Type: STATE LAND RECORDS Recorded: 6/19/2019 10:24:00 AM Fee Amt: \$172.00 Page 1 of 82

Forsyth County, GA

Greg G. Allen Clerk Superior Ct

Participant ID: 4971306683

BK 8925 PG 645 - 726

After Recording Return To: Beazer Homes, LLC 6455 Shiloh Road, Suite A Alpharetta, GA 30005 Attn: Steward A. Sparks, III

STATE OF GEORGIA

COUNTY OF FORSYTH

<u>DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS,</u>
AND EASEMENTS FOR TRADITIONS AT HERRINGTON

# TABLE OF CONTENTS

ARTICLE I.	<b>DEFINITIONS7</b>
1.1.	Additional Property7
1.2.	Association
1.3.	Base Assessments7
1.4.	Board or Board of Directors 8
1.5.	Builder 8
1.6.	Bylaws 8
1.7.	Common Expenses
1.8.	Common Property 8
1.9.	Community 8
1.10.	Community-Wide Standard8
1.11.	Condominium8
1.12.	Condominium Association 8
1.13.	Condominium Declaration 8
1.14.	Condominium Neighborhood8
1.15.	Condominium Unit8
1.16.	Declarant9
1.17.	Declaration9
1.18.	Easement and Cost Sharing Agreement9
1.19.	Effective Date of this Declaration
1.20.	Eligible Mortgage Holder10
1.21.	Limited Common Property
1.22.	Mortgage
1.23.	Mortgagee or Mortgage Holder10
1.24.	Neighborhood10
1.25.	Neighborhood Assessments10
1.26.	Neighborhood Association10
1.27.	Neighborhood Expenses10
1.28.	Occupant11
1.29.	Owner
1.30.	Person11
1.31.	Supplemental Declaration11
1.32.	Single-Family Detached Neighborhood11
1.33.	Single-Family Detached Unit11
1.34.	Unit
ARTICLE II.	PROPERTY SUBJECT TO DECLARATION11
2.1.	Location and Description11
2.2.	Additional Property

ARTICLE III.	NEIGHBORHOODS	12
3.1.	Creation of Neighborhoods	. 12
3.2.	Supremacy of Declaration	
ARTICLE IV.	RIGHTS OF DECLARANT AND DRP	12
4.1.	Annexation of Additional Property	. 13
4.2.	Construction, Marketing and Sales	. 13
4.3.	Board of Directors	. 13
4.4.	Amendments	
4.5.	Right to Notice of Claims	. 14
4.6.	Assignment and Termination of Declarant Rights	. 14
4.7.	Conveyance of Common Property	. 14
ARTICLE V.	ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	15
5.1.	Membership	. 15
5.2.	Voting	. 15
5.3.	Entity Members	. 15
ARTICLE VI.	ASSOCIATION RIGHTS AND RESTRICTIONS	15
6.1.	Association Rights and Restrictions	. 15
6.2.	Gate System	
ARTICLE VII.	ASSESSMENTS	18
7.1.	Purpose of Assessment	
7.2.	Creation of the Lien and Personal Obligation for Assessments	. 18
7.3.	Uniform Rate of Assessment and Specific Assessments	
7.4.	Computation of Operating Budget and Base Assessment	. 19
7.5.	Computation of Neighborhood Budget and Neighborhood Assessment	
7.6.	Fiscal Year	
7.7.	Special Assessments	. 21
7.8.	Capital Contribution Assessments	
7.9.	Commencement of Assessments	
7.10.	Declarant's Obligation for Assessment	. 22
7.11.	Delinquent Assessments	. 22
7.12.	Statement of Account	. 24
ARTICLE VIII.	ARCHITECTURAL CONTROLS	
8.1.	Architectural Standards	
8.2.	Master Association Architectural Review Committee	
8.3.	Appeal	26
8.4.	Limitation of Liability	26
8.5.	Condition of Approval	27
8.6.	No Waiver of Future Approvals	27
8.7.	Enforcement	27
8.8.	Commencement and Completion of Construction	27

ARTICLE IX.	USE RESTRICTIONS	28
9.1.	Residential Use	28
9.2.	Number of Occupants	29
9.3.	Vehicles and Parking	29
9.4.	Animals	31
9.5.	Fences	31
9.6.	Window Treatments	32
9.7.	Antennas and Satellite Dishes	32
9.8.	Abandoned Personal Property	32
9.9.	Use of Common Property	
9.10.	Prohibition of Nuisance and Noise	
9.11.	Fireworks	34
9.12.	Signs	
9.13.	Rubbish, Trash, and Garbage	
9.14.	Trash Collection Services	
9.15.	Unsightly or Unkempt Conditions	
9.16.	Impairment of Dwellings and Easements	35
9.17.	Erosion Control	35
9.18.	Window Air Conditioners	
9.19.	Delivery Receptacles and Property Identification Markers	35
9.20.	Subdivision of Units	35
9.21.	Garage Sale	36
9.22.	Easements	
9.23.	Traffic Regulations	36
9.24.	Age Restriction	36
ARTICLE X.	LEASING	
10.1.	Prohibition	
10.2.	Definition	
10.3.	General	
10.4.	Leasing Permits	
10.5.	Hardship Leasing Permits	40
10.6.	Leasing Provisions	41
10.7.	Applicability of this Article	42
ARTICLE XI.	MAINTENANCE RESPONSIBILITY	43
11.1.	Common Property	43
11.2.	Single-Family Detached Neighborhood	43
11.3.	Condominium Neighborhood	44
11.4.	General Provisions	44
11.5.	Failure to Maintain	45
11.6.	Maintenance Standards and Interpretation	46
11.7.	Measures Related to Insurance Coverage	
11.8.	Mold Disclosure and Waiver	46
ARTICLE XII.	EASEMENTS	47
12.1.	Easements for Use and Enjoyment	

12.2.	Easements for Encroachment and Overhang	48
12.3.	Easements for Utilities	
12.4.	Easement for Entry	49
12.5.	Easement for Private Streets, Sidewalks and Signs	49
12.6.	Easement for Construction and Sales	49
12.7.	Easement for Entrance Sign and Landscaping	50
12.8.	Fence Easement	50
12.9.	Drainage Easement	
12.10.	Additional Easements	51
ARTICLE XIII.	SALE OF UNITS	
13.1.	Grantor's Obligation for Notice	
13.2.	Grantee's Obligation for Notice	51
ARTICLE XIV.	INSURANCE	51
14.1.	Hazard Insurance on Common Property	51
14.2.	Liability Insurance and Directors' and Officers' Liability Insurance	
14.3.	Premiums and Deductible on Association Policies	
14.4.	Policy Terms	52
14.5.	Individual Single-Family Detached Unit Owner Insurance	53
14.6.	Condominium Insurance	53
ARTICLE XV.	REPAIR AND RECONSTRUCTION	54
15.1.	An Insured Loss	54
15.2.	Cost Estimates	
15.3.	Source and Allocation of Proceeds	54
ARTICLE XVI.	MORTGAGEE'S RIGHTS	54
16.1.	Foreclosure	54
16.2.	Eligible Mortgage Holder	
16.3.	Financial Statement	55
16.4.	Non-Impairment	55
16.5.	Notice to Association	55
ARTICLE XVII.	AMENDMENTS	55
17.1.	General	55
17.2.	Approval of Declarant	55
17.3	Consent of DRP Required	47
17.3.	Georgia Property Owners' Association Act	55
17.4.	Limitation Period	56
ARTICLE XVIII.	GENERAL PROVISIONS	
18.1.	Enforcement	56
18.2.	Duration	58
18.3.	Security	58
18.4.	Dispute Resolution	58
18.5	Limitation on Litigation	58

18.6.	No Discrimination	59
18.7.	Indemnification	59
18.8.	Eminent Domain	
18.9.	Implied Rights	
18.10.	Severability	
18.11.	Conflicts	

# LIST OF EXHIBITS

EXHIBIT "A" - DESCRIPTION OF SUBMITTED PROPERTY

EXHIBIT "B" - ADDITIONAL PROPERTY

EXHIBIT "C" - BYLAWS

### DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS

# AND EASEMENTS FOR TRADITIONS AT HERRINGTON

THIS DECLARATION is made on the date first set below by **BEAZER HOMES**, **LLC**, a Delaware limited liability company (hereafter sometimes referred to as the "Declarant" or "Beazer") and **DRP GA 1**, **LLC**, a Delaware limited liability company (hereinafter referred to as "DRP").

#### WITNESSETH

WHEREAS, DRP is the fee simple owner of the real property described in Exhibit "A" attached hereto, including, without limitation, each Unit, as such term is more particularly described in Article I hereof;

WHEREAS, pursuant to that certain Option Agreement by and between DRP and Declarant dated April 25, 2017 (as amended, the "Agreement"), Declarant has an exclusive option to purchase from DRP all of the Units in the Community, as such terms are more particularly described in Article I hereof; and

WHEREAS, Declarant and DRP desire to subject the real property described in Exhibit "A" attached hereto to the provisions of this Declaration to create a residential community and to provide for subjecting and annexing additional real property to the provisions of this Declaration;

NOW, THEREFORE, Declarant and DRP hereby declare that the real property described in Exhibit "A" attached hereto is subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied, mortgaged, and otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens set forth herein, which shall run with the title to the real property subjected to this Declaration. This Declaration shall be binding upon all parties having any right, title, or interest in any part of the property subjected hereto, including their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner of any portion of such property.

#### ARTICLE I. DEFINITIONS

- 1.1. <u>Additional Property</u> means the property described in Exhibit "B" attached hereto, which is incorporated herein by this reference.
- 1.2. <u>Association</u> means Herrington Community Association, Inc., a Georgia nonprofit corporation, its successors or assigns.
- 1.3. <u>Base Assessments</u> shall mean the assessments levied against all Units in the Community as more particularly described in Article VII, Section 7.4 of this Declaration.

- 1.4. <u>Board or Board of Directors</u> means the elected or appointed body responsible for the management and operation of the Association.
- 1.5. <u>Builder</u> means any Person which purchases one or more Units for the purpose of constructing improvements thereon for later sale to consumers in the ordinary course of such Person's business and is designated in writing by Declarant as a Builder. Declarant shall have the unilateral right, in its sole discretion, to revoke such designation at any time and from time to time.
- 1.6. <u>Bylaws</u> means the Bylaws of Herrington Community Association, Inc., attached to this Declaration as Exhibit "C" and incorporated herein by this reference.
- 1.7. <u>Common Expenses</u> means and includes the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of the Owners within the Community, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein.
- 1.8. <u>Common Property</u> means any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.
  - 1.9. Community means all property subjected and annexed to this Declaration.
- 1.10. <u>Community-Wide Standard</u> means the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board.
- 1.11. <u>Condominium</u> means that portion of the Community which has been or will be subject to a separate Condominium Declaration and the Georgia Condominium Act, O.C.G.A. §§ 44-3-70, *et seq*. The Condominium shall consist of Condominium Units, common elements, and limited common elements, as established by the Condominium Declaration.
- 1.12. <u>Condominium Association</u> means the condominium association identified in the Condominium Declaration.
- 1.13. <u>Condominium Declaration</u> means the declaration of condominium that is applicable to the Condominium, and which is, or will be, recorded in the Forsyth County, Georgia land records.
- 1.14. <u>Condominium Neighborhood</u> means those portions of the Community comprised of a Condominium.
- 1.15. <u>Condominium Unit</u> means a Unit located within a Condominium and subject to a separate Condominium Declaration, with the exact boundaries thereof defined by such Condominium Declaration.

1.16. <u>Declarant</u> means Beazer Homes, LLC, a Delaware limited liability company, its successors or assigns; provided, however, any such successor or assign must be designated as the Declarant in a recorded document executed by the then current Declarant and filed in the Forsyth County, Georgia land records.

Notwithstanding the foregoing, in the event Declarant is in breach of the Agreement, after any applicable notice and cure periods have run and such Agreement has been terminated, DRP may, but shall not be obligated to, with ten (10) days prior written notice to Declarant, unilaterally assume all rights of Declarant arising under the Declaration by filing for record a document evidencing the assumption of such rights. Upon the date of the recording of said document by DRP assuming the rights of Declarant under the Declaration in the Office of the Clerk of Superior Court of Forsyth County, Georgia (the "Transfer Date"), then and thereafter, all rights of Beazer, as Declarant, arising hereunder shall automatically cease and such rights shall be vested with DRP. DRP shall in no event be liable for any responsibilities, liabilities or obligations of Beazer, as Declarant or otherwise, arising prior to the Transfer Date and Beazer shall in no event be liable for any responsibilities, liabilities or obligations of DRP, as Declarant or otherwise, arising after the Transfer Date. Notwithstanding anything to the contrary herein, from and after the Transfer Date, with respect to Units acquired by Beazer under the Agreement, Beazer shall: (a) retain the right to exercise architectural control over exterior modifications and construction on any Unit on which construction has commenced as of the Transfer Date; (b) be entitled to exercise architectural control over exterior modifications and construction on any Unit on which construction has not commenced as of the Transfer Date, with the consent of DRP, which consent shall not be withheld, conditioned or delayed if the plans and elevations for the homes on such Units are consistent with those of existing dwellings constructed by Beazer in the Community; (c) remain exempt from the payment of assessments under Article VII for any Unit; and (d) retain such easement rights, as described in Article XII hereof, to maintain and carry on, upon such portion of the Community as reasonably necessary, such facilities and activities as may be required or convenient for the development, construction and sales activities related to such Units. DRP's option hereunder shall automatically expire when Beazer has acquired all of the property described in the Agreement. Until such time as all Units have been purchased by Beazer pursuant to said Agreement, Beazer shall have no right to assign, pledge or encumber such Declarant rights to any Person other than to DRP or a party designated by DRP and any purported assignment, pledge or encumbrance of such rights without the written consent of DRP shall be void.

