder, is caused through the willful or negligent act of an Owner, or an Owner's guests, lessees or invitees, then the Master Association may perform such maintenance, repair or replacement and all costs thereof may be assessed against the Owner's Unit as a Specific Assessment. All such maintenance, repair and replacement shall be consistent with the Development-Wide Standard as promulgated from time to time by the Board of Directors.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Common Property by an Owner or Occupant which is the responsibility of the Master Association hereunder (including, but not limited to landscaping) shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Master Association even if the Master Association accepts the maintenance or repair.

The Master Association shall repair incidental damage to any Unit resulting from performance of work, which is the responsibility of the Master Association. As finish levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready". Such repair and subsequent cleaning shall be performed based on a reasonableness standard. In performing its responsibilities hereunder, the Master Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

Section 2. Owner's Maintenance Responsibility. Except as provided in Section 1 above and unless such maintenance responsibility is otherwise assumed or assigned to the Master Association or a Parcel Association pursuant to this Master Declaration or any Supplementary Declaration, all maintenance of the Units and all structures, parking areas, landscaping, and other improvements on a Unit shall be the sole responsibility of the Owner, who shall maintain such areas in a manner consistent with the Community-Wide Standard and this Master Declaration.

No Owner shall perform, or permit the performance by any Person other than the Master Association or its designated agent, of any lawn maintenance on the front and side lawns of a Unit for which the Master Association has maintenance responsibility. Without limiting the foregoing prohibition or restriction, no Owner shall cut or trim, fertilize or otherwise maintain any front or side lawn areas for which the Master Association has responsibility. Notwithstanding anything to the contrary stated herein, an owner shall be permitted to plant flowers and small shrubs in the front and side lawn areas of such Owner's Unit; provided, however, the Master Association shall not be responsible for the care and maintenance of those flowers and/or shrubs that are part of the original landscaping for the Unit, if any, or that are subsequently planted by an Owner.

In the event that the Board of Directors determines that such areas are not maintained in a manner consistent with the Community-Wide Standard and this Master Declaration, except in an emergency situation, the Board of Directors shall give the Owner written notice of the Master Association's intent to provide the necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall state the maintenance, repairs, or replacement deemed necessary. The Owner shall have thirty (30) days after receipt of the notice to complete the maintenance, repair, or replacement. In the event that the maintenance, repair, or replacement is not capable of completion within a thirty (30) day period, the Owner shall begin the work and shall complete it within a reasonable time. If the Board determines that (a) an emergency exists, or (b) that an Owner has not complied, the Master Association may provide the maintenance, repair, or replacement at Owner's sole cost and expense, and all costs including reasonable



attorneys fees, shall be added to and become a part of the assessment obligation of the Owner and shall become a lien against the Unit.

Section 3. Parcel's Responsibility. Upon resolution of the Board of Directors or pursuant to any Supplementary Declaration applicable to a Parcel, a Parcel Association may be delegated the responsibility for operating and maintaining certain portions of the Common Property which are the responsibility of the Master Association within or adjacent to such Parcel. This may include, without limitation, maintaining any green space and private streets and alleys within the Parcel, regardless of ownership and regardless of the fact that such maintenance may be performed by the Master Association. The costs of such operating and maintenance shall be paid by the Owners within such Parcel through either Parcel Assessments established by the Board or assessment of the Owners within such Parcel by the Parcel Association assigned such responsibility.

Any Parcel having responsibility for maintenance of all or a portion of the property within a particular Parcel pursuant to covenants affecting the Parcel shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If any such Parcel fails to perform its maintenance responsibility as required herein and in any additional covenants, the Master Association may perform it and assess the costs against all Units within such Parcel as provided in Article IV, Section 4 of this Master Declaration.

Section 4. Party Walls in Townhomes Parcel. Each wall or arch built as a part of the original construction of the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall or archway 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 or archway shall be shared by the Owners who make use of the wall or archway in equal proportions. If a party wall or archway is destroyed or damaged by fire or other casualty, then any Owner who has benefited by the wall or archway may restore it, and the other Owner who is benefited by the wall or archway 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 or law regarding liability for negligent or willful acts or omissions. In the event of any dispute arising concerning a party wall or archway, or under the provisions of this Section, Unit Owners agree that such disputes between the parties shall be resolved by binding arbitration in accordance with O.C.G.A. § 9-9-1, et seq., and the Commercial Rules and Procedures of the American Arbitration Association, as in effect on the date of the recordation of the Master Declaration. The decision of the Arbitrator shall be final. The Arbitrator shall have authority to award attorneys' fees and allocate the costs of arbitration as part of any final award. If the Owners cannot agree on the selection of the Arbitrator, then the claim or dispute shall be submitted to the American Arbitration Association who shall appoint an Arbitrator.

Section 5. Conveyance of Common Property to the Master Association; Implied Rights. The Declarant may transfer or convey to the Master 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 Master Association upon delivery of any personal property or upon filing for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia an instrument of conveyance of any interest in real property, and the property shall thereafter be Common Property to be used and maintained by the Master Association for the benefit of its Members. The Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section. Unless otherwise set forth in the instrument of conveyance, the Declarant makes no warranty, express or implied, of any kind or any nature whatsoever, with respect to any such property, and all such warranties are hereby disclaimed. Without limiting the generality of the foregoing, Declarant makes, and shall make, no express or implied warranty of suitability or fitness of any of the property for any purpose, or as to the merchantability, title, value, quality, condition or marketability of any of such property. The conveyance of such property shall be

"AS IS" and "WHERE IS". The 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 may reasonably require so long as such reservation is not materially inconsistent with the overall scheme of development for the Development. Neither the recordation of any plat nor the use by the Owners or maintenance by the Master Association of any property shall create any rights, easements or licenses, in the Master 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 Master Association or the Owners, as the case may be, by an installment filed for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia.

Section 6. Liability. The Master Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Unit, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Property or from any roof, pipe, drain, conduit, appliance or equipment whether or not the Master Association is responsible to maintain hereunder, except for injuries or damages arising after the Owner of a Unit has put the Master Association on notice of a specific leak or flow from any portion, for which the Master Association is responsible to maintain or repair hereunder, and the Master Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Master Association shall not be liable to the Owner of any Unit or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property. The Master Association shall not be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Master Association's failure to discharge its responsibilities under this Article VIII where such damage or injury is not a foreseeable, natural result of the Master Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Master Association to take some action or perform some function required to be taken or performed by the Master Association under this Master Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Master Association, or from any action taken by the Master Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 7. Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder; then, the Master Association shall give the Owner written notice of the Owner's failure or refusal and of the Master Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors. Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (a) an emergency exists; or (b) that an Owner has not complied with the demand given by the Master Association as herein provided; then the Master Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

If the Board determines that any need for maintenance or repair is caused through the willful or negligent act of any Owner, or Occupant or their family, guests, lessees, or invitees, then the Master Association may assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Unit, shall become a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

**Article IX**  
**Insurance and Casualty Losses**

Section 1. Insurance on Common Property. The Board of Directors of the Master Association or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Property and other property, if any, which the Master Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

The Board shall obtain a public liability policy applicable to the Common Property covering the Master Association and its members for all damage or injury caused by the negligence of the Master 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 and No/100 Dollars (\$1,000,000.00).