- 1.17. <u>Declaration</u> means this Declaration of Covenants, Conditions, Restrictions, and Easements for Traditions at Herrington.
- 1.18. <u>Easement and Cost Sharing Agreement</u> means that Declaration and Agreement Regarding Reciprocal Easements and Restrictions between Access Area LLC, a Georgia limited liability company, Beazer Homes, LLC, a Delaware limited liability company and DRP GA 1, LLC, a Delaware limited liability company, dated April 25, 2017 and recorded April 26, 2017 in Deed Book 8170, Pages 466-489, Forsyth County, Georgia records.

- 1.19. <u>Effective Date of this Declaration</u> means the date that this Declaration of Covenants, Conditions, Restrictions, and Easements for Traditions at Herrington is recorded in the Forsyth County, Georgia land records.
- 1.20. <u>Eligible Mortgage Holder</u> means a holder of a first mortgage secured by a Unit who has requested notice of certain items under Article XVI of this Declaration.
- 1.21. <u>Limited Common Property</u> means any portion of the Common Property allocated for the exclusive use of one or more, but fewer than all, of the Units. Additionally, any chute, flue, duct, wire, water line, sewer line, conduit, bearing wall, bearing column, fence, driveway, walkway, steps, stoop, front walk, balcony, deck, patio, courtyard, air conditioning unit, doorstep, and utility box or other fixture or improvement located on the Common Property which serves only one Unit, shall be Limited Common Property allocated solely to that Unit, and any portions serving more than one Unit, but less than all of the Units shall be Limited Common Property allocated proportionately to the Units served. Each Unit shall be assigned one mailbox at the mail kiosks as Limited Common Property. The Board from time to time by resolution may designate other fixtures and improvements as Limited Common Property.
- 1.22. <u>Mortgage</u> means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation against a Unit.
  - 1.23. Mortgagee or Mortgage Holder means the holder of any Mortgage.
- 1.24. <u>Neighborhood</u> means each separately designated residential area within the Community in which the Owners may have common interests other than those common to all members of the Association. The Community shall initially be comprised of the Single-Family Detached Neighborhood and the Condominium Neighborhood. Neighborhood boundaries may be established and modified as provided in Article III of this Declaration.
- 1.25. <u>Neighborhood Assessments</u> shall mean the assessments levied against the Units in a particular Neighborhood or Neighborhoods as more particularly described in Article VII, Section 7.5 of this Declaration.
- 1.26. <u>Neighborhood Association</u> shall mean a separate corporation that Owners within a particular Neighborhood are mandatory members. A Neighborhood is not required to have a Neighborhood Association unless required by law.
- 1.27. <u>Neighborhood Expenses</u> mean and include the actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners within a particular Neighborhood or Neighborhoods, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein or in any amendment which submits additional property to this Declaration applicable to the Neighborhoods.

- 1.28. Occupant means any Person occupying a Unit for any period of time, regardless of whether such Person is a tenant or the Owner of such property.
- 1.29. Owner means the record title holder of a Unit, whether one or more Persons, but shall not include a Mortgage Holder.
- 1.30. <u>Person</u> means any individual, corporation, firm, association, partnership, trust, or other legal entity.
- 1.31. <u>Supplemental Declaration</u> means an instrument recorded pursuant to Article IV, Section 4.1 of this Declaration to annex and subject all or a portion of the Additional Property to the Declaration.
- 1.32. <u>Single-Family Detached Neighborhood</u> shall mean those portions of the Community comprised of Single-Family Detached Units.
- 1.33. <u>Single-Family Detached Unit</u> shall mean a Unit on which a single-family detached dwelling has been or will be constructed.
- 1.34. <u>Unit</u> shall mean a portion of the Community, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use, and occupancy as an attached or detached residence for a single family. The term shall refer to the land, if any, which is part of the Unit, as well as any improvements thereon. The term shall include within its meaning, by way of illustration but not limitation, condominium units, townhouse units, cluster homes, patio or zero lot line homes, and single-family detached houses on separately platted lots, as well as vacant land intended for development as such, but shall not include Common Property, common property of any Neighborhood Association, the common elements of any Condominium, or property dedicated to the public. In the case of a building within a condominium or other structure containing multiple dwellings, each dwelling shall be deemed a separate Unit.

In the case of a parcel of vacant land or land on which improvements are under construction, the parcel shall be deemed to contain the number of Units designated for residential use for such parcel on the site plan approved by Declarant until such time as a subdivision plat or condominium plat is filed of record on all or a portion of the parcel. Thereafter, the portion encompassed by such plat shall constitute a separate Unit or Units as determined above, and the number of Unit or Units on the remaining land, if any, shall continue to be determined in accordance with this Section 1.33.

# ARTICLE II. PROPERTY SUBJECT TO DECLARATION

2.1. <u>Location and Description</u>. The real property subject to this Declaration is located in Land Lots 448, 449, 488, and 489 of the 2nd District, 1st Section, Forsyth County, Georgia and being more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference.

2.2. <u>Additional Property</u>. All or a portion of the Additional Property may be annexed and subjected to this Declaration as set forth in Article IV, Section 4.1 hereof.

#### ARTICLE III. NEIGHBORHOODS

- Creation of Neighborhoods. The Community shall consist of the Single-Family 3.1. Detached Neighborhood and the Condominium Neighborhood. Declarant, in its sole discretion, may establish additional Neighborhoods within the Community. Any amendment which submits additional property to this Declaration may assign the property described therein to a specific Neighborhood by name, which Neighborhood may be then existing or newly created. The Units within a particular Neighborhood may be subject to additional covenants and/or excluded from a particular covenant(s) and the Owners within a Neighborhood may be mandatory members of a Neighborhood Association in addition to the Association. Declarant shall have the right, with the written consent of DRP for so long as DRP owns a Unit in the Community, but not the obligation, to subject any portion of the Community or the Additional Property to a declaration of condominium and the Georgia Condominium Act without the approval of any Unit Owner other than the owner of such property being subjected. Notwithstanding anything to the contrary stated herein, the Declarant may unilaterally amend this Declaration or any amendment which submits additional property to this Declaration from time to time to establish or to re-designate Neighborhood boundaries; provided, however, for so long as DRP owns a Unit in the Community any such amendment shall also require the written consent of DRP, which consent shall not be unreasonably withheld, conditioned, or delayed.
- 3.2. <u>Supremacy of Declaration</u>. The Association shall have the authority to veto any action taken or contemplated to be taken by a Neighborhood Association, which the Board of Directors of the Association reasonably determines to be adverse to the either the interests of the Association and its members, or this Declaration. The Association shall also have the authority to require specific action to be taken by a Neighborhood Association in connection with its obligations and responsibilities. Without limiting the generality of the foregoing, the Association may require specific maintenance or repairs or aesthetic changes to be effectuated by the Association, may require that a proposed budget include certain items and that expenditures be made therefore, and may veto or cancel any contract providing for maintenance, repair or replacement of any portion of the Neighborhood.

The Association shall give the Neighborhood Association written notice of any action required to be taken by the Neighborhood Association pursuant to this Section 3.2. Such action shall be taken within the time frame set forth in such written notice. If the Neighborhood Association fails to comply with the requirements set forth in the notice, the Association shall have the right to effect such action on behalf of the Neighborhood Association and shall assess Owners within such Neighborhood as a Neighborhood Assessment.

#### ARTICLE IV. RIGHTS OF DECLARANT AND DRP

In addition to any other rights of the Declarant and DRP set forth in the Declaration or Bylaws, the Declarant and DRP reserve the rights included within this Article IV.

- 4.1. Annexation of Additional Property. Until all of the Additional Property described on Exhibit "B" has been annexed and subjected to this Declaration, the Declarant may from time to time unilaterally subject to the provisions of this Declaration all or any portion of the real property described in Exhibit "B." Such annexation shall be accomplished by recording a Supplemental Declaration describing the property to be annexed. Such Supplemental Declaration shall not require the consent of the Unit Owners but shall require the consent of the owner of the property to be annexed, if other than Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein. Nothing in this Declaration shall be construed to require the Declarant to acquire, annex, or develop any of the property described in Exhibit "B." Notwithstanding anything to the contrary herein, any Supplemental Declaration executed by Declarant shall also require the written consent of DRP so long as it owns a Unit, which consent shall not be unreasonably withheld, conditioned or delayed. So long as DRP owns a Unit, any Supplemental Declaration which is not executed by DRP shall be void and of no force and effect.
- 4.2. <u>Construction, Marketing and Sales</u>. Declarant, DRP, and any Builder may maintain and carry on any activity without fee or charge upon the Common Property, any Unit owned by the Declarant or DRP, or any other Unit with the consent of the Owner of such Unit, as, in the sole discretion of the Declarant, DRP, or the Builder, may be reasonably required, convenient, or incidental to the construction or improvement of the Units or Common Property and the sale of the Units, including, but not limited to, business offices, signs, model homes, construction trailers, and sales offices. In addition, if reasonably required, the Declarant, DRP and Builders may park vehicles in areas other than driveways or garages.
- Board of Directors. The Declarant shall have the right to appoint and remove 4.3. directors and officers of the Association until the earlier of the following to occur: (a) sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use; or (b) the voluntary surrender by Declarant, in writing, of the authority to appoint and remove the Association's directors and officers. In the event the Declarant voluntarily surrenders the authority to appoint and remove the Association's directors and officers, the Declarant shall thereafter retain the right to veto any action of the Board of Directors until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been conveyed to any Person not constituting the Declarant for residential use. Until such time as all Units have been purchased by Beazer pursuant to the Agreement, Beazer shall not have the right to surrender the Declarant's right to appoint and remove the Association's directors and officers without the written consent of DRP and any purported surrender without the written consent of DRP shall be deemed void.
- 4.4. Amendments. Until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use, any amendment to the Declaration or Bylaws must be approved in writing by the Declarant prior to becoming effective; and during such time, Declarant shall have the unilateral right to amend the Declaration and Bylaws from time to time

without the approval of the Association members. Notwithstanding the foregoing, so long as DRP owns a Unit, any amendment to the Declaration shall require the prior written consent of DRP and any amendment recorded without such approval shall be deemed void and of no force and effect unless subsequently approved by a written consent signed by DRP.

- 4.5. Right to Notice of Claims. No Person shall retain an expert for the purpose of inspecting the design or construction of any dwelling, structure, or improvement in the Community in connection with or in anticipation of any potential or pending claim, demand, or litigation involving such design or construction unless Declarant has been first notified in writing and given an opportunity to meet with the Owner of the property to discuss the Owner's concerns and conduct its own inspection. Declarant reserves the right for itself and others it may designate to inspect, monitor, test, redesign, and correct any structure, improvement, or condition which may exist on any portion of the Community, including the Units and Common Property, and a perpetual easement of access though the Community for such purposes. No entry into a dwelling shall be permitted without the expressed consent of the Owner. Any Person exercising this right shall promptly repair, at such Person's expense, any damage resulting from the exercise thereof.
- Assignment and Termination of Declarant Rights. Any and all special rights and 4.6. obligations of Declarant set forth in this Declaration or the Bylaws may be transferred or assigned in whole or in part to any other Person, provided the transfer shall not reduce an obligation or enlarge a right beyond that which Declarant has under this Declaration or the Bylaws. No such transfer or assignment shall be effective unless it is in a written instrument signed by Declarant and duly recorded in the Forsyth County, Georgia land records; provided, however, DRP shall have the right to unilaterally assume the rights of Declarant pursuant to the terms set forth in Section 1.16 of this Declaration. Until such time as all Units have been purchased by Beazer pursuant to said Agreement, Beazer shall have no right to assign, pledge or encumber such Declarant rights to any Person other than to DRP or a party designated by DRP and any purported assignment, pledge or encumbrance of such rights without the written consent of DRP shall be void. Any and all rights and obligations of Declarant set forth in this Declaration or the Bylaws may also be terminated in whole or in part by Declarant pursuant to a written instrument signed by Declarant and duly recorded in the Forsyth County, Georgia land records; provided, however, so long as DRP owns a Unit, such written instrument shall also be signed by DRP in order to be effective. The rights of the Declarant set forth in the Declaration and the Bylaws shall only terminate in accordance with the provisions the Declaration or Bylaws, and shall not terminate by operation of law or otherwise.
- 4.7. Conveyance of Common Property. Declarant, DRP and their respective designees may convey or transfer, from time to time, to the Association improved or unimproved real property, or interest in real property, located within the properties described in Exhibit "A" or "B," personal property, and leasehold and other property interests. Such property shall be accepted by the Association "as is" and thereafter shall be maintained by the Association at its expenses for the benefit of the Owners, subject to the terms of this Declaration and any restrictions set forth in the deed or other instrument transferring such property to the Association. Neither Declarant nor DRP shall be required to make any improvements to the property conveyed to the Association, including, without limitation, dredging or removing silt from lakes

or ponds. Upon written request of Declarant or DRP, the Association shall reconvey to Declarant or DRP, as applicable, any portions of the Community originally conveyed by Declarant, DRP, or designee of Declarant or DRP to the Association without cost, to the extent (i) conveyed by Declarant, DRP or their respective designees in error; (ii) needed by Declarant, DRP or their respective designees to make adjustments in property lines; or (iii) reasonably determined by Declarant or DRP to be needed by Declarant or DRP due to changes in the overall scheme of development for the Community.