In addition, the Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements located within Parcels, unless other covenants applicable to specific Parcels otherwise provide or unless a Parcel otherwise requests and the Board grants such a request. This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

The Board is authorized to contract with or otherwise arrange to obtain the required insurance coverage through the Declarant and to reimburse Declarant for the cost. Declarant shall be authorized, but not obligated, to purchase the required insurance coverage for the benefit of the Master Association and the Owners. The coverage shall include the Master Association as a named insured. The Declarant and Master Association shall agree upon the terms and conditions applicable to reimbursement by the Master Association for costs incurred by Declarant in obtaining the required coverage. Notwithstanding anything contained in this Master Declaration to the contrary, the Board shall not be required to comply with the provisions of subsections (b) through (e) below if the Board has contracted for or otherwise arranged to obtain the required insurance coverage through the Declarant.

Premiums for all insurance shall be a common expense of the Master Association. The policies may contain a reasonable deductible, and the deductible amount shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All insurance coverage obtained by the Board of Directors shall be written in the name of the Master Association, as trustee for the respective benefited parties, except as otherwise provided above and shall be governed by the provisions set forth below:

- (a) All policies shall be written with a company authorized to do business in Georgia.
- (b) Exclusive authority to adjust losses under policies obtained by the Master Association shall be vested in the Master Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in any settlement negotiations.
- (c) In no event shall the insurance coverage obtained and maintained by the Master Association's Board of Directors hereunder be brought into contribution with insurance purchased by

individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Master Association shall be primary.

(d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and the Board of Directors shall review all insurance policies annually. In conducting such reviews the Board may engage an expert whom in its sole discretion it deems fit.

(e) The Master Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) ordinance or law coverage, demolition cost coverage and increased cost of construction coverage;

(ii) a waiver of subrogation by the insurer as to any claims against the Master Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents, and guests;

(iii) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(iv) that no policy may be canceled, invalidated, or suspended on account of any one or more individual Owners;

(v) that no policy may be canceled, subjected to nonrenewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Master Association or its duly authorized manager without prior demand in writing delivered to the Master Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Master Association, its manager, any Owner or Mortgagee;

(vi) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vii) that no policy may be canceled, subjected to nonrenewal or substantially modified without at least thirty (30) days prior written notice to the Master Association.

In addition to the other insurance required by this Section, the Board 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 Master Association's funds, if reasonably available or if necessary in order to satisfy the requirements of applicable laws. If obtained, the amount of fidelity coverage shall be determined in the Board of Directors' best business judgment, and, if available, shall at least equal three (3) months assessments plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled, subjected to nonrenewal or substantially modified without at least thirty (30) days prior written notice to the Master Association. The Master Association shall also obtain construction code endorsements, and flood insurance, if and to the extent necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

Section 2. Individual Insurance. Each Owner of a Unit shall be obligated to obtain and maintain at all times blanket "all-risk" casualty insurance on such Unit and all structures constructed thereon

and a liability policy covering damage or injury occurring on a Unit, unless either the Parcel in which the Unit is located or the Master Association carries such insurance (which they are not obligated to do hereunder). If reasonably available, the casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an "all-risk" policy, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If "all-risk" coverage is not reasonably available, Owners of Units shall obtain, at a minimum, fire and extended coverage. The policies required hereunder shall be in effect at all times and Owners shall provide a certificate of such required insurance to the Board of Directors, upon request. Authority to adjust losses under policies obtained by an Owner shall be vested in the Owner and the Mortgagee of such Owner.

Section 3. Damage and Destruction -- Insured by Master Association.

(a) In General. Immediately after damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Master Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims covered 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. The Board of Directors shall have all enforcement powers specified in Article XIV, Section 1 of this Master Declaration in order to enforce this provision.

(b) Repair and Reconstruction. The Board of Directors must proceed to repair or reconstruct any damage or destruction to the Common Property on behalf of the Master Association unless within sixty (60) days after the casualty, it obtains the agreement of at least seventy-five percent (75%) of the Total Association Vote and the Declarant (so long as the Declarant has an option unilaterally to subject additional property to this Master Declaration as provided in Article XI to not repair or reconstruct. Any damage to or destruction of the common property of any Parcel Association shall be repaired or reconstructed unless the Unit Owners representing at least seventy-five percent (75%) of the total vote of the Parcel Association, or such higher percentage as more specifically set forth in the legal instruments of such Parcel Association, decide within sixty (60) days after the damage or destruction not to repair or reconstruct. 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 Master 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. No Mortgagee shall have the right to participate in the determination of whether damage or destruction to the Common Property or Exclusive Common Property of a Parcel Association shall be repaired or reconstructed.

If the damage or destruction for which the insurance proceeds are paid is not sufficient to cover the cost of repair or reconstruction of the Common Property or to the Exclusive Common Property of a Parcel Association, the Board of Directors shall, without the necessity of a vote of the Master Association's members, levy a special assessment against all Owners in proportion to the number of Units owned by such Owners. 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 shall be retained by and for the benefit of the Master Association in a Master Association account.

In the event that it should be determined in the manner described above that the damage or destruction to the Common Property or to the Exclusive Common Property of a Parcel Association shall not be repaired or reconstructed and no alternative improvements are authorized, then such portion of the

Development shall be restored to its natural state and maintained as an undeveloped portion of the Development by the Master Association in a neat and attractive condition.

Section 4. Damage and Destruction – Insured by Owners.

(a) Units. The Owner shall repair the damage or destruction by fire or other casualty to all or any portion of any improvement on a Unit within seventy-five (75) days after the damage or destruction. However, where repairs cannot be completed within seventy-five (75) days, they shall begin within the required period and shall be diligently and continuously pursued until their completion. Alternatively, the Owner may decide to demolish and remove all damaged improvements on the Unit within seventy-five (75) days after such damage or destruction. In the event of noncompliance with this provision, the Board of Directors shall have all enforcement powers specified in Article XIV, Section 1 of this Master Declaration in order to enforce this provision. Notwithstanding the foregoing, if such Unit has been submitted to the condominium form of ownership in accordance with the Georgia Condominium Act, O.C.G.A. § 44-3-70, *et seq.* (1991 and Supp. 2000), as such act may be amended from time to time, the repair and reconstruction to such Unit shall be accomplished in accordance with the Georgia Condominium Act and the legal instruments of the Parcel Association to which such Unit is also subject.

Section 5. Insurance Deductible. The deductible for any insurance policy carried by the Master Association shall, in the event of damage or destruction, be treated as a Common Expense or a Parcel Expense in the same manner as the premiums for the applicable insurance coverage under Section 1 of this Article. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful conduct of one (1) or more Owners, then the Board may specifically assess the full amount of such deductible against such Owners and their Units pursuant to Article V, Section 6 hereof.

Article X  
Condemnation

In the event of a taking by eminent domain of any portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after the taking, Owners holding at least seventy-five (75%) percent of the Total Association Vote other than Declarant and the Declarant (so long as the Declarant has an option unilaterally to subject additional property to this Master Declaration as provided in Article XI) otherwise agree, the Master Association shall restore or replace the improvements taken on the remaining land included in the Common Property to the extent lands are available. The provisions of Article VII, Section 3, above, applicable to Common Property improvements damage, shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

Article XI  
Annexation of Additional Property

Section 1. Unilateral Annexation By Declarant.

(a) As the owner or, if not the owner, with the consent of the owner, Declarant shall have the unilateral right, privilege, and option from time to time at any time until fifteen (15) years after the recording of this Master Declaration to subject all or any portion of the real property described in Exhibit "C", attached and made a part of this Master Declaration, to the provisions of this Master Declaration and the jurisdiction of the Master Association by filing for record in the Gwinnett County, Georgia, records a Supplementary Declaration describing the property being annexed. Declarant intends to annex hereto the property contained in the Development Plan as amended from time to time which property is a portion of the

property described in Exhibit "C". However, inclusion of the property in the Development Plan or in Exhibit "C" shall not obligate the Declarant to subject such property to this Master Declaration, nor shall exclusion of the property from the initial Development Plan bar Declarant from subjecting such property to this Master Declaration. Any annexation shall be effective upon the filing for record of a Supplementary Declaration unless a different effective date is provided in the Supplementary Declaration. As long as covenants applicable to the real property previously subjected to this Master Declaration are not changed and as long as rights of then Owners are not adversely affected, the Declarant may unilaterally amend this Master Declaration to reflect the different character of any annexed real property.

(b) The rights reserved to Declarant to subject additional land to the Master Declaration shall not impose any obligation upon Declarant to subject any of such additional land to this Master Declaration or to the jurisdiction of the Master Association. If such additional land is not subjected to this Master Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained in the Master Declaration upon the 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, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

Section 2. Other Annexation. Subject to the consent of the owner and the consent of the Declarant (so long as the Declarant has an option to subject additional property to this Master Declaration as provided above) upon the affirmative vote, or written consent, or any combination thereof, of Owners holding a majority of the Total Association Vote, the Master Association may annex real property to the provisions of this Master Declaration and the jurisdiction of the Master Association by filing for record in the Gwinnett County, Georgia, records a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be signed by the President and Secretary of the Master Association, and any such annexation shall be effective upon the filing for record of such Supplementary Declaration, unless otherwise provided in the Supplementary Declaration.

Section 3. Withdrawal of Property. Declarant reserves the right to amend this Master Declaration at any time so long as it holds an unexpired option to expand the Development pursuant to this Article, for the purpose of removing certain portions of the Development then owned by the Declarant or its affiliates from the provisions of this Master Declaration to the extent originally included in error or as a result of any changes whatsoever in the Development Plan desired to be effected by the Declarant. Any such withdrawal of property from the Development removal shall be accomplished by the filing for record of an amendment to this Master Declaration describing the property removed and shall be effective upon filing for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia 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 Person.

Section 4. Additional Covenants, Restrictions and Easements. Declarant may unilaterally subject any portion of the Development to additional covenants, restrictions and easements, including, without limitation, a Parcel Declaration that obligates the Owners of Units contained within the Parcel to be mandatory members of a separately incorporated Parcel Association, in addition to the Master Association, to maintain and insure such property on behalf of the Owners, and that further obligates such Owners to pay the costs incurred by such Parcel Association through Parcel Assessments. Such additional covenants, restrictions and easements may be set forth in a Supplementary Declaration or in a separate declaration of protective covenants, declaration of condominium or other document filed either concurrent with or after the annexation of the subject property. Any such document filed by the Declarant may supplement, create exceptions to, or otherwise modify the terms of this Master Declaration as it applies to the subject property in order to reflect the different character and intended use of such property.

**Article XII**  
**Mortgagee Provisions**

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Units in the Development. The provisions of this Article apply to both this Master Declaration and to the Bylaws, notwithstanding any other provisions contained therein.

Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides a written request to the Master Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Unit to which its Mortgage relates, thereby becoming an "eligible holder"), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Development or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Master Association of any default in the performance by the Owner of the encumbered Unit of any obligation under the Master Declaration or Bylaws of the Master Association which is not cured within sixty (60) days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Master Association; or

(d) any proposed action, which would require the consent of a specified percentage of Mortgage holders.

Section 2. Approval of Action. Unless two-thirds (2/3) of the first Mortgagees or Owners other than the Declarant give their consent, the Master Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Property which the Master Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Property shall not be deemed a transfer within the meaning of this Article XI, Section 2(a) other than personal property of the Master Association;

(b) change the method of determining the obligations, assessments, dues, or other charges, which may be levied against an Owner;

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Units and of the Common Property (The issuance and amendment of architectural standards, procedures, rules, and regulations or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this Article XII, Section 2(c);

(d) fail to maintain insurance, as required by this Master Declaration; or



(e) use hazard insurance proceeds for any Common Property losses for other than the repair, replacement, or reconstruction of such property.

First Mortgagees, after written notice to the Master Association, may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Property and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of a Master Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Master Association.

Section 3. No Priority. No provision of this Master Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of any Common Property.

Section 4. Notice to Master Association. Upon request, each Unit Owner shall be obligated to furnish to the Master Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

Section 5. VA/HUD Approval. For so long as Declarant has the right to appoint the directors and officers of the Master Association in accordance with Article III, Part A, Section 2 of the Bylaws, the following actions shall require the prior approval of the U.S. Department of Veterans Affairs ("VA") so long as the VA is guaranteeing any Mortgage in the Development, and U.S. Department of Housing and Urban Development ("HUD") so long as HUD is insuring any Mortgage in the Development: annexation of additional property to the Development, except for annexation by Declarant in accordance with Article XI, Section 1 hereof pursuant to a plan of annexation previously approved by the VA and/or HUD, as applicable; dedication of Common Property to any public entity; mortgaging of Common Property; mergers and consolidations; dissolution of the Master Association; and material amendment of the Master Declaration, the Bylaws, or the Articles of Incorporation of the Master Association. Material amendments are those, which establish, provide for, govern or regulate any of the following:

- (a) voting;
- (b) assessments, assessment liens, or subordination of such liens;
- (c) reserves for maintenance, repair and replacement of the Common Property;
- (d) insurance or fidelity bonds;
- (e) rights to use the Common Property;
- (f) responsibility for maintenance and repair of the Development;
- (g) expansion or contraction of the Development or the addition, annexation or withdrawal of property from the Development, except for the submission of the Additional Property to the Development as set forth in this Master Declaration;
- (h) boundaries of any Unit;
- (i) leasing of Units;

(j) imposition of any right of first refusal or similar restriction of the right of any Owner to sell, transfer or otherwise convey his or her Unit;

(k) establishment of self-management by the Master Association where professional management has been required by an eligible holder; or

(l) amendment of any provision of the Master Declaration, Bylaws or the Articles of Incorporation which are for the express benefit of holders, guarantors or insurers of first Mortgages on Units.