# ARTICLE V. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

- 5.1. Membership. Each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be a member of the Association. This is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Unit owned. In the event of multiple Owners of a Unit, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Unit. In no event shall more than one (1) vote be cast per Unit.
- 5.2. <u>Voting</u>. Members shall be entitled to one (1) equal 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 exercised as those Owners determine among themselves. In the absence of such advice, the Unit's vote shall be suspended if more than one (1) Person seeks to exercise it. A member's right to vote shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge, and the member shall be ineligible to vote on any matter until the member's account balance has been paid in full and such member's vote shall not be counted for any purpose.
- 5.3. Entity Members. In the event an Owner is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is the designated agent of such legal entity shall be eligible to represent such entity in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity which is the Owner of the Unit. The membership rights of an Owner which is a corporation, partnership, trust, or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

#### ARTICLE VI. ASSOCIATION RIGHTS AND RESTRICTIONS

6.1. <u>Association Rights and Restrictions</u>. The Association, acting through its Board of Directors, shall have the right and authority, in addition to and not in limitation of any other right it may have, to:

- (a) make and to enforce reasonable rules and regulations governing the use of the Community, including, but not limited to, the Units, Neighborhoods, Condominium, Common Property, and Limited Common Property;
- (b) enforce the Declaration, Bylaws, and rules and regulations of the Association by imposing reasonable monetary fines and suspending use and voting privileges. These powers, however, shall not limit any other legal means of enforcing such documents or provisions by either the Association or, in an appropriate case, by an aggrieved Owner;
- (c) grant permits, licenses, utility easements, and other easements, permits or licenses under, through or over the Common Property, including any Limited Common Property;
- (d) designate certain portions of the Common Property or other fixtures and improvements as Limited Common Property;
- (e) the right of the Board of Directors to convey all or any portion of the Common Property to any Person upon the written approval of at least two-thirds (2/3) of the total vote of the Association membership; provided, however, in the event such Common Property includes any portion of Limited Common Property, such written approval must be that of at least two-thirds (2/3) of the total vote of the Association membership and the Owner(s) of the Unit(s) that such Limited Common Property has been assigned; provided further, such written approval shall not be required for the Board to reconvey property to the Declarant in accordance with Article IV, Section 4.7 of this Declaration;
- (f) control, manage, operate, maintain, replace and, in the Board's discretion, alter or improve all portions of the Community for which the Association is assigned maintenance responsibility under this Declaration;
- (g) deal with the Common Property in the event of damage or destruction as a result of casualty loss, condemnation, or eminent domain, in accordance with the provisions of this Declaration;
- (h) enter into easement and cost-sharing agreement with other Persons that benefit and/or burden the Community pursuant to such terms as the Board deems reasonable;
- (i) represent the Owners in dealing with governmental entities on matters related to the Common Property, including the Limited Common Property;
- (j) veto any action taken or contemplated to be taken by a Neighborhood Association, which the Board of Directors of the Association reasonably determines to be adverse to the either the interests of the Association and its members, or the Declaration; and
- (k) require specific action to be taken by a Neighborhood Association in connection with its obligations and responsibilities.
- 6.2. <u>Gate System</u>. It is anticipated that two (2) mechanical gate systems will be installed in the Community to limit and/or restrict vehicular access, ingress and egress to and from portions of the Community (collectively, the "<u>Gate System</u>"). Each Owner, by accepting a

deed to a Unit, shall be deemed to acknowledge and agree to the following with respect to the installation of the Gate System within the Community:

- (a) The Board of Directors, with the consent of the Declarant, which consent shall not be unreasonably withheld, shall determine when the Gate System will be operational.
- (b) Neither Declarant, DRP, the Association nor their respective officers, directors, employees, members, representatives or agents shall be responsible for the security of Owners, Occupants or their family members, guests, invitees or property by virtue of the installation of the Gate System. NEITHER DECLARANT, DRP, THE ASSOCIATION NOR ANY OWNER OR OCCUPANT GUARANTEES OR ASSURES TO ANY OTHER OWNER OR OCCUPANT NOR ANY OTHER PARTY WHOMSOEVER THAT THE GATE SYSTEM WILL IN ANY MANNER WHATSOEVER PROVIDE PERSONAL PROTECTION OR SECURITY TO ANY OWNER OR OCCUPANT, THEIR PERSONAL POSSESSIONS OR TO GUESTS OR INVITEES, OR TO ANY OTHER PERSON, AND EACH OWNER, BY ACCEPTANCE OF A DEED TO A UNIT, SHALL HAVE ASSUMED THE ENTIRE RISK AS BETWEEN SUCH OWNER AND DECLARANT, DRP, OR THE ASSOCIATION, AS APPLICABLE, FOR ANY LOSS OR DAMAGE TO PERSON OR PROPERTY WITHIN THE COMMUNITY ARISING FROM ANY DEFICIENCY, FAILURE OR DEFECT IN THE GATE SYSTEM OR OTHERWISE.
- (c) All governmental authorities shall have access to the Community for law enforcement, safety and emergency purposes. Each Owner shall look solely to the applicable governmental authority for the provision of law enforcement and police protection.
- (d) The Gate System is not intended to replace or to serve in lieu of individual alarm systems or other measures designed to provide security at a residence or within any Unit. Each Owner is encouraged to install personal security devices upon and within such Owner's Unit to the same extent that would be prudent if the Gate System did not exist.
- (e) The Gate System will be installed based upon the representations of vendors regarding the operation and performance capabilities of the components of the Gate System.
- (f) DECLARANT AND DRP DISCLAIM ANY AND ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, AND MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY NATURE WHATSOEVER REGARDING THE GATE SYSTEM, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR THE PURPOSES FOR WHICH IT WAS DESIGNED. Declarant and DRP do not guarantee that the Gate System will avert or prevent occurrences or consequences which it is designed to avert or prevent.

- (g) The Gate System shall be owned, operated, and maintained by the Association at its sole cost and expense. Neither the Declarant nor DRP shall be required to operate or maintain the Gate System.
- (h) Each Owner shall use the Gate System in the proper manner and within the rules and regulations relating thereto as may be adopted from time to time by the Board of Directors.
- (i) Each Owner and Occupant acknowledges that the Declarant or the Association, as the case may be, shall have the right to deactivate any card access system, gate code or other method used in connection with the Gate System which restricts vehicular access to the Community in the event of nonpayment of assessments or for any violation of the Declaration, Bylaws, or rules and regulations of the Association.

#### ARTICLE VII. ASSESSMENTS

- 7.1. Purpose of Assessment. The Association shall have the power to levy assessments as provided herein. Assessments shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Association and the membership, and for expenses of the Association as provided within the Declaration, and as otherwise authorized by the Board. Assessments shall also be used for any amounts the Association is required or permitted to pay or incur pursuant to the terms of any easement and cost-sharing agreement.
- 7.2. <u>Creation of the Lien and Personal Obligation for Assessments</u>. Except as specifically provided herein, each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) Base Assessments and charges to fund Common Expenses for the general benefit of all Units; (ii) Neighborhood Assessments to fund Neighborhood Expenses benefiting only Units within a particular Neighborhood or Neighborhoods; (iii) special assessments, such assessments to be established and collected as hereinafter provided; and (iv) specific assessments, including reasonable fines, pursuant to Section 7.3 of this Article VII.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred (including post-judgment reasonable attorney fees actually incurred from any prior judgment, if any), shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Unit at the time when the assessment fell due. Each Owner and the Owner's grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board. The Board of Directors may, but is not obligated to, permit assessments to be paid in monthly, quarterly, or semi-annual installments. Other than the Declarant, no Owner may be exempted from liability, or otherwise withhold payment of assessments, for any reason whatsoever.

- 7.3. <u>Uniform Rate of Assessment and Specific Assessments</u>. Base Assessments shall be fixed at a uniform rate for all Units for which assessments have commenced. Neighborhood Assessments shall be fixed at a uniform rate for all Units within a particular Neighborhood or Neighborhoods. Notwithstanding the above, the Board of Directors shall have the power to levy specific assessments against Units pursuant to this Section 7.3 as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Section 7.3 shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section 7.3 in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section 7.3. The Board of Directors shall have the power to levy specific assessments as follows:
- (a) Except for expenses incurred for maintenance and repair of items which are the Association's maintenance responsibility hereunder, any Common Expenses benefiting less than all of the Units or significantly disproportionately benefiting all Units may be specifically assessed equitably among all of the Units which are benefited according to the benefit received.
- (b) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the licensees or invitees of any Unit may be specifically assessed against such Unit, including, but not limited to, expenses and attorney's fees actually incurred by the Association in enforcing the Declaration, Bylaws or Association rules and regulations, regardless of whether or not an enforcement lawsuit has been filed.
- (c) Other specific assessments, including fines, against an Owner and Owner's Unit deemed reasonable by the Board.
- 7.4. Computation of Operating Budget and Base Assessment. Prior to the beginning of each new fiscal year, the Board of Directors shall (1) prepare a budget covering the estimated Common Expenses of the Association for the upcoming new fiscal year and shall fix in the budget the amount of the Base Assessment for the upcoming new fiscal year, and (2) deliver a copy of the budget to each Owner at least sixty (60) days prior to the beginning of the new fiscal year. The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of Common Expenses on which the Board may set the Base Assessment. The Board may, but is not obligated to, permit the Base Assessment to be paid in monthly, quarterly, or semi-annual installments.

The budget may include a capital contribution establishing a reserve fund in accordance with an annual or multi-year reserve budget which takes into account the number and nature of replaceable assets, the expected life of such assets, and the expected repair or replacement costs of the assets. The Board may establish a reserve account for such expected repair or replacement costs, and may fund the reserve account from collected Base Assessments. The reserve budget shall not operate as a limitation on the expenditures of funds in the reserve account, but, rather, the Board may spend funds in the reserve account as deemed reasonable by the Board.

The budget and the Base Assessment shall become effective unless disapproved by the majority of the total vote of the Association membership at a meeting of the membership held at

least thirty (30) days prior to the beginning of the new fiscal year and the written consent of Declarant (so long as Declarant owns any property within the Community). Said meeting may be the annual meeting of the members if the annual meeting is held at least thirty (30) days prior to the beginning of the new fiscal year or may be at a special meeting requested in accordance with the Bylaws.

If either (1) the membership and Declarant disapprove the budget at least thirty (30) days prior to the beginning of the new fiscal year as provided herein, or (2) the Board fails for any reason to either (a) prepare a budget and fix the amount of the Base Assessment for the new fiscal year or (b) deliver the budget to the members, as provided herein, then the budget and Base Assessment in effect for the current fiscal year shall continue for the upcoming new fiscal year. In the event the Base Assessment is insufficient to cover the actual Common Expenses of the Association during any fiscal year, the Board of Directors, upon ten days notice to the members, may increase the Base Assessment during such fiscal year to cover the shortfall.

7.5. Computation of Neighborhood Budget and Neighborhood Assessment. Prior to the beginning of each new fiscal year, the Board of Directors shall (1) prepare a separate budget for each Neighborhood covering the estimated Neighborhood Expenses to be incurred by the Association for each Neighborhood for the upcoming new fiscal year and shall fix in the budget the amount of the Neighborhood Assessment for the upcoming new fiscal year, and (2) deliver a copy of the budget to each Owner within such Neighborhood at least sixty (60) days prior to the beginning of the new fiscal year. The Board shall be entitled to set such budget to the extent that this Declaration, any supplementary declaration, the Bylaws, or any amendment to the foregoing specifically authorize the Board to assess certain costs as a Neighborhood Assessment. The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of Neighborhood Expenses on which the Board may set the Neighborhood Assessment. The Board may, but is not obligated to, permit the Neighborhood Assessment to be paid in monthly, quarterly, or semi-annual installments.

The budget may include a capital contribution establishing a reserve fund in accordance with an annual or multi-year reserve budget which takes into account the number and nature of replaceable assets, the expected life of such assets, and the expected repair or replacement costs of the assets within a particular Neighborhood. The Board may establish a reserve account for such expected repair or replacement costs, and may fund the reserve account from collected Neighborhood Assessments. The reserve budget shall not operate as a limitation on the expenditures of funds in the reserve account, but, rather, the Board may spend funds in the reserve account as deemed reasonable by the Board.

The budget and the Neighborhood Assessment shall become effective unless disapproved by the majority of the Owners of Units within such Neighborhood at a meeting of the membership held at least thirty (30) days prior to the beginning of the new fiscal year and the written consent of Declarant (so long as Declarant owns any property within the Community). Said meeting may be the annual meeting of the members if the annual meeting is held at least thirty (30) days prior to the beginning of the new fiscal year or may be at a special meeting requested in accordance with the Bylaws.