Section 6. Applicability of Article XII. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Master Declaration, Bylaws, or Georgia law for any of the acts set out in this Article.

Section 7. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Master Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Master Association's request.

Section 8. Amendments by Board. Should the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, VA or HUD subsequently delete any of their respective requirements, which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 9. Liability for Common Expenses. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Master Association chargeable to such Unit, which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

Section 10. Financial Statement. Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the financial statement of the Master Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.

Section 11. Sales and Leases. Notwithstanding anything to the contrary herein contained, the provisions of this Master Declaration shall not apply to impair the right of any first Mortgagee to: (a) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; (b) take a deed or assignment in lieu of foreclosure; or (c) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

### Article XIII

#### Easements

Section 1. Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between Units in adjacent Parcels and between a Unit and adjacent Common Property due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered (in accordance with the terms of this Master Declaration). The easement shall be a distance of not more than five (5) feet, as measured from any point on the common

boundary between each Unit and the adjacent portion of the Common Property, as between adjacent Units, along a line perpendicular to such boundary at such point. However, an easement for encroachment shall not exist if the willful conduct by an Owner, occupant, or the Master Association caused the encroachment.

Section 2. Easements for Use and Enjoyment.

(a) Except as otherwise provided herein, every Owner of a Unit shall have a right and easement of entry and exit, use and enjoyment in and to the Common Property, which shall be appurtenant to and shall pass with the title to his or her Unit, subject to the following provisions:

(i) The right of the Master Association to charge reasonable admission and other fees for the use of any portion of the Common Property, to limit the number of guests of Owners and tenants who may use the Common Property, and to provide for the exclusive use and enjoyment of specific portions of the Common Property at certain designated times by an Owner, his or her family, tenants, guests, and invitees or by a separate group or entity;

(ii) the right of the Master Association to suspend the voting rights of an Owner and the right of an Owner to use the recreational facilities available for use by the Development, if any, for any period during which any assessment against his or her Unit which is hereby provided for remains unpaid; and, for a reasonable period of time for a violation of the Master Declaration, Bylaws, or rules and regulations;

(iii) the right of the Master Association to borrow money for the purpose of improving the Common Property, or for constructing, repairing, or improving any facilities located or to be located on the Common Property, and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property. However, the Mortgage given by the Master Association shall be subject and subordinate to any rights, interests, options, easements and privileges reserved or established for the benefit of Declarant, any Unit or Unit Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Owner encumbering any Unit or other property located within the Development (Any provision in this Master Declaration or in any Mortgage given by the Master Association to the contrary notwithstanding, the exercise of any rights in the Mortgage by the holder of the Mortgage in the event of a default shall not cancel or terminate any rights, easements or privileges reserved or established in this Master Declaration for the benefit of Declarant, any Unit or Unit Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Owner encumbering any Unit or other property located within the Development.); and

(iv) the right of the Master Association to dedicate or transfer all or any portion of the Common Property subject to any conditions agreed on by the members of the Master Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by Declarant (so long as Declarant owns any property for development and/or sale within the Development) and the Owners representing at least two-thirds (2/3) of the Total Association Vote (other than Declarant so long as the consent of Declarant is required); and

(v) the rights of certain Owners to the exclusive use of those portions of the Common Property designated as "Exclusive Common Property," as more particularly described in Article III, Part A, Section 3 hereof;

(vi) the right of the Master Association, acting through its 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;

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

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

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

Section 3. Easements for Utilities. There is reserved to the Declarant and the Master Association blanket easements upon, across, above and under all property within the Development for access, ingress, egress, installation, repairing, replacing, and maintaining (a) all utilities serving the Development or any portion of the Common Property, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, (b) water runoff and storm drainage systems, and (c) any other services such as, but not limited to, a master television antenna system, cable television system, or security system which may be installed to serve the Development. It shall be expressly permissible for the Declarant, the Master Association, or the designee of either, to do or to authorize the installation, repairing, replacing, and maintaining of the wires, conduits, cables and other equipment related to providing any such utility or service. Should a party furnishing any such utility or service request a specific license or easement by separate recordable document, the Declarant or Board, as applicable, shall have the right to grant such easement. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

Section 4. Easement for Entry. In addition to the right of the Board to exercise self-help as provided in Article XIV, Section 2, the Board shall have the right, but not the obligation, to enter upon any property within the Development for emergency, security, and safety reasons. This right may also be exercised by the agents of the Master Association, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. The Board shall have the right to enter to cure any condition, which may increase the possibility of a fire, slope erosion, or other hazard if an Owner or Occupant does not cure the condition after request by the Board. For purposes of this Section, a water or other utility leak, fire, strong foul odor, obvious insect infestation, or sounds indicating that a person or animal might be injured or sick and require immediate medical attention shall be considered emergencies justifying immediate entry onto a Unit, into a home on a Unit. The failure to exercise the rights herein or to exercise said rights in a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a property shall exist.

Section 5. Easement for Master Association Maintenance. Declarant expressly reserves a perpetual easement for the benefit of the Master Association across such portions of the Development, determined in the sole discretion of the Master Association, as are necessary to allow for the maintenance required under Article VIII, including, without limitation, an easement over Units to conduct front and side lawn maintenance as set forth in Article VIII hereof. This maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect the property, and damage shall be repaired by the Person causing the damage at its sole expense.

Section 6. Easements for Maintenance and Repair. There shall be reciprocal appurtenant easements between adjacent Units for the purpose of maintaining or repairing the improvements, including, without limitation, landscaping located on each Unit which easement shall extend to a distance of not more than five (5) feet as measured from any point on the common boundary between the Units and along a line perpendicular to such boundary at such point. The easement shall be used only for such period of time as is reasonably necessary in order to complete the needed maintenance or repair. The Unit Owner exercising this easement right shall be liable for the prompt repair of any damage to the Unit over which this easement is exercised which is caused by the maintenance or repair work. The damaged portions of such Unit shall be restored to substantially the same condition as existed prior to damage.

Section 7. Easement for Entry Features and Street Signs. There is hereby reserved to the Declarant, the Master Association, and the designee of either, an easement over and upon all of the Development for ingress to, egress from, installation, construction, landscaping and maintenance of entry features and street signs for the Development. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around all entry features and the right to grade the land under and around the entry features.

Section 8. Public in General. The easements and rights created in this Article XIII do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public; provided, however, that nothing set forth herein shall in any way limit or restrict any existing easements or rights already granted to the public as such easements or rights are previously recorded in the Gwinnett County, Georgia records. The Board of Directors hereby reserves the right to close temporarily, to the extent reasonably practicable, upon fifteen (15) days prior written notice (which may be given by posting in conspicuous locations upon the relevant portion of the Development), all or any portion of the Development which, in the reasonable opinion of the Board, may be legally necessary to prevent a dedication thereof, or any accrual of any rights therein, in the general public or in any Person other than the Persons for which such easements are expressly created in this Master Declaration.