If either (1) the Owners and Declarant disapprove the budget at least thirty (30) days prior to the beginning of the new fiscal year as provided herein, or (2) the Board fails for any reason to either (a) prepare a budget and fix the amount of the Neighborhood Assessment for the new fiscal year or (b) deliver the budget to the Owners, as provided herein, then the budget and Neighborhood Assessment in effect for the current fiscal year shall continue for the upcoming new fiscal year. In the event the Neighborhood Assessment is insufficient to cover the actual Neighborhood Expenses of the Association during any fiscal year, the Board of Directors, upon ten days notice to the members, may increase the Neighborhood Assessment during such fiscal year to cover the shortfall.

In the event a Neighborhood is governed by a Neighborhood Association, such Neighborhood Association shall be responsible for the collection of all Neighborhood Assessments applicable to the Units within such Neighborhood and the payment of same to the Association. The Neighborhood Association shall include as a line item in its budget, an amount for the Neighborhood Assessment levied by the Association.

- 7.6. <u>Fiscal Year</u>. The fiscal year of the Association may be set by Board resolution or, in the absence thereof, shall be the calendar year.
- 7.7. Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special assessments shall be levied against all Units within the Community, if the special assessment is for Common Expenses, or against the Units within a particular Neighborhood, if the special assessment is for Neighborhood Expenses. Special assessments shall be fixed at a uniform rate for all Units subject to such special assessment. Any special assessment which would cause the total of special assessments levied in one fiscal year to exceed five hundred (\$500.00) dollars per Unit must be approved by the affirmative vote, written consent, or any combination of affirmative vote and written consent, of at least a majority of the votes allocated to the Units which will be subject to the special assessment and the written consent of Declarant (so long as Declarant owns any property within the Community). An approved special assessment may be required to be paid during the fiscal year, or alternatively, upon the approval of the Board of Directors, may be paid over a set number of years.
- 7.8. Capital Contribution Assessments. Upon the conveyance of ownership of a Unit to any Person other than Declarant or a Builder, including all resales, a base capital contribution assessment shall become due and payable to the Association by each new Owner. In addition to, and not in lieu of the base capital contribution assessment, upon the conveyance of ownership of a Unit to any Person other than Declarant or a Builder, including all resales, a neighborhood capital contribution assessment shall become due and payable to the Association by each new Owner. The amount of the base capital contribution assessment and the neighborhood capital contribution assessment shall be set by the Board of Directors at any time during the year in which this Declaration is recorded. Thereafter, prior to the beginning of each new fiscal year, the Board of Directors may determine the amount of the base capital contribution assessment and the neighborhood capital contribution assessment for the upcoming new fiscal year. The amount of the neighborhood capital contribution assessment may be different for each Neighborhood in the Community.

In the event the Board does not determine the amount of the base capital contribution assessment and the neighborhood capital contribution assessment prior to the beginning of the next fiscal year, then the base capital contribution assessment and the neighborhood capital contribution assessment amounts in effect at such time shall, by default, continue for the next fiscal year.

The base capital contribution assessment and the neighborhood capital contribution shall not be deemed to be an advance payment of any assessment and may not be paid in lieu of any assessment. The base capital contribution assessment and the neighborhood capital contribution shall be the personal obligation of the new Owner and shall constitute a lien against the Unit. Notwithstanding anything to the contrary herein, no base capital contribution assessment or neighborhood capital contribution shall be due as a result of a conveyance of a Unit to an Owner's spouse, a person cohabitating with the Owner, or a corporation, partnership, company, or legal entity in which the Owner is a principal.

The amounts received from base capital contribution assessments shall only be used for Common Expenses. The amounts received from neighborhood contribution assessments shall only be used for Neighborhood Expenses.

- 7.9. <u>Commencement of Assessments</u>. The obligation to pay assessments shall commence as to each Unit on the date of the first conveyance of ownership of such Unit for which a certificate of occupancy has been issued to any Person not constituting Declarant, DRP or a Builder, or the actual occupancy for residential purposes of the Unit for which a certificate of occupancy has been issued, whichever is first to occur. The use of a Unit as a model home by Declarant, DRP or a Builder shall not constitute occupancy for residential purposes.
- 7.10. Declarant's Obligation for Assessment. Declarant shall not be liable for the payment of any assessments, including Base Assessments, Neighborhood Assessments, special assessments or specific assessments, on its unsold Units. However, Declarant may, but shall not be obligated to, elect to contribute to the Association on an annual basis the difference between the amount of assessments levied on the Units subject to assessments and the amount of the Association's actual expenditures during the fiscal year (a "Subsidy"). Any Subsidy may be treated, in the Declarant's sole discretion, as either a voluntary contribution or a loan from the Declarant to the Association. Notwithstanding any language to the contrary herein or the Bylaws, any loan from Declarant to the Association shall not require the approval of the members of the Association. A Subsidy may be evidenced by one or more promissory notes from the Association in favor of the Declarant. The execution by the Board of such promissory note or notes from the Association in favor of the Declarant shall not constitute a conflicting interest transaction. The payment of a Subsidy in any fiscal year shall under no circumstances obligate Declarant to continue payment of a Subsidy in future years.
- 7.11. <u>Delinquent Assessments</u>. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

- (a) If any assessment, fine, or charge is not paid in full within ten (10) days of the due date, a late charge equal to the greater of ten dollars (\$10.00) or ten percent (10%) of the amount not paid or such higher amount as may be authorized by law, may be imposed without further notice or warning to the delinquent Owner, and interest at the rate of ten percent (10%) per annum or such higher amount as may be authorized by law, shall accrue from the due date.
- (b) If partial payment of an assessment, fine, or charge is made, the amount received may be applied by the Board, in respective order, to post-judgment attorney's fee from any prior judgment, if any, then to costs and attorney's fees not reduced to a judgment, then to interest, then to late charges, then to delinquent assessments and then to current assessments.
- (c) If an assessment, fine, or charge due from an Owner remains delinquent and unpaid for more than thirty (30) days from the date due, then a notice of delinquency may be given to that Owner stating that if the unpaid assessment or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board may accelerate and declare immediately due all of that owner's unpaid installments of the assessment. If the Owner fails to pay all amounts currently due within ten (10) days of the date of the notice of delinquency, the Board may then accelerate and declare immediately due all installments of the assessment without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the assessment in installments, unless reinstated in the Board's discretion. The notice of acceleration provided herein may be included in a collection litigation complaint filed against an owner for unpaid assessments and charges.
- (d) If an assessment, fine, or charge remains unpaid more than sixty (60) days after the due date, the Association, acting through the Board, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, and Georgia law, including reasonable attorney's fees actually incurred (and including post-judgment reasonable attorney's fees actually incurred from any prior judgment, if any).
- (e) A member's right to vote and right to use the Common Property shall automatically be suspended without notice during any period in which a member is more than thirty (30) days delinquent on any assessment or charge, and the member shall be ineligible to vote on any matter or use the recreational facilities until the member's account balance has been paid in full.
- (f) If an assessment, fine, or charge remains unpaid more than thirty (30) days after the due date, the Association, acting through the Board, shall have the right to suspend utilities or other services to the Unit paid for as a Common Expense by the Association, if any. Any costs incurred by the Association in discontinuing and/or reconnecting any service, including reasonable attorney's fees actually incurred, shall be an assessment against the Unit. The utilities or other services shall not be required to be restored until all amounts owed by the Owner have paid in full and the expenses to disconnect and/or reconnect the utilities or other services have been paid in full. An Owner whose utility or service has been suspended hereunder shall not be entitled to use any such utility or service from any source, and any such unauthorized use shall be considered a theft of services.

- If an assessment, fine, or charge remains unpaid more than thirty (30) days (g) after the due date, the Association, acting through the Board, may suspend the right of the Owner, including any Occupant of the Owner's Unit and all guests of the Owner or Occupant, to bring or park vehicles on the Common Property, including the streets, drives, driveways, and any other parking area; provided, however, the Board may not limit pedestrian, medical, fire, police or other health, safety, service or emergency vehicle ingress or egress to or from the Unit or deny necessary parking of clearly and properly identified handicapped vehicles used by handicapped Owners, Occupants or guests protected by the Fair Housing Act of 1988. Prior to suspending such vehicular access privileges, the Association shall provide the delinquent Owner written notice via United States First Class Mail or certified mail of its intention to do so not less than ten (10) days prior to the date of such suspension. Following the tenth (10th) day from the date of the mailing of the notice, the right of the Owner, including any Occupant of the Owner's Unit and all guests of the Owner or Occupant, to bring or park vehicles on the Common Property shall be automatically suspended until all amounts owed through the date of the notice are paid in full or unless otherwise agreed to by the Board. Any vehicle of an Owner, including any Occupant of the Owner's Unit and all guests of the Owner or Occupants, brought or parked on the Common Property in violation of the suspension may be immediately towed without further notice to such Owner or notice to such Occupant, guest, or the owner of the vehicle. The Association, acting through the Board, may also enforce such suspension by deactivating vehicular gate access and through the imposition of fines.
- 7.12. Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against such Unit. The Association shall respond in writing within ten (10) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Unit as of the date specified therein.

#### ARTICLE VIII. ARCHITECTURAL CONTROLS

8.1. Architectural Standards. No Owner, Occupant, or any other Person, except the Declarant, may make any exterior change, alteration, modification (including exterior painting), or construction on a Unit, the Condominium, or the Common Property, including the Limited Common Property, nor erect, place or post anything or object which may affect the appearance of a Unit, the Condominium, or the Common Property, including the Limited Common Property (including, but not limited to, any fence, playground equipment, light (except for reasonable seasonal decorative lights displayed on the Owner's Unit between October 1 and January 15), basketball goal, storm door, exterior sculpture, or fountain), nor place any object in any window which is visible from the exterior of a Unit, without first obtaining the written approval of the Master Association Architectural Review Committee ("MAARC").

The standard for approval of all improvements hereunder shall include, but not be limited to: (1) aesthetic consideration, (2) materials to be used, (3) compliance with the Community-Wide Standard, this Declaration, or design standards which may be adopted by the MAARC, (4) harmony with the external design of the existing dwellings, Units and structures, and the location

in relation to surrounding dwellings, structures and topography, and (5) any other matter deemed to be relevant or appropriate by the MAARC.

Applications for approval of any such architectural modification shall be in writing and shall provide such information as the MAARC may reasonably require. If the MAARC fails to approve, conditionally approve, or to disapprove such application within forty-five (45) days after the application and such information as the MAARC may reasonably require shall have been submitted, its approval will not be required and this Article VIII shall be deemed complied with, unless such construction, modification or improvement otherwise is in violation of the Declaration, the Bylaws, the design standards, the Association's rules and regulations, or applicable zoning ordinances.

The MAARC shall be the sole arbiter of the application and may withhold approval for any reason whatsoever, including purely aesthetic considerations. The Association, acting through the Board, shall be entitled to stop any construction or modification which is not in conformance with approved plans. The MAARC may publish design standards for exterior alterations or additions, and any request in compliance therewith shall be approved. The design standards may contain general provisions applicable to all of the Community, as well as specific provisions which vary from one (1) portion of the Community to another depending upon the location, unique characteristics, and intended use.

This Article VIII, including, but not limited to, the requirement to obtain MAARC approval, shall not apply to the activities of the Declarant or DRP, including any activity performed by or on behalf of the Declarant or DRP.

#### 8.2. Master Association Architectural Review Committee.

- (1) Until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting Declarant or a Builder for residential use, the Declarant shall be the sole member of the MAARC and shall have the exclusive authority to administer and enforce architectural controls under this Article VIII. Declarant's rights under this Article VIII may be assigned in whole or in part. The Declarant shall further have the right, but not the obligation, to establish subcommittees to exercise any right granted to Declarant hereunder. Notwithstanding the foregoing, so long as DRP owns a Unit, any relinquishment, assignment or termination of rights of Declarant hereunder shall require the written consent of DRP, which consent shall not be unreasonably withheld, conditioned or delayed.
- (2) Upon the expiration of Declarant's authority to control architectural review for the Community, the Board of Directors shall appoint the members of the MAARC. The MAARC shall thereafter constitute a standing committee of the Association, and the MAARC shall consist of the Board unless the Board delegates to other Persons the authority to serve on the MAARC. The chairperson of the MAARC shall be a Board member.
- (3) The MAARC shall have the authority to select and employ professional consultants to assist it in discharging its duties, the cost of such consultants to be paid by the

Owner of any Unit for which an application has been submitted for approval. The Owner of any such Unit shall be responsible for paying the full costs of each review, whether or not the submitted application is approved by the MAARC, and the MAARC may require payment of all such costs prior to approval of the application. The MAARC also may charge reasonable fees to cover the cost of review or inspections performed hereunder. At any time during the review process, so long as the Declarant owns any property described in Exhibit "A" or "B," the Declarant shall have the power to veto any decision taken by the MAARC.

- (4) The MAARC, with the consent of the Board, may allow encroachments onto the Common Property as it deems acceptable.
- 8.3. Appeal. In the event the MAARC disapproves any application or part thereof, an Owner shall have the right to appeal the MAARC's decision to the Board of Directors. Such appeal must be in writing, contain all information the Owner would like the Board to consider, and be mailed to the Association by certified mail, return receipt requested. The Board shall rule on the appeal within thirty (30) days of receiving written notice requesting an appeal from the Owner. If the Board fails to render a decision on such appeal within thirty (30) days after the appeal and such information as the Board may reasonably require shall have been received, the MAARC's decision shall be deemed final.