Section 9. Construction and Sale Period Easement. Notwithstanding any provisions contained in this Master Declaration, the Bylaws, Articles of Incorporation of the Master Association, use restrictions, rules and regulations, design guidelines, and any amendments thereto, so long as Declarant owns any property in the Development for development and/or sale, Declarant reserves an easement across all property in the Development for Declarant to maintain and carry on, upon such portion of the Development as Declarant may reasonably deem necessary, such facilities and activities as in the sole opinion of Declarant may be required, convenient, or incidental to Declarant's development, construction, and sales activities related to property described on Exhibits "B" and "C" to this Master Declaration, including, but without limitation, (a) the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, on or in the Development, including, without limitation, any Unit, (b) the right to tie into any portion of the Development with driveways, parking areas and walkways, (c) 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, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Development, (d) the right to grant easements over, under, in or on the Development, 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 Development, (e) the right to carry on sales and promotional activities in the Development, (f) the right to erect and maintain signs, and (g) the right to construct and operate business offices, construction trailers, model residences, and sales offices. Declarant may use residences, offices, or other buildings owned or leased by Declarant as model residences and sales offices. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such

property, and damage shall be repaired by the Person causing the damage at its sole expense. This Section shall not be amended without the Declarant's express written consent until the Declarant's rights hereunder have terminated as hereinabove provided.

Section 10. General. Each Unit shall be subject to those easements, if any, shown or set forth on the recorded Survey(s) for the Development, as amended from time to time as well as the easements now or hereafter established by Declarant in this Master Declaration or by any other documents filed for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia.

Section 11. Basement for Drainage. There is hereby reserved to the Declarant and granted to the Master Association a blanket easement across the Development for creating and maintaining satisfactory storm water drainage in the Development; provided, however, such easement area shall not include any portion of the Development within the boundaries of any improvements within the Development owned by a party other than the Master Association. 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. It is anticipated that increased storm water run off across downstream property will result from the construction of impervious surface within or adjacent to the Development. Neither the Declarant, the Master Association or any Owner constructing according to plans and specifications approved under Article VI 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 Development.

Section 12. Easement for Private Streets, Sidewalks, Signs and Fencing. Declarant and the Owners of every Unit that encompasses any portion of a private street or sidewalk within the Development 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 within the Development as depicted on the Survey(s) for the Development. The right-of-way easement herein granted shall permit joint usage of such easement by (a) the Owners and Occupants, (b) the legal representatives, successors and assigns of the Owners, and (c) invitees, licensees and guests of the Owners and Occupants. Notwithstanding anything else herein, the Owners or Occupants of any Units in the Commercial Parcel and their agents, customers, employees, invitees, licensees and guests shall not have any rights to access the private streets and sidewalks unless such street or sidewalk is located on the Commercial Parcel or the entryway appurtenant to the Commercial Parcel. Declarant 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 Unit right to grant additional non-exclusive easements to third parties, over, under and across the easement area. Declarant hereby reserves for the benefit of Declarant and grants to the Master 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. Declarant hereby reserves and grants to the Master Association, the perpetual nonexclusive right and easement upon, over and across those strips of land eight (8) feet in width located along the perimeter boundary of all Parcels, such easement to be for the purpose of constructing, installing, replacing, repairing and maintaining a fence, provided that neither Declarant nor the Master Association shall have any obligation to construct any such fence.

Section 13. Approved Builder. Approved Builder shall have the same easement rights as Declarant necessary for the construction and sales activities of Units, including, without limitation, those easement rights granted to Declarant in Section IX hereof.

**Article XIV**  
**General Provisions**

**Section 1. Enforcement.** The Development shall be used only for those uses and purposes set out in the Master Declaration. The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conduct, use, and enjoyment of Units and the Common Property; provided however, copies of all such rules and regulations shall be furnished to all Owners and Occupants. Any rule or regulation may be repealed by the affirmative vote or written consent of a majority of the Total Association Vote at an annual or special meeting of the membership. Every Owner and Occupant shall comply with the Master Declaration, Bylaws and rules and regulations of the Master Association, and any lack of compliance therewith shall entitle the Master Association and, in an appropriate case, one or more aggrieved Unit Owners, to take action to enforce the terms of the Master Declaration, Bylaws or rules and regulations.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Unit, and to suspend an Owner's right to vote or to use the Common Property for violation of any duty imposed under the Master Declaration, these Bylaws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Master Association or the Board to limit ingress and egress to or from a Unit. In the event that any Occupant of a Unit violates the Master Declaration, Bylaws, or a rule or regulation and a fine is imposed, notice of such violation shall be sent to the Owner and Occupant, and the fine shall first be assessed against such Occupant; provided, however, if the fine is not paid by the Occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Master Association, and the fine shall be an assessment and a lien against the property until paid. The failure of the Board to enforce any provision of the Master Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

The Board shall not impose a fine, suspend the right to vote or suspend the right to use the Common Property (provided, however, if an Owner is shown on the books or management accounts of the Master Association to be more than thirty (30) days delinquent in any payment due the Master Association, suspension of the right to vote and the right to use the Common Property shall be automatic); unless and until the Master Association has sent or delivered written notice to the violator as provided in subsection (a) below. Any such fine or fines may be effective or commence upon the sending of such notice or such later date as may be set forth in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge such fine under subsection (b) below.

(a) **Notice.** If any provision of the Master Declaration, Bylaws, Design Guidelines or any rule or regulation of the Master Association is violated, the Board shall send the violator written notice identifying the violation and fine(s) being imposed and advising the violator of the right to request a hearing before the Board to contest the violation or fine(s) or to request reconsideration of the fine(s). Fine(s) may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge the fine. In the event of a continuing violation, each day the violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the violator.

(b) **Hearing.** If a written request for hearing is received from the violator within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the violator a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present at one time.

Section 2. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Master Declaration, the Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth in Section 1 of this Article. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

The Master Association or its duly authorized agent shall have the power to enter a Unit or upon any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Master Declaration, the Bylaws, or the rules and regulations; provided, however, written notice shall be given to the Owner of the Unit at least two (2) days prior to the time that any items of construction are altered or demolished. All costs of self-help, including reasonable attorney's fees, shall be assessed against the violating Owner and shall be collected as provided herein for the collection of assessments. Furthermore, the Board of Directors shall have the authority to record in the Gwinnett County, Georgia land records notices of violation of the provisions of the Master Declaration, the Bylaws, Design Guidelines and rules and regulations.

Section 3. Occupants Bound. All provisions of this Master Declaration, the Bylaws, and any rules and regulations, use restrictions and guidelines and procedures that govern the conduct of Owners, and that provide for sanctions against Owners shall also apply to all Occupants even though Occupants are not specifically mentioned. Fines may be levied by the Board of Directors against Owners and/or Occupants.

Section 4. Duration. The covenants, conditions, restrictions and easements of this Master Declaration shall run with and bind the land, and shall inure to the benefit of and shall be enforceable by the Master Association, the Declarant, if one hundred percent (100%) of the Development has not been developed and conveyed to purchasers in the normal course of development, and each Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent permitted by law. However, so long as Georgia law limits the period during which covenants restricting lands to certain uses may run, any provision of this Master Declaration affected by the law shall run with and bind the land so long as permitted by the law, after which time the provisions shall be automatically extended for successive periods of twenty (20) years, unless at least fifty-one (51%) percent of the record Owners execute an agreement to prevent renewal of the covenants and such agreement is recorded and an attorney's affidavit confirming ownership of the Units or such other requirement as provided in O.C.G.A. § 44-5-60. A written instrument reflecting termination must be recorded within the year immediately preceding the beginning of any renewal period. Every purchaser or grantee of any interest (including, without limitation, a security interest) in any real property subject to this Master Declaration, by acceptance of a deed or other conveyance, agrees that provisions of this Master Declaration may be extended and renewed as provided in this Section.

Section 5. Amendment. This Master Declaration may be amended unilaterally at any time and from time to time by 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 reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Master Declaration; (c) enable any governmental agency or private insurance company, including, without limitation, HUD and VA to insure or guarantee Mortgage loans on the Units subject to this Master 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; (d) designate separate Parcel status for any property subject to this Master Declaration; or (e) if such amendment is required by an institutional or governmental lender of 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 Master Declaration. The Declarant may also unilaterally amend this Master Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights or obligations of any Owner hereunder without the consent of the affected Owner. The Board of Directors, with the written consent of the Declarant, and without a vote of the Members may amend this Master Declaration for the sole purpose of electing to be governed by and complying with the provisions of the Georgia Property Owner's Association Act, O.C.G.A. § 44-3-22-, et seq. In addition to the above, this Master Declaration may be amended upon the affirmative vote or written consent of Owners holding at least two-thirds (2/3) of the Total Association Vote and the consent of Declarant. Amendments to this Master Declaration shall become effective upon the filing for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia unless a later effective date is specified therein. 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 Master 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 Master Declaration, the Bylaws, the Articles of Incorporation and Georgia law were given.

Section 6. Security. THE MASTER ASSOCIATION OR THE DECLARANT MAY, BUT SHALL NOT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SECURITY IN THE DEVELOPMENT. HOWEVER, EACH OWNER, FOR HIMSELF OR HERSELF AND HIS OR HER TENANTS, GUESTS, LICENSEES, AND INVITEES ACKNOWLEDGES AND AGREES THAT NEITHER THE MASTER ASSOCIATION NOR THE DECLARANT IS A PROVIDER OF SECURITY AND NEITHER PARTY SHALL HAVE A DUTY TO PROVIDE SECURITY FOR THE DEVELOPMENT. FURTHERMORE, NEITHER THE DECLARANT NOR THE MASTER ASSOCIATION GUARANTEES THAT NON-OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE DEVELOPMENT AND COMMIT CRIMINAL ACTS NOR DOES THE DECLARANT OR THE MASTER ASSOCIATION GUARANTEE THAT CRIMINAL ACTS WILL NOT BE COMMITTED BY OTHER OWNERS OR OCCUPANTS. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER TO PROTECT HIS OR HER PERSON AND PROPERTY, AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH OWNER. NEITHER THE DECLARANT NOR THE MASTER ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

Section 7. Dispute Resolution. Any Owner or Occupant must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute before that Owner or Occupant files any lawsuit against the Master Association, the Board, any director or officer or any agent of the Master Association. The Owner or Occupant shall, in such notice and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for a date no less than seven (7) or more than twenty-one (21) days from the date of receipt of the notice of hearing by the person requesting the hearing.

Section 8. Partition. The Common Property shall remain undivided, and no Owner or any other Person shall bring any action for partition or division of the whole or any part of the Common Property

without the written consent of all Owners and all holders of all Mortgages encumbering any portion of the Development.

Section 9. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 10. Severability. Whenever possible, each provision of this Master Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Master 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 Master Declaration are declared to be severable.

Section 11. 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.

Section 12. Preparer. This Master Declaration was prepared by Seth G. Weissman and Jane C. Kotake, Nowack, Curry & Wilco, P.C., One Alliance Center, 4<sup>th</sup> Floor, 3500 Lenox Road, Atlanta, Georgia 30326.

Section 13. Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Master Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 14. Indemnification. In accordance with the Georgia Nonprofit Corporation Code, and to the full extent allowed by Georgia law, the Master Association shall indemnify every person who was or is a party or who is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Master Association), by reason of the fact that such person is or was serving as a director, officer or committee member of the Master Association, against any and all expenses, including attorneys' fees, imposed upon or reasonably incurred in connection with any action, suit, or proceeding, if such person acted in a manner reasonably believed to be in or not opposed to the best interests of the Master Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification shall be made by the Master Association only as authorized in a specific case upon a determination that indemnification of the person is proper under the circumstances.

Section 15. Books and Records.

(a) All members of the Master Association and any institutional holder of a first Mortgage shall be entitled to inspect the following records at a reasonable time and location specified by the Master Association, upon written request at least five (5) days before the date on which the member wishes to inspect and copy:

- (i) its Articles or restated Articles of Incorporation and all amendments to them currently in effect;
- (ii) its Bylaws or restated Bylaws and all amendments to them currently in effect;

(iii) resolutions adopted by either its members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;

(iv) resolutions adopted by either its members or Board of Directors relating to the characteristics, qualification, rights, limitations, and obligations of members or any class or category of members;

(v) the minutes of all meetings of members and records of all actions approved by the members for the past three (3) years;

(vi) all written communications to members generally within the past three (3) years, including the financial statements furnished for the past three (3) years;

(vii) a list of the names and business or home addresses of its current directors and officers; and

(viii) its most recent annual report delivered to the Secretary of State.

(b) A member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the member wishes to inspect and copy only if the member's demand is made in good faith and for a proper purpose that is reasonably relevant to the member's legitimate interest as a member; the member describes with reasonable particularity the purpose and the records the member desires to inspect; the records are directly connected with this purpose; and the records are to be used only for the stated purpose:

(i) excerpts from minutes of any Board meeting, records of any action of a committee of the Board while acting in place of the Board on behalf of the Master Association, minutes of any meeting of the members, and records of action taken by the members or the Board without a meeting, to the extent not subject to inspection under subsection 15(a);

(ii) accounting records of the Master Association; and

(iii) the membership list only if for a purpose related to the member's interest as a member. Without the consent of the Board, a membership list or any part thereof may not be: used to solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Master Association; used for any commercial purpose; or sold to or purchased by any person.

The Master Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the Member.