In ruling on the appeal, the Board shall consider all relevant materials presented to it by either the Owner or the MAARC, the decision of the MAARC, and the application of the Owner to the MAARC. The Board of Directors shall have the final authority to approve, disapprove, or conditionally approve or disapprove the appeal of the Owner. If the Board does not receive written notice from the Owner by certified mail requesting an appeal within fourteen (14) days from the date of the MAARC's notice to the Owner of its decision, the decision of the MAARC shall become final and all rights of appeal shall terminate.

All decisions of the Declarant-controlled MAARC shall be final, and there shall be no appeals of decisions of the Declarant-controlled MAARC.

8.4. <u>Limitation of Liability</u>. Review and approval of any application pursuant to this Article may be made on any basis, including solely the basis of aesthetic considerations, and neither the Declarant, DRP, the Association, the Board, the MAARC, nor any member of the foregoing shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations and other governmental requirements. Neither the Declarant, DRP, the Association, the Board, the MAARC, or any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner, design, or quality of approved construction on or modifications to any Unit, nor may any action be brought against the Declarant, DRP, Association, the Board, the MAARC, or any member thereof, for any such injury, damage, or loss. Neither the Declarant, DRP, the Association, the Board, the MAARC, nor any member thereof, shall be liable to any Person for any reason whatsoever for any injuries or damages whatsoever relating in any way to the approval, disapproval, conditional approval, or the failure to approve or deny any application submitted to it pursuant to the terms of this Article.

- 8.5. <u>Condition of Approval</u>. As a condition of approval of 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 in writing by the MAARC. It is the responsibility of every Owner of a Unit to determine for himself or herself what architectural modifications have been made to his or her Unit by any predecessor-in-interest. In the discretion of the MAARC or Board, 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.
- 8.6. No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board and the MAARC will change from time to time and that interpretation, application, and enforcement of the architectural standards may vary accordingly. The approval of either the Board or the MAARC of any proposals, plans, and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval of the Board or the MAARC, shall not 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.
- 8.7. Enforcement. Any construction, alteration, or other work done in violation of this Article VIII, the Declaration, the Bylaws, the design guidelines, or any applicable zoning regulations shall be deemed to be nonconforming. Upon written request from the Board, a violating Owner shall, at the Owner's sole cost and expense, remove such nonconforming construction, alteration, or other work and restore the property to substantially the same condition as existed prior to such construction, alteration or work. Should the Owner fail to do so, the Board or its designees shall have the right, in addition to all other available remedies, to enter the property, remove the violation and restore the property, or obtain a court order compelling the violating Owner to do so. All costs thereof, including reasonable attorney's fees actually incurred, may be assessed against such Unit, regardless of whether or not litigation is filed.

In addition to the above, the Board shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Article VIII and its decisions or those of the MAARC. All costs of any such action, including reasonable attorney's fees actually incurred, may be assessed against such Unit. Furthermore, the Board shall have the authority to record in the Forsyth County, Georgia land records notices of violation of the provisions of this Article VIII. The Board may also pursue any other enforcement option set forth in this Declaration.

8.8. Commencement and Completion of Construction. All improvements approved by the Declarant or the MAARC hereunder must be commenced within ninety (90) days from the date of approval. If not commenced within such time, then such approval shall be deemed revoked by the Declarant or the MAARC, unless the Declarant or the MAARC gives a written extension for commencing the work. Additionally, except with written Declarant or MAARC approval otherwise, and except for delays caused by strikes, fires, national emergencies, critical materials shortages or other intervening forces beyond the control of the Owner, all work

approved by the Declarant or the MAARC hereunder shall be completed within ninety (90) days of commencement. If not completed within such time, then such approval shall be deemed revoked by the Declarant or the MAARC, unless the Declarant or the MAARC gives a written extension for completing the work. This Section 8.8 shall not apply to any construction or modification performed by or on the behalf of the Declarant or DRP.

#### ARTICLE IX. USE RESTRICTIONS

Each Owner of a Unit shall be responsible for ensuring that the Owner's family, guests, tenants, and Occupants comply with all provisions of this Declaration, the Bylaws, and the rules and regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants, or Occupants, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants, or Occupants.

Residential Use. Each Unit shall be used for residential purposes only, and no 9.1. trade or business of any kind may be conducted in or from a Unit or any part of the Community, including business uses ancillary to a primary residential use, except that the Owner or Occupant residing in a dwelling on a Unit may conduct such ancillary business activities within that dwelling so long as (1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the dwelling; (2) the business activity does not involve visitation of the Unit by employees, clients, customers, suppliers, or other business invitees; provided, however, this provision shall not preclude delivery of materials or items by United States Postal delivery or by other customary parcel delivery services (U.P.S., Federal Express, etc.); (3) the business activity conforms to all zoning requirements for the Community; (4) the business activity does not increase traffic in the Community; (5) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (6) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Community, as may be determined in the Board's sole discretion.

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: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. Short-term rentals, transient tenants, and any other service utilized to temporarily rent Units as accommodations to guests or tenants (for example, Airbnb, HomeAway, VRBO, or other similar services) are expressly prohibited. Such rental arrangements shall be considered a business activity regardless if the Owner resides at the Unit.

Notwithstanding the above, the use of a Unit by an on-site management company operating on behalf of the Association shall not be considered a trade or business within the meaning of this Article IX. Further, the activities of the Declarant, DRP or any Builder, or any Person acting on behalf of Declarant, DRP or any Builder, shall not be subject to this Section 9.1.

# 9.2. Number of Occupants.

- (a) The maximum number of occupants in a dwelling on a Unit shall be limited to two (2) people per bedroom in the dwelling as originally constructed. "Occupancy," for purposes hereof, shall be defined as staying overnight in a dwelling for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.
- (b) If an Owner of a Unit is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the natural person(s) who will occupy the Unit who must have a significant relationship with the entity; provided, however, in the event the corporation, partnership, trust or other legal entity not being a natural person, or any officer, director, member, employee, trustee, beneficiary, partner or agent of such legal entity, receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument from or on behalf of the designated person(s), then such arrangement shall be considered leasing for purposes of this Declaration and the Owner shall be required to comply with Article X of this Declaration. The designated person(s) to occupy the Unit may not be changed, added to, or modified more frequently than once every two (2) years without the written approval of the Board of Directors, who may deny such request in its sole discretion.
- 9.3. <u>Vehicles and Parking</u>. No Owner or Occupant may keep more than a reasonable number of vehicles per Unit at any time. The Board may adopt reasonable rules limiting the number of vehicles which may be parked on a Unit and such other reasonable rules governing the parking of vehicles within the Community, including guest parking. Vehicles may only be parked in garages, driveways or other areas authorized in writing by the Board. Vehicles shall not be parked on any lawn, yard, or street.

Garage doors shall remain closed at all times, except for necessary use, ingress, and egress. Each garage should be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible. It is prohibited for an Owner or Occupant of a Unit that includes a garage to convert such garage to any other use. No Owner or Occupant of a Unit that includes a garage shall park his, her or its car or other motor vehicle on any portion of the Community, other than in the garage, unless the maximum number of cars or similarly sized motor vehicles which can be parked in the garage according to its design capacity are already parked in said garage.

The Condominium Declaration may assign parking spaces located on or within the Condominium to Condominium Units. In addition to the rights of the Association hereunder, the

Condominium Association shall also have the authority to regulate parking on the Condominium pursuant to the terms of the Condominium Declaration.

Disabled and stored vehicles are prohibited from being parked in the Community except in garages. For purposes of this Section 9.3, a vehicle shall be considered "disabled" if it does not have a current license tag or is inoperable. A vehicle shall be considered "stored" if it remains in a location, other than in a garage, without prior written Board permission, for fourteen (14) consecutive days or longer or if it is covered for more than two (2) consecutive days with a car cover or tarp.

Boats, trailers, trucks with a load capacity of one (1) ton or more, full-size vans (excluding minivans or utility vehicles used as passenger vehicles), recreational vehicles (RV's and motor homes), vehicles used primarily for commercial purposes and containing visible evidence of commercial use (such as tool boxes or tool racks), and vehicles with commercial writings on their exteriors are prohibited from being parked in the Community, except in garages or other areas 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 a Unit or the Common Property during normal business hours for the purpose of serving the Unit or the Common Property; provided, that, without the written consent of the Board, no such vehicle shall be authorized to remain on a Unit or the Common Property overnight or for any purpose except serving a Unit or the Common Property.

If any vehicle is parked on any portion of the Community in violation of this Section 9.3 or in violation of the Association's rules and regulations, the Board may send a notice to the vehicle owner or user, or 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 a person to contact regarding the alleged violation and shall include the name and telephone number of the person or entity which will do the towing or booting. If twenty-four (24) hours after such notice is placed on the vehicle, or three (3) days after the notice has been sent to the owner, the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed or booted in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Unit or dwelling, is obstructing the flow of traffic, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed or booted in accordance with this Section 9.3, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing or booting activity. The Association's right to tow or boot is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines.

The activities of the Declarant, DRP or any Person acting on behalf of Declarant or DRP, shall not be subject to this Section 9.3.

9.4. Animals. No Owner or Occupant may keep any animals other than a reasonable number of generally recognized household pets on any portion of the Community. No Owner or Occupant may keep, breed or maintain any animal for any commercial purpose. Dogs must be kept on a leash and be under the physical control of a responsible person at all times while outdoors in unfenced areas. Dogs may not be left unattended while leashed or tethered to any post, tree, or object. No structure for the care, housing, or confinement of any animal shall be constructed or maintained on a Unit without prior written MAARC approval.

Feces left by any animal in the Community, including, but not limited to, on the Common Property, on any Unit, or in any dwelling, including the animal owner's Unit or dwelling, must be removed promptly by the owner of the animal or the person responsible for the animal. Fines may be imposed to enforce this provision.

No potbellied pigs, chickens, or livestock may be brought into or kept in the Community at any time. No animal determined in the sole discretion of the Board to be a dangerous animal may be brought into or kept in the Community at any time by any Unit Owner, Occupant, or guest of an Owner or Occupant. Any animal which endangers the health or safety of any Owner or Occupant of any Unit or which creates a nuisance or unreasonable disturbance, as may be determined in the Board's sole discretion, must be permanently removed from the Community upon seven (7) days written notice by the Board. If the Owner or Occupant fails to comply with such notice, the Board may remove the animal and/or obtain a court order requiring the Owner or Occupant to do so. Any animal which, in the Board's sole discretion, presents an immediate danger to the health, safety or property of any member of the community may be removed by the Board without prior notice to the animal's owner.

Any Owner or Occupant who keeps or maintains any animal on any portion of the Community shall be deemed to have indemnified and agreed to hold the 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 animal within the Community.

9.5. Fences. No chain link fence or cyclone fences may be placed in the Community, except by the Declarant. All fences, except those installed by or on behalf of the Declarant or the Association, must first be approved by the MAARC before the commencement of any installation of the fence; provided, however, no Person other than the Association, the Condominium Association, and/or the Declarant, shall be permitted to install a fence on the Condominium. The MAARC shall have the authority to approve, conditionally approve, or disapprove an Owner's request to install a fence for any reason, including, but not limited to, aesthetic considerations, the location of the fence or dwelling to surrounding dwellings, structures, or topography, and any other matter deemed to be relevant or appropriate by the MAARC. All Owners understand and agree that certain Owners' request may be approved and certain Owners' request may be denied based upon these considerations, and no Owner or other Person may bring any action against the Declarant, the Association, the Board, the MAARC, or any member thereof relating directly or indirectly to the approval or disapproval of such a request.

- 9.6. Window Treatments. Unless otherwise approved in writing by the Board and except for dwellings owned by Declarant, all windows in a Unit that face toward the street, except foyer or architectural windows, shall have window treatments, and any portion of any window treatment in a dwelling that is visible from outside of the Unit shall be white or off-white in color. No window screens shall be installed on any window located on the front of a Unit unless approved under by the MACC. The MAARC is authorized to adopt guidelines for additional permissible window treatments, including, but not limited to, window treatments made of wood. Sheets, blankets, towels, flags, and other such items shall not be placed in any window or in any way used as window treatments.
- 9.7. Antennas and Satellite Dishes. No transmission antenna of any kind may be erected anywhere in the Community without written approval of the MAARC. No satellite dish, direct broadcast satellite (DBS) antenna, or multi-channel multi-point distribution service (MMDS) larger than one meter in diameter shall be placed, allowed, or maintained upon any portion of the Community, including a Unit. Satellite dishes and DBS and MMDS 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 Association authorized by the FCC, both as may be amended from time to time. Such items shall be installed to the rear of the Unit in the least conspicuous location available on the Unit which permits reception of an acceptable signal. Except as provided by this Section 9.7, no 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 outdoors on any portion of the Community, whether attached to a home or structure or otherwise.
- 9.8. <u>Abandoned Personal Property</u>. Personal property is 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 without prior written Board permission. Neither the Declarant, DRP, the Association, nor any director, officer nor agent thereof shall be liable to any Person for any claim of damage resulting from the removal and/or discard of the personal property after such twenty-four (24) hour period.
- 9.9. <u>Use of Common Property</u>. There shall be no obstruction of the Common Property, nor shall any vehicle or anything else be kept, parked or stored on the private streets and drives within the Community without prior approval of the Board. No Owner or other Person shall make any modification to or alteration of the Common Property without the prior written approval of the Board.