**Section 16. Financial Review.** A review of the accounts of the Master Association shall be made annually in the manner as the Board of Directors may decide; provided, however, after having received the Board's reviewed financial statement at the annual meeting, by a majority of the Master Association vote present, or represented by proxy, the Owners may require that the accounts of the Master Association be audited as a common expense by a public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all necessary costs, such holder shall be entitled to receive a copy of an audited financial statement within ninety (90) days of the date of the request.

Section 17. Notice of Sale or Lease. In the event an Owner sells or leases his or her Unit, the Owner shall give to the Master Association, in writing, the name of the purchaser or lessee of the Unit and such other information as the Board may reasonably require.

Section 18. Agreements. Subject to the prior approval of Declarant (so long as the Declarant has an option to unilaterally subject additional property to this Master Declaration as provided in Article XI) all agreements and determinations, including settlement agreements regarding litigation involving the Master 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 Development or the privilege of possession and enjoyment of any part of the Development.

Section 19. Implied Rights. The Master Association may exercise any right or privilege given to it expressly by this Master Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it or reasonably necessary to effectuate the right or privilege.

Section 20. Variances. Notwithstanding anything to the contrary contained in this Master Declaration, the Board of Directors or its designee shall be authorized to grant individual variances from any of the provisions of this Master 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 would not be inconsistent with the overall scheme of development for the Development.

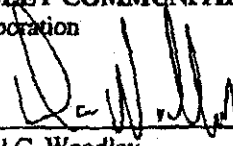
Section 21. Cumulative Effect; Conflict. The covenants, restrictions, and provisions of this Declaration shall be cumulative with those of any Supplementary Declaration and the Master Association may, but shall not be required to, enforce the latter; provided, however, in the event of conflict between or among such covenants and restrictions, and provisions of any articles of incorporation, bylaws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of any Parcel Declaration or Parcel Association shall be subject and subordinate to those of this Master Declaration and the Master Association. In the event of a conflict between the provisions of this Master Declaration and the provisions of Georgia law, then to the extent that the provisions of Georgia law cannot be waived by agreement, Georgia law shall control.

[SIGNATURES ON FOLLOWING PAGE]

BK 35833PG02

IN WITNESS WHEREOF, the undersigned, being the duly appointed officers of Declarant herein, have executed this instrument and affixed the corporate seal this 28th day of October, 2003.

DECLARANT: DAN WOODLEY COMMUNITIES, INC.  
a Georgia corporation


By:   
Daniel C. Woodley  
President

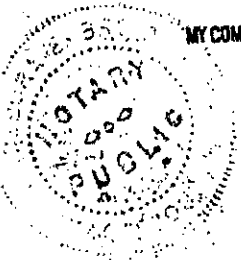
[CORPORATE SEAL]



Signed, sealed, and delivered  
this 28 day of October, 2003  
in the presence of:

  
\_\_\_\_\_  
Witness

  
\_\_\_\_\_  
Notary Public  
[NOTARY SEAL]



MY COMMISSION EXPIRES NOV. 3, 2006

EXHIBIT "A"Definitions

The following words, when used in this Master Declaration or in any Supplementary Declaration (unless the context shall prohibit), shall have the following meanings:

(a) Annual Assessment shall mean the assessments levied on Units, as more particularly described in Article V hereof.

(b) Approved Builder shall mean any builder designated by Declarant to develop and construct Units in the Development.

(c) Architectural Control Committee or ACC shall mean the committee established to exercise the architectural review powers set forth in Article V hereof.

(d) Area of Common Responsibility shall mean and refer to the Common Property (except for those portions of the Common Property which another Person is required to maintain under any easement, cost sharing agreement or covenant), together with those areas, if any, which by the terms of this Master Declaration or by contract or agreement with any Owner of a Parcel become the responsibility of the Master Association. The Area of Common Responsibility shall include but not be limited to all open space, roads, streets, paved areas and sidewalks in the Development, all fences, walls and retaining walls on the Common Property, the entry feature, and walking trails shown on the Survey. The office of any property manager employed by or contracting with the Master Association, if located in the Development, or any public rights-of-way within or adjacent to the Development, may be part of the Area of Common Responsibility.

(e) Articles of Incorporation shall mean the Articles of Incorporation for Towne Park Place Master Association, Inc., a Georgia non-profit corporation, its successors and assign, also known as the "Master Association".

(f) Board of Directors or Board shall mean the appointed or elected body of the Master Association, as applicable, vested with the authority to manage the affairs of the Master Association under the Georgia Nonprofit Corporate Code, O.C.G.A. §14-3-101, et seq.

(g) Bylaws shall refer to the Bylaws of Towne Park Place Master Association, Inc., attached to this Master Declaration as Exhibit "D" and made a part of this Master Declaration.

(h) Common Expenses shall mean shall mean the expenses incurred or anticipated to be incurred by the Master Association for the general benefit of the Development, including, but not limited to, those expenses incurred by the Master Association as part of the maintenance responsibilities in Article VIII hereof.

(i) Common Property shall mean any and all real and personal property and easements and other interests, together with the facilities and improvements located on the property, now or in the future owned by the Master Association for the common use and enjoyment of the Owners.

(j) Declarant shall mean Dan Woodley Communities, Inc. a Georgia corporation, and such of its successors-in-title who shall (i) acquire, from a predecessor "Declarant," and for the purpose of development or sale, all or any portion of the real property described in Exhibit "B" or "C" hereto, and (ii) be designated as the "Declarant" in the deed of transfer by which such successors-in-title shall so acquire its interest in such real property or in a separate document transferring the rights of the Declarant, recorded in the

Gwinnett County, Georgia records. In all events there shall only be one "Declarant" at any one time; in no event shall more than one Person have the right to exercise the power and authority of the "Declarant" at any one time.

(k) Declarant Control Period shall mean that time period in which the Declarant has the right to appoint directors and officers of the Master Association under Article III, Part A, Section 2 of the Bylaws.

(l) Development shall mean and refer to that certain real property and interests therein described in Exhibit "B", attached hereto, and (i) such additions thereto as may be made by Declarant by Supplementary Declaration of all or any portion of the real property described in Exhibit "C"; and (ii) such additions thereto as may be made by the Master Association by Supplementary Declaration of other real property.

(m) Development-Wide Standard shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Development. The Board of Directors of the Master Association may more specifically determine such standard. This determination, however, must be consistent with the Development-Wide Standard originally established by the Declarant.

(n) Development Plan shall mean means the Declarant's land use plan for the Development of Towne Park Place as it may be amended from time to time. Inclusion of property on the land use plan shall not obligate the Declarant or any other Person to subject such property to this Master Declaration, nor shall exclusion of property from the land use plan bar any Person from adding such property to the land use plan or subjecting such property to this Master Declaration.

(o) Hazardous Materials shall mean any pollutant, toxic substance, hazardous waste, hazardous material, hazardous substance, petroleum, oil, or any petroleum by-product defined as a hazardous substance under any applicable federal, state, or local laws, regulations or ordinances whether existing as of the date of this Master Declaration, previously in force or subsequently enacted.