With prior written Board approval, and subject to any restrictions imposed by the Board, an Owner or Owners may reserve portions of the Common Property for use for a period of time as set by the Board. The Board is authorized to charge a fee in an amount to be determined by the Board to the Owner for such reservation. Any such Owner or Owners who reserve a portion of the Common Property hereunder shall assume, on behalf of himself/herself/themselves and his/her/their guests, Occupants and family, all risks associated with the use of the Common Property and all liability for any damage or injury to any person or thing as a result of such use. Neither the Declarant, DRP, the Association, nor any director, officer or agent thereof shall be liable for any damage or injury resulting from such use unless such damage or injury is caused

solely by the willful acts or gross negligence of the Declarant, DRP, the Association, or their respective agents or employees.

The activities of the Declarant, DRP, and/or the Association, or any Person acting on behalf of the Declarant, DRP and/or the Association, shall not be subject to this Section 8.9.

- 9.10. Prohibition of Nuisance and Noise. Noxious, destructive, offensive, or unsanitary activity shall not be carried on within the Community. No Unit Owner or Occupant may use or allow the use of the Unit or any portion of the Community at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Community. In this regard, specific unauthorized and unreasonable annoyances or disturbances shall include, but not be limited to, the following:
- (a) Any screaming, shouting, excessively loud talking, whistling, or playing of music or television if such conduct can be heard in the normal course of activities in any other Unit;
- (b) Any fighting, raucous behavior, or insobriety if such conduct can be heard in any other Unit;
- (c) The use of any alarm, equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations at any time if such sounds can be heard or vibrations felt in the normal course of activities in any other Unit; provided, however, this provision shall not prohibit a properly function security system;
- (d) Any threatening or intimidating conduct towards any resident, guest, or pet in the Community;
- (e) Any conduct which, in the Board's reasonable discretion, creates any danger or risk of injury to others or damage to property or which creates any threat to health or safety of any other resident or pet;
- (f) Any excessively loud play or playground activities at any time if such conduct can be heard in the normal course of activities in any other Unit;
- (g) Any dog barking that can be heard in the normal course of activities in any other Unit;
- (h) Any conduct which creates any noxious or offensive odor at any time if such odors can be detected in the normal course of activities in any other Unit;

- (i) Any similar action or activity which interferes with the peaceful use and enjoyment of other dwellings or the Common Property by any Owner, member of the Owner's family, guests, invitees, or Occupants; or
- (j) Any construction or similar activities, other than construction activities of or on behalf of the Declarant or DRP, which can be heard in other Unit outside the hours of 7:30 a.m. and 7:30 p.m. Monday through Friday and 9:00 a.m. and 6:00 p.m. Saturday.

Nothing herein shall be construed to affect the rights of an aggrieved Owner or Occupant to proceed individually against a violator of this Section 9.10. The Board may, in its discretion, require any aggrieved Owner or Occupant to seek redress personally against the violator before the Association intervenes and commences enforcement action hereunder; provided, further, due to the general nature of violations of this Section, the Board may, in its discretion, elect that the Association not intervene or enforce this Section. No claim for any loss, damage or otherwise, and no defense of selective, arbitrary, or capricious enforcement, shall exist for any Person as a result of any decision by the Board not to enforce this Section.

- 9.11. <u>Fireworks</u>. The use of fireworks within the Community is prohibited. The term "fireworks" shall include those items listed in Georgia Code Section 25-10-1. Notwithstanding anything to the contrary contained herein or in the Bylaws, the Association may, but shall not be obligated to, take any action to enforce this Section 9.11.
- 9.12. Signs. Except as may be required by legal proceedings, no signs, advertising posters or billboards of any kind shall be erected, placed, or permitted to remain in the Community without the prior approval of the Board or its designee, except that two (2) professional security signs not to exceed ten inches (10") by ten inches (10") each in size may be displayed on or from within a Unit and one (1) professionally lettered "For Sale" sign not to exceed two feet (2') by two feet (2') in size may be displayed on or from within a Unit being offered for sale. The Board shall have the right to erect reasonable and appropriate signs within the Community on behalf of the Association. The Board also shall have the authority to adopt regulations permitting temporary signs on or from within a Unit announcing open houses, births, birthdays or other events for limited periods of time. No "For Lease" sign or political sign shall be allowed on or from within a Unit without the approval of the Board. No "For Sale" signs or directional signs shall be permitted anywhere else within the Community other than the Owner's Unit without the approval of the Board. This Section 9.12 shall not apply to the Declarant, DRP, or their respective agents or designees.
- 9.13. <u>Rubbish, Trash, and Garbage</u>. Rubbish, trash and garbage shall be disposed of in appropriate sealed bags and placed in proper receptacles/trash cans and landscape bags which shall be stored in the garage unless on pick-up or trash collection days. They shall be regularly removed from the Unit and shall not be allowed to accumulate on or within a Unit. No organic material shall be buried anywhere in the Community. The Board may establish rules and regulations regarding the storage location of trash bags, trash cans, and receptacles and the placement of same for pick-up. This Section 9.13 shall not apply to the Declarant, DRP or their respective agents or designees.

- 9.14. <u>Trash Collection Services</u>. The term "Trash Collection Services" means the commercial collection of trash, garbage, debris, refuse, landscaping refuse, yard waste, recyclables, such as newspaper, plastic and glass, and other items and materials as may be determined by the Board of Directors to be included as trash. The Association may, but shall not be required to, provide Trash Collection Services for the Units. The Board of Directors shall have the right, but not the obligation, to negotiate with, contract with, and supervise, providers of Trash Collection Services. In the event the Association does provide Trash Collection Services, the costs of Trash Collection Services shall be a Common Expense of the Association. If any Owner creates any condition or disposes of any item which increases the expense of Trash Collection Services to the Association, then the increased expense may be specifically assessed against the Owner creating the additional expense.
- 9.15. <u>Unsightly or Unkempt Conditions</u>. The pursuit of hobbies or other activities, including, but not limited to, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community, except in a dwelling or garage with the garage door shut. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the dwelling. The Board shall have the right to adopt rules and regulations regarding the storage of outdoor items, such as neatly stacked firewood, patio furniture, grills, and similar items. Such rules and regulations may apply differently to each Neighborhood. Further, reasonable decorations, in the Board's sole discretion, shall be permitted outside of a Unit, subject to such rules and regulations, if any, adopted by the Board. This Section 9.15 shall not apply to the Declarant, DRP or their respective agents or designees.
- 9.16. <u>Impairment of Dwellings and Easements</u>. An Owner shall not undertake any act or work that will impair the structural soundness or integrity of a dwelling or impair any easement, nor do any act nor allow any condition to exist which will adversely affect other Units or their Owners or Occupants.
- 9.17. <u>Erosion Control</u>. No activity which may create erosion or siltation problems anywhere in the Community shall be undertaken, except construction activities undertaken by or on behalf of Declarant or DRP.
- 9.18. Window Air Conditioners. No air conditioning unit shall be installed in any window of any dwelling.
- 9.19. <u>Delivery Receptacles and Property Identification Markers</u>. The Declarant and the MAARC shall have the right to approve the location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similarly delivered materials, and of name signs for such receptacles as well as property identification markers.
- 9.20. <u>Subdivision of Units</u>. No Unit may be subdivided into a smaller Unit without the written consent of the Board; provided, however, until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person

not constituting the Declarant or a Builder for residential use, any such subdivision must be approved in writing by the Declarant, and during such time, Declarant shall have the unilateral right to subdivide Units from time to time.

- 9.21. <u>Garage Sale</u>. No garage sale, yard sale, or similar activity shall be conducted in the Community without prior approval of the Board. The Board may additionally permit Community garage sale or yard sale days.
- 9.22. <u>Easements</u>. All property subjected to this Declaration shall be subject to those easements, if any, set forth on any recorded plat thereof.
- 9.23. Traffic Regulations. All vehicular traffic on the private streets and roads in the Community shall be subject to the provisions of the state and local laws concerning operation of motor vehicles on public streets. The Association is 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 Community. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for violation thereof. In the event of a conflict between such provisions of state and local laws and such rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle within the Community. All vehicles of any kind and nature which are operated on the streets in the Community shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.
- 9.24. Age Restriction. The Units within the Community are intended for the housing of persons fifty-five (55) years of age or older, although younger persons are not restricted from occupying a Unit along with a person fifty-five (55) years of age or older so long as such cooccupancy is in compliance with this Section 9.24. In addition, certain exceptions may be made pursuant to this Section 9.24 as provided herein. The provisions of this Section 9.24 are intended to be consistent with, and are set forth in order to comply with the Fair Housing Act, 43 U.S.C. § 3601, et seq., and O.C.G.A. § 8-3-205, et seq., as such laws may be amended from time to time and such regulations adopted pursuant to such laws (collectively, the "Fair Housing Acts"), regarding discrimination based on familial status. Until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use, Declarant shall have the power to amend this Section 9.24 for the purpose of making said Section consistent with the Fair Housing Acts, the regulations adopted under the Fair Housing Acts, and any judicial decisions arising under or relating to the Fair Housing Acts, in order to maintain the intent and enforceability of Section 9.24. Thereafter, the Board shall have the power to amend this Section 9.24 for such purposes.
- (a) Qualifying Occupant. Except as otherwise permitted in this Section, at least one Occupant of each occupied Unit must be fifty-five (55) years of age or older (the

"Qualifying Occupant"). Notwithstanding the foregoing, if a Qualifying Occupant dies, the remaining Occupants of the Unit may continue to occupy the Unit even though none of such persons are fifty-five (55) years of age or older, provided that such remaining Occupants submit a written request to the Board and such continued occupancy would not jeopardize the Community's compliance of the Community with the requirements of the Fair Housing Acts and the regulations promulgated thereunder. The Board shall be authorized to deny such request if such continued occupancy would jeopardize the Community's compliance of the Community with the requirements of the Fair Housing Acts and the regulations promulgated thereunder. A Qualifying Occupant may be temporarily absent from the occupied Unit as long as (i) the Unit is not rented or leased to others, (ii) the Qualifying Occupant returns to the Unit on a periodic basis, and (iii) the Qualifying Occupant remains legally and financially responsible for the upkeep of the Unit.

- (b) Minor Children Not Allowed. No Unit shall be occupied by any person under eighteen (18) years of age, except that one (1) person under the age of eighteen (18) may occupy a Unit if the Board of Directors reasonably determines that such occupancy is necessary to provide reasonable accommodation for the health care needs of a disabled or handicapped Occupant who would be unable to continue to reside in the Community without such accommodation. For purposes of this subsection (b) only, a person shall be deemed to occupy a Unit if he or she stays overnight on the Unit more than twenty-one (21) days in any sixty (60) day period or for more than thirty (30) days in any twelve (12) month period.
- (c) Age Verification Procedures. The provisions of this subsection (c) are for the purpose of establishing the policies and procedures necessary for the Community to qualify as housing intended for older persons under the Fair Housing Acts, and the regulations promulgated thereunder. The Board of Directors is authorized to adopt from time to time such other policies and procedures which may, in the Board's sole discretion, be necessary in order for the Community to meet all of the requirements for such exemption.
- (i) In order for the Community to qualify as housing for older persons under the Fair Housing Acts, at least eighty percent (80%) of the Units must be occupied at all times by one (1) person fifty-five (55) years of age or older. In order for the Association to determine whether that requirement is being met at all times, each Owner shall, within ten (10) days after being requested to do so by the Board of Directors, furnish to the Association a statement signed by the Owner certifying that at least one (1) Occupant of the Owner's Unit is fifty-five (55) years of age or older. In addition, if requested to do so by the Board of Directors, an Owner shall promptly furnish to the Association such reasonable documentary evidence as may be requested by the Association to verify the accuracy of the statement set forth in any certification submitted to the Association by the Owner. Such documentary evidence shall include, but shall not be limited to, a driver's license, birth certificate, passport, immigration card, military identification, or any other state, local, national, or international official document containing a birth date of comparable reliability.
- (ii) In the event of any change in the number or identity of persons occupying a Unit as a result of a transfer, sale, gift, lease, sublease, assignment, death, birth, marriage, separation, divorce or otherwise, the Owner of the Unit shall immediately notify the

Board of Directors or its designee in writing and provide the Board of Directors or its designee with the names and ages of all Occupants of the Unit and such other information or documentation as the Board of Directors or its designee may reasonably request.