(p) Majority shall mean those eligible votes by Owners, or other group as the context may indicate, totaling more than fifty (50%) percent of the total eligible number.

(q) Master Association shall mean Towne Park Place Master Association, Inc., a nonprofit Georgia corporation, its successors and assigns.

(r) Member shall mean a member of the Master Association pursuant to Article IV hereof.

(s) Mortgage shall mean any and all instruments used for the purpose of encumbering real property in the Development as security for the payment or satisfaction of an obligation, including, without limitations, any mortgage, deed to secure debt or deed of trust.

(t) Mortgagee shall mean the holder of a Mortgage.

(u) Occupant means any Person occupying all or any portion of a Unit for any period of time, including, without limitation, the Owner and any tenant of the Owner.

(v) Owner shall mean the record owner, whether one or more Persons, of the fee simple title to any Parcel or Unit located within the Development, excluding, however, any Person holding such interest merely as security for the performance of satisfaction of an obligation.

(w) Parcel shall mean each separately developed and denominated residential, office, or commercial area within the Development, whether or not governed by a Parcel Association (as defined

below), in which the Owners of the Units may have common interests other than those common to all Members of the Master Association. Separate Parcel status shall be designated on Exhibit "D" hereof or in one or more Supplementary Declarations describing the property, which shall constitute all, or part of such Parcel. By way of illustration, and not limitation, each single-family housing development, office development, or commercial/retail development may be designated as a separate Parcel. Separate Parcel status for any property subject to this Master Declaration may be made by Declarant, without a vote of the Members (until the Declarant no longer owns property in Development and no longer has the right to annex additional property to the Development). Each Parcel shall contain one (1) or more Units.

(x) Parcel Assessment means the assessment levied on Units, as more particularly described in Article V hereof.

(y) Parcel Association shall mean a condominium association, homeowners association or other owners association having concurrent jurisdiction with the Master Association over any Parcel.

(z) Parcel Declaration shall mean any declaration of condominium, declaration of protective covenants or similar instrument recorded in the Gwinnett County, Georgia land records which subjects all or a portion of the land within such Parcel to covenants, restrictions, and easements in addition to those contained in this Master Declaration.

(aa) Permit shall mean the National Pollutant Discharge Elimination System Permit for Storm Water Discharges Associated with Construction Activity, General Permit No. 100000 issued by the State of Georgia, Department of Natural Resources Environmental Protection Division, or any substitute for or amendment thereof.

(bb) Person shall mean 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 separate legal entity under Georgia law.

(cc) Special Assessment shall mean assessments levied on Units, as more particularly described in Article V hereof.

(dd) Specific Assessment shall mean assessments levied on Units, as more particularly described in Article V hereof.

(ee) Supplementary Declaration shall mean any parcel Declaration or an amendment or supplement to this Master Declaration that subjects additional property to this Master Declaration or imposes additional restrictions and obligations on the property, or both.

(ff) Survey shall mean the Final Plat for Towne Park Place, as amended, recorded in the Gwinnett County, Georgia records.

(gg) Total Association Vote shall mean the votes attributable to the entire membership of the Master Association (including votes of Declarant) as of the record date for such action, 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 Master Association as of the record date for such action, whether or not such Members are present or represented at the meeting, if any, where such votes are to be cast. As a further illustration, if a majority vote is required to approve a matter (and the term Total Association Vote is not used), such matter must receive more than half of the votes cast by the Members entitled to vote on the matter.



(hh) Unit shall mean any portion of the Development subject to this Master Declaration that may be independently owned, whether improved or unimproved. The term shall include within its meaning, by way of illustration but not limitation, townhouse units and single-family detached houses on separately platted lots, as well as vacant land intended for development, but shall not include property of any Parcel Association, or property dedicated to the public. In the case of a building within a condominium or other structure containing multiple units, each unit shall be deemed to be a separate Unit. In the case of a tract of vacant land or land on which improvements are under construction, the tract shall be deemed to be a single Unit until such time as a subdivision plat, condominium plat, or other plat showing the location of all contemplated improvements on the Unit is filed for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia on all or a portion of such tract. Thereafter, the portion encompassed by such plat shall contain the number of Units determined as set forth in the preceding part and any portion not encompassed by such plat shall continue to be treated in accordance with this paragraph. The ownership of each Unit shall include, and there shall pass with the title to each Unit as an appurtenance thereto, whether or not separately described, all of the rights and interest of an Owner in the Common Property as herein provided, together with membership in the Master Association.

EXHIBIT "B"Legal Description of Submitted Property

All that tract or parcel of land lying and being in Land Lot 293 of the 6<sup>th</sup> District, City of Duluth, Gwinnett County, Georgia, being more particularly described as follows:

Beginning at a point formed by the intersection of the westerly right of way of Ridgeway Road (right-of-way varies) and the northerly right of way of Hill Street (40' right-of-way); running thence along the right of way of Hill Street South 47 degrees 37 minutes 17 seconds West a distance of 244.28 feet to a point; running thence South 47 degrees 59 minutes 24 seconds West a distance of 288.73 feet to a point; running thence South 47 degrees 27 minutes 40 seconds West a distance of 58.54 feet to a point; thence leaving said right of way of Hill Street and running North 41 degrees 44 minutes 15 seconds West a distance of 532.99 feet to a point; running thence North 60 degrees 49 minutes 18 seconds a distance of 74.25 feet to a point; running thence North 61 degrees 31 minutes 27 seconds East a distance of 532.11 feet to a point located on the westerly right of way of Ridgeway Road; running thence South 37 degrees 16 minutes 56 seconds East a distance of 75.16 feet to a point; running thence South 39 degrees 22 minutes 07 seconds East a distance of 60.23 feet to a point; running thence in a southeasterly direction an arc distance of 255.25 feet to a point (said arc having a chord running South 43 degrees 52 minutes 04 seconds East and a chord length of 254.92 feet), which point is the POINT OF BEGINNING; said parcels being designated as Parcels 14 and Parcel 20, consisting of a combined total of 6.204 acres, as depicted on that certain Boundary Survey for Centex Homes, prepared by Clark Design Group, P.C., bearing the seal of Douglas R. Bentley, G.R.L.S. No. 2535, dated August 29, 2001.

## TOGETHER WITH:

All that tract or parcel of land lying and being in Land Lot 293 and 294 of the 6<sup>th</sup> District, City of Duluth, Gwinnett County, Georgia, being the entire parcel of land shown on the Final Plat for Towne Park Place recorded in Plat Book 47, Pages 236-237 of the Gwinnett County, Georgia public records.

EXHIBIT "C"

Legal Description of Additional Property That May Unilaterally  
Be Submitted by Declarant

All that tract or parcel of land lying and being in Land Lot 293 and 294 of the 6<sup>th</sup> District, City of Duluth,  
Gwinnett County, Georgia

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EXHIBIT 'D'

Legal Description of Parcels

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