- Occupant, may request in writing that the Board of Directors make an exception to the requirements of this Section 9.24 with respect to a Unit and, provided that the granting of such an exception would not jeopardize compliance of the Community with the requirements for housing intended for older persons under the Fair Housing Acts, and the regulations promulgated thereunder, the Board of Directors may, but is not required to, grant such an exception if less than twenty percent (20%) of the total occupied Units in the Community are then currently occupied by persons all of whom are younger than fifty-five (55) years of age, and:
- (i) such Owner, Occupant, or prospective Owner or Occupant, will be fifty-five (55) years of age within five (5) years of the date of the request for said exception;
- (ii) such ownership or occupancy is necessary to provide a reasonable accommodation to a disabled or handicapped Owner, Occupant, or prospective Owner or Occupant of a Unit; or
- (iii) refusal would result in undue hardship to the Owner, Occupant, or prospective Owner or Occupant, as determined in the sole and exclusive discretion of the Board. Such "undue hardship" as described herein shall include, but not be limited to, an Owner's, Occupant's, or prospective Owner's or Occupant's ability to care for himself or herself.
- (e) <u>Units Excluded from Compliance</u>. In order for the Community to qualify as housing for older persons under the Fair Housing Acts, at least eighty percent (80%) of the Units must be occupied at all times by one (1) person fifty-five (55) years of age or older. In accordance with the Fair Housing Acts and regulations promulgated thereunder, for purposes of this calculation, Units occupied solely by either:
- (i) a person or persons (and their families residing in the same Unit), who perform(s) substantial duties directly related to management or maintenance of the common areas and whose occupancy, if not meeting the age requirements, is approved by the Board of Directors; or
- (ii) an attendant, health care provider or family care provider (and their families residing on the same Unit) needed for the reasonable accommodation of the disability of an Qualifying Occupant and whose occupancy, if not meeting the age requirements, is approved by the Board of Directors,

shall not be considered in any manner to determine compliance with the Fair Housing Acts.

(f) <u>Compliance Required for Lease, Sale or Transfer of Unit</u>. Nothing in this section is intended to restrict the ownership or transfer of title to any Unit; however, no Person

may occupy any Unit unless the requirements of this Section 9.24 are met, nor shall any Owner permit occupancy of any Unit in violation of this Section 9.24. Owners shall:

- (i) clearly disclose to any prospective tenant, purchaser, or other potential Occupant that Units within the Community are intended to qualify as housing for older persons under the Fair Housings Acts; and
- (ii) include in conspicuous type, in any lease or other occupancy agreement or contract of sale relating to such Owner's Unit, which agreements or contracts shall be in writing and signed by the tenant or purchaser, a statement that Units within the Community are intended to qualify as housing for older persons under the Fair Housings Acts; and, in the case of a lease or other occupancy agreement, that failure to comply with the requirements and restrictions of this Section 9.24 shall constitute a default under the lease.

## ARTICLE X. LEASING

In order to protect the equity of the individual Owners within the Community, to carry out the purpose for which the Community was formed by preserving the character of the Community as a residential property of predominantly owner-occupied homes, to prevent the Community from assuming the character of a renter-occupied complex, and to comply with any eligibility criteria for mortgages, including mortgages on the secondary mortgage market, insofar as such criteria provide that the Community be substantially owner-occupied, leasing of Units shall be governed by the restrictions imposed by this Article X.

- 10.1. Prohibition. Except as provided herein, the leasing of Units is hereby prohibited.
- 10.2. <u>Definition</u>. "Leasing," for purposes of the Declaration, is defined as the regular, exclusive occupancy of a Unit by any person or persons other than the Owner; provided, however, leasing shall not include occupancy by the spouse, child or parent of an Owner and shall not include the occupancy by a roommate of an Owner who occupies the Unit as such Owner's primary residence.
- 10.3. General. Any Owner who desires to lease such Owner's Unit may do so only if the Owner has 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 Unit provided that such leasing is in strict accordance with the terms of the permit and this Article. The Board of Directors shall have the authority to establish conditions as to the duration and use of such permits. All permits shall be valid only as to a specific Unit Owner and Unit and shall not be transferable between either Units or Unit Owners.
- 10.4. <u>Leasing Permits</u>. A Single-Family Detached Unit Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have not been issued for more than ten percent (10%) of the total number of Single-Family Detached Units. A Condominium Unit Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have not been issued for more than ten percent (10%) of the total number of Condominium Units. A Leasing Permit shall be automatically revoked upon the happening of

any of the following events: (1) the sale or transfer of the Unit to a third party (excluding sales or transfers to an Owner's spouse or a person cohabitating with the Owner, or a corporation, partnership, company, or legal entity in which the Owner is a principal); (2) the failure of a Unit Owner to lease his or her Unit pursuant to an approved lease within three (3) months of the Leasing Permit having been issued; (3) the failure of a Unit Owner to have his or her Unit leased pursuant to an approved lease for any consecutive three (3) month period thereafter; or (4) the occurrence of the date referenced in a written notification by the Owner to the Association that the Owner will, as of said date, no longer need the Leasing Permit.

If current Leasing Permits have been issued for ten percent (10%) of the total number of Single-Family Detached Units, no additional Leasing Permits shall be issued to Single-Family Detached Unit Owners (except for Hardship Leasing Permits, as set forth below) until the number of outstanding current Leasing Permits issued to Single-Family Detached Unit Owners falls below ten percent (10%) of the total number of Single-Family Detached Units. Single-Family Detached Unit Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued a Leasing Permit if they so desire when the number of current outstanding Leasing Permits issued to Single-Family Detached Unit Owners falls to less than ten percent (10%) of the total number of Single-Family Detached Units.

If current Leasing Permits have been issued for ten percent (10%) of the total number of Condominium Units, no additional Leasing Permits shall be issued to Condominium Unit Owners (except for Hardship Leasing Permits, as set forth below) until the number of outstanding current Leasing Permits issued to Condominium Unit Owners falls below ten percent (10%) of the total number of Condominium Units. Condominium Unit Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued a Leasing Permit if they so desire when the number of current outstanding Leasing Permits issued to Condominium Unit Owners falls to less than ten percent (10%) of the total number of Condominium Units.

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.

Owner may seek to lease on a hardship basis by applying to the Board of Directors for a Hardship Leasing Permit. The Board of Directors shall have the sole authority to issue or deny requests for Hardship Leasing Permits in its discretion. In making such a determination, the Board may take any factor into account, including: (1) the nature, degree, and likely duration of the hardship, (2) the number of Hardship Leasing Permits which have been issued to other Owners, (3) the Owner's ability to cure the hardship, and (4) whether previous Hardship Leasing Permits have been issued to the Owner. Hardship Leasing Permits shall be valid for a term not to exceed one year. Owners 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.

- 10.6. <u>Leasing Provisions</u>. Leasing of Units shall be governed by the following provisions:
- (a) Notice. At least seven (7) days prior to entering into the lease of a Unit, the Owner shall provide the Board of Directors with a copy of the proposed lease and such other information as the Board may reasonably require. The Board may approve or disapprove the form of said lease. In the event a lease form is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease form into compliance with the Declaration, any rules and regulations adopted pursuant thereto, and any criteria determined by the Board. Within ten (10) days from the execution of the lease by both parties, the Owner shall provide the Board with a copy of the executed lease and the names and phone number of the lessees. Nothing contained in this Section shall permit the Board to approve or deny a lessee.
- (b) <u>General</u>. Units may be leased only in their entirety; no fraction or portion may be rented. There shall be no subleasing of Units or assignment of leases unless approved in writing by the Board. All leases shall be for a period of at least one (1) year unless otherwise approved in writing by the Board. The Unit Owner must provide the lessee copies of the Declaration, Bylaws, and Association rules and regulations.
- (c) <u>Liability for Assessments and Compliance with Declaration, Bylaws, and Rules and Regulations.</u> Any lease of a Unit shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into a lease by existence of this covenant on the Unit. Any lessee, by occupancy of a Unit under the definition of "leasing" stated herein, agrees to the applicability of this covenant and incorporation of the following language into the lease.
- (i) <u>Liability for Assessments</u>. Lessee agrees to be personally obligated for the payment of all assessments and all other charges which become due as a consequence of lessee's activities, including, but not limited to, activities which violate provisions of the Declaration, the Bylaws, or the rules and regulations adopted pursuant thereto. The above provision shall not be construed to release the Unit Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

Additionally, when a Unit Owner who is leasing his or her Unit fails to pay any assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Unit Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon demand by the Board of Directors, lessee shall pay to the Association all unpaid annual and special assessments and other charges, as lawfully determined and made payable during the remaining term of the lease and any other period of occupancy by lessee following such demand. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's demand to pay assessments or other charges to the Association, lessee shall be personally obligated to pay to the Association all late charges, fines, interest, and costs of collection, including, but not limited to, reasonable attorney's fees actually

incurred, to the same extent lessee would be required to make such payments to the Association if lessee were the Owner of the premises during the term of the agreement and any other period of occupancy by lessee, and including all amounts paid by lessee to lessor following the date of such demand from the Board.

Compliance with Declaration, Bylaws, and Rules and Regulations. (ii) Lessee shall abide by and comply with all provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other occupants and guests in order to insure compliance with the foregoing. Lessee acknowledges that the violation by lessee or any occupant living with lessee of any provision of the Declaration, Bylaws, or rules and regulations adopted thereunder shall constitute a default under this lease. Owner shall cause all occupants of his or her Unit to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and is responsible for all violations and losses caused by such occupants, notwithstanding the fact that such occupants of the Unit are fully liable and may be sanctioned for any violation of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto. If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule and regulation for which a fine is imposed, such fine may be assessed against the lessee and/or the Owner; provided, however, if a fine is not paid by the lessee within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Board of the lessee's failure to do so. Unpaid fines shall constitute a lien against the Unit. Any lessee charged with a violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto is entitled to the same procedure to which an Owner is entitled prior to the imposition of a fine or other sanction.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by lessee, any occupant, or any person living with lessee is deemed to be a violation of 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 Association, acting through the Board, the irrevocable power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the irrevocable power and authority to evict the lessee on behalf and for the benefit of the Owner, in accordance with the terms hereof, or to require the Owner to do so. In the event the Association proceeds to evict the tenant, any costs, including attorney's fees and court costs, associated with the eviction shall be specially assessed against the Unit and the Owner thereof, such being deemed hereby as an expense which benefits the leased Unit and the Owner thereof.

10.7. Applicability of this Article. Except as specifically provided herein, this Article X shall not apply to any leasing transaction entered into by or on behalf of the Declarant, the 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, and they shall be permitted to lease without obtaining a permit; provided, however, such leasing by or on behalf of 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 shall comply and be subject to Section 10.6 of this Article.

## ARTICLE XI. MAINTENANCE RESPONSIBILITY

11.1. Common Property. The Association shall maintain and keep in good repair the Common Property. The Association shall also maintain (whether constituting Common Property) the following: (a) all entry features and entry area landscaping serving the Community, including, without limitation, maintenance, repair, and replacement of all landscaping, grass areas, private streets, the Gate System, paving, mail kiosk, and other improvements situated on the Common Property. The Association shall also maintain and keep in good repair all water and sewer pipes or facilities which serve only the Common Property, to the extent that such pipes and facilities are not maintained by public, private, or municipal utility companies. The Association shall maintain the detention/retention ponds and entry areas that serve the Community. Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto.

Upon conveyance to the Association of the Easement Properties (as such terms are defined in the Easement and Cost Sharing Agreement), Declarant shall be deemed to have assigned to the Association, its easements, rights and obligations for upkeep, maintenance, repair and restoration of the Easement Properties and all improvements thereon as provided in the Easement and Cost Sharing Agreement. From and after the date of such conveyance, the Association shall be the successor owner of the Easement Properties as provided in Section 10(a) of the Easement and Cost Sharing Agreement and any reference to Beazer in Sections 8 and 9 of the Easement and Cost Sharing Agreement shall mean the Association.

11.2. Single-Family Detached Neighborhood. The Association shall maintain and keep in good repair all landscaping installed by or on behalf of the Declarant or the Association located on the Single-Family Detached Units within the Single-Family Detached Neighborhood, which shall consist of and be limited to: (i) mowing, edging, weeding, trimming, and keeping any planting beds in good condition and free of weeds; (ii) replacement of any diseased or dead vegetation; (iii) replacement of pine straw on a schedule as determined by the Board; and (iv) the adjustment and setting of the irrigation system and its automatic timers. Notwithstanding the foregoing, in the event a fence is installed on an Owner's Unit, the Owner of such Unit shall be responsible for the maintenance of all landscaping located within the enclosed area; provided, however, the Association may maintain the landscaping located within such enclosed areas if the Board determines that it would be in the best interest of the Association and Single-Family Detached Neighborhood to do so, and in such event, the Owner shall provide the Association with access to such enclosed area(s).

The Association's maintenance responsibility shall specifically exclude the following, all of which shall be the responsibility of the Single-Family Detached Unit Owner: (i) driveways, walkways, and front walks providing access to the Single-Family Detached Unit; (ii) landscaping within any patio, planter, or courtyard, if any, attached to and/or serving a Single-Family Detached Unit; (iii) all portions of the heating and air conditioning system serving a Single-Family Detached Unit, including the compressor and any vents, electrical lines or other pipes or lines related thereto, whether or not located on the Owner's Unit; (iv) any pipe, line, conduit, structure, or other apparatus serving only one (1) Unit, whether or not located on the Owner's Unit; (v) utility boxes serving an Owner's Unit; (vi) any landscaping located within any fenced area on a Unit or the Limited Common Property assigned to such Owner's Unit, unless assumed

by the Association as provided above; (vii) any additional landscaping installed by or on behalf of an Owner; (viii) tree roots, including, but not limited to, tree roots entering into or otherwise affecting a pipe, line, conduit, structure, or other apparatus serving only one (1) Unit; and (ix) foundations and footings of the Unit, including waterproofing.

Except as specifically provided above, each Single-Family Detached Unit Owner shall maintain and keep in good repair, condition, and order the Owner's Unit, the Limited Common Property assigned to such Owner's Unit, if any, and all structures located on such Owner's Unit and Limited Common Property assigned to such Owner's Unit. Without limiting the generality of the foregoing, each Owner is specifically responsible for: (i) all structures, including the dwelling, located on the Owner's Unit; (ii) driveways, walkways, and front walks providing access to the Single-Family Detached Unit; (iii) landscaping within any patio, planter, or courtyard, if any, attached to and/or serving a Single-Family Detached Unit; (iv) all portions of the heating and air conditioning system serving a Single-Family Detached Unit, including the compressor and any vents, electrical lines or other pipes or lines related thereto, whether or not located on the Owner's Unit; (v) any pipe, line, conduit, structure, or other apparatus serving only one (1) Unit, whether or not located on the Owner's Unit; (vi) utility boxes serving an Owner's Unit; (vii) any landscaping located within any fenced area on a Unit or the Limited Common Property assigned to such Owner's Unit, unless assumed by the Association as provided above; (viii) any additional landscaping installed by or on behalf of an Owner; (ix) tree roots, including, but not limited to, tree roots entering into or otherwise affecting a pipe, line, conduit, structure, or other apparatus serving only one (1) Unit; and (x) foundations and footings of the Unit, including waterproofing.

All costs incurred by the Association in maintaining the landscaping located on the Single-Family Detached Units within the Single-Family Detached Neighborhood shall be considered a Neighborhood Expense and shall be assessed as a Neighborhood Assessment against the Owners of the Single-Family Detached Units.

- 11.3. <u>Condominium Neighborhood</u>. Maintenance of the Condominium Neighborhood shall be governed by the Condominium Declaration.
- 11.4. General Provisions. Subject to the maintenance responsibilities herein provided, any maintenance or repair performed by an Owner or Occupant on or to the Common Property or any other area within the Community which is the Association's responsibility hereunder 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 Association even if the Association accepts the maintenance or repair. Additionally, in the event an Owner or Occupant performs such maintenance or repair, the Association may require the Owner or Occupant to restore such property to substantially the same condition as it existed prior to such maintenance or repair or may fine the Owner or Occupant in accordance with the terms of this Declaration.

The 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 Community or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The 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 which may be stored in or upon any of portion of the Community. The 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 Association's failure to discharge its responsibilities under this Article XI where such damage or injury is not a foreseeable, natural result of the 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 Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

If the Board determines that the need for maintenance or repair is in the Common Property or any other area within the Community which is the Association's responsibility hereunder, and is caused through the actions or inactions of any Owner or Occupant, or his or her family, guests, lessees or invitees, then the Association may assess the cost of any such work against the Owner's Unit.

11.5. Failure to Maintain. If the Board determines that any Owner has failed or refused to discharge properly the Owner's obligation with regard to the maintenance as provided in this Article XI or as set forth in the Condominium Declaration, then, except in the case of an emergency as determined in the sole discretion of the Board, the Association shall give the Owner written notice of the Owner's failure or refusal and of the 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. Unless the Board determines that an emergency exists, the Owner shall have ten (10) days within which to complete the 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 and diligently pursue completion of such repair or replacement. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided, then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be an assessment and lien against the Owner and the Unit.

If, during the course of performing such maintenance, the Association discovers that maintenance, repair, or replacement is required of an item which is the Owner's responsibility, and such maintenance, repair, or replacement must be performed for the Association to properly complete its maintenance project, then the Association may perform such work on behalf of the Owner and at the Owner's expense without prior notice to the Owner.

In the event the Board exercises such self-help as provided herein, and in the event further self-help based upon the same or a substantially similar violation is deemed necessary by the Board within the following six (6) months, the Board may exercise such self-help without further notice to the Owner, and all costs shall be an assessment and lien against the Owner and the Unit.

The Board may alternatively enforce this Article XI through monetary fines against the Owner or Occupant of the Unit, and each day the maintenance, repair, or replacement is not completed shall constitute a separate violation for which fines may be assessed on a daily basis.

11.6. Maintenance Standards and Interpretation. The Board of Directors, in its discretion, may determine schedules of maintenance and repair for the Common Property and any other property within the Community which the Association is responsible to maintain hereunder, and may do so based on the availability of funds for performance of such projects. The Board shall attempt to determine and prioritize schedules based on its opinion of severity of damage and need for corrective work or maintenance. Maintenance and repairs which are part of the Association's responsibility need not be made upon Owner request if, in the Board's discretion, an emergency condition does not exist and such maintenance or repair is included or is to be included within the Board's schedule of maintenance or repairs.

The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Article XI. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

- 11.7. Measures Related to Insurance Coverage. The Board shall have the authority to require any Unit Owner to do any act or perform any work involving portions of the Community which are the Owner's maintenance responsibility, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Community, reduce the Association's insurance premium(s) or otherwise assist the Board in procuring or maintaining insurance coverage. This authority shall include, but shall not be limited to, requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; requiring Owners to install smoke detectors; requiring Owners to make improvements to the Units and dwellings; and such other measures as the Board may reasonably require so long as the costs of such work does not exceed in any twelve (12) month period the greater of either five hundred (\$500.00) dollars per Unit or 1/6th of the Base Assessment then in effect.
- organisms (collectively, "Mold"), are present in soil, air and elsewhere in the environment. Mold can proliferate in various environments, including, among others, damp areas such as bathrooms and within walls and partitions. Concerns have been expressed about the possible adverse effects on human health from exposure to Mold. According to the Consumer Product Safety Commission and the American Lung Association, some diseases or illnesses have been linked with biological pollutants in the indoor environment, including some forms of Mold. However, it is believed that many of these conditions may also have causes unrelated to the indoor environment. Therefore, as of the date of this Declaration, it is unknown how many potential health problems relate primarily or exclusively to indoor air quality or Mold. Declarant and the Association are not qualified and have not undertaken to evaluate all aspects of very complex issue. Declarant and the Association have not performed any testing or evaluation of, and make

no representations or warranties, express or implied, concerning the past, current or future presence or absence of Mold in the Unit, within the Community, or within the vicinity of the Community. Declarant and the Association recommend that each Owner, at the Owner's expense conduct its own investigation and consult with such experts as the Owner deems appropriate regarding the occurrence and effects of Mold, the potential sensitivity or special risk the Owner, his, her or its family members, and others individuals, who will occupy or use the Unit.

When excessive moisture or water accumulates indoors, Mold growth can and will occur, particularly if the moisture problem remains unaddressed. There is no practical way to eliminate all Mold in an indoor environment. The key to controlling indoor Mold growth is to control moisture. Each Owner shall maintain the Unit in such a manner as to reduce the potential for increased Mold formation or growth, including, without limitation, keeping dryer and other vents and/or fans clear and functioning and preventing and repairing plumbing, window and other leaks and sources of moisture. Each Owner shall conduct periodic inspections of the Unit and any other portion of the Community for which the Owner is responsible to maintain, for the presence of Mold or conditions which may increase the ability of Mold to propagate within the Unit or other portions of the Community. Furthermore, each Owner shall monitor the Unit, and any other portion of the Community for which the Owner is responsible to maintain, on a continual basis for excessive moisture, water or Mold accumulation. If water or moisture is discovered in or around the Unit, the Owner shall immediately seek to eliminate the source of the water or moisture. Failure to eliminate the source of moisture can result in additional damage and the growth of Mold. Declarant will not be responsible for damages, and each Owner, by taking title to a Unit, hereby waives all rights to damages and subrogation of damages. Each Owner shall indemnify Declarant and the Association and hold Declarant and the Association harmless from damages, including all cases of personal injury or property damage, caused by the presence of Mold and/or water or moisture in the Unit or other portions of the Community to the extent that the damages are caused by: (i) the Owner's negligence or failure to properly maintain and monitor the Unit or other portions of the Community for which the Owner is responsible for maintaining, or (ii) the Owner's failure to promptly take appropriate corrective measures and minimize any damage caused by water or moisture (including, without limitation, failure to promptly notify and engage the help of appropriate professionals or experts).

## ARTICLE XII. EASEMENTS

- 12.1. <u>Easements for Use and Enjoyment</u>. Every Owner of a Unit shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property, including the private streets and sidewalks, which shall be appurtenant to and shall pass with the title to the Owner's Unit, subject to the following provisions:
- (a) the right of the 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 Unit Owners and tenants who may use the Common Property, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, the Owner's family, tenants, guests, and invitees;

- (b) the right of the Association, acting through the Board, to make and to enforce reasonable rules and regulations governing the use of the Common Property, including the Limited Common Property;
- (c) the terms and conditions of this Declaration, the Bylaws, and the rules and regulations of the Association;
- (d) the rights of Owners to the exclusive use of the Limited Common Property assigned to his or her Unit, and the right to the Board to designate additional portions of the Common Property as Limited Common Property;
- (e) the right of the Association to suspend the right of an Owner to use the Common Property in the Community, if any, for any period during which any assessment against the Owner or Owner's Unit which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, Bylaws, or rules and regulations, and to suspend vehicular access privileges pursuant to Article VII, Section 7.11(g) of this Declaration;
- (f) the right of the Association to borrow money as may be set forth in this Declaration and the Bylaws; provided, however, the lien and encumbrance of any such mortgage given by the Association against the Common Property shall be subject and subordinate to any rights, interests, options, easements, and privileges herein reserved or established for any Unit or Unit Owner;
- (g) the right of the Association to grant permits, licenses, or easements across the Common Property; and
- (h) the right of the Board of Directors to convey all or a portion of the Common Property to any Person upon the written approval of at least two-thirds (2/3) of the total vote of the Association membership; provided, however, in the event such Common Property includes any portion of Limited Common Property, such written approval must be that of at least two-thirds (2/3) of the total vote of the Association membership and the Owner(s) of the Unit(s) that such Limited Common Property has been assigned; provided further, such written approval shall not be required for the Board to reconvey property to the Declarant or DRP in accordance with Article IV, Section 4.7 of this Declaration.

Any Unit Owner may delegate the Owner's right of use and enjoyment in and to the Common Property and facilities located thereon to the members of the Owner's family, or to the Owner's tenants and guests, and shall be deemed to have made a delegation of all such rights to the Occupants if the Owner's Unit is leased; provided, however, the Owner shall retain such rights necessary for ingress and egress to and from the Owner's Unit.

appurtenant easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Unit and such portion or portions of the Common Property adjacent thereto or as between adjacent Units due to trees or the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than two (2) feet, as measured from any point on the common boundary between

each Unit and the adjacent portion of the Common Property or as between adjacent Units, as the case may be, along a line perpendicular to such boundary at such point.

- Association blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Association may have installed to serve the Community. It shall be expressly permissible for the Declarant, DRP or the Association to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Declarant, DRP or the Board on behalf of the Association shall have the right to grant such easement. Nothing contained in this Section 12.3 shall require or obligate the Declarant, DRP or the Association to maintain such easement areas, or any facilities or improvements located therein or thereon.
- 12.4. Easement for Entry. The Association shall have an easement to enter onto any Unit and dwelling for emergency, security, safety, and for other purposes reasonably necessary for the proper maintenance and operation of the Community, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner or Occupant. This right of entry shall include the right of the Association to enter a Unit to cure any violation of the Declaration, Bylaws, or rules and regulations of the Association and any condition which may increase the possibility of a fire or other hazard in the event that an Owner fails or refuses to cure the condition upon request by the Board. Nothing contained in this Section 12.4 shall require the Association to enter onto any Unit or dwelling for emergency, security, safety, or for other purposes.
- 12.5. Easement for Private Streets, Sidewalks and Signs. Each Owner, subject to the terms of this Declaration, the Bylaws, and the rules and regulations of the Association, shall have a perpetual, non-exclusive right-of-way easement for vehicular and pedestrian access, ingress and egress over and across the private streets within the Community, as depicted on the subdivision plat(s) for the Community recorded in the Forsyth County, Georgia land records. 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 and licensees of the Owners and Occupants. The Association shall have a perpetual, non-exclusive right and easement upon, over and across the private streets and roads and such other portions of the Community for the installation, maintenance, and use of such streets and roads, sidewalks, traffic directional signs, and related activities and improvements.
- 12.6. <u>Easement for Construction and Sales</u>. So long as the Declarant owns any property described in Exhibit "A" or Exhibit "B" for development or sale or so long as Declarant has the

right to unilaterally annex additional property to this Declaration, the Declarant and DRP reserve an easement across the Community for Declarant, DRP and any Builder approved by Declarant to maintain and carry on development activities upon such portion of the Community as Declarant or DRP may reasonably deem necessary. This easement shall include an easement for such facilities and activities which in the opinion of Declarant or DRP may be required, convenient, or incidental to the development, construction, and sales activities related to the property in or near the Community. This easement shall include, without limitation, the following:

- (a) The right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, on or in any portion of the Community as well as upon any Unit in the Community;
- (b) The right to tie into any portion of the Community with driveways, parking areas, roads, and walkways;
- (c) The right to tie into or otherwise connect and use (without a tap-on or other fee for doing so), replace, relocate, maintain, and repair any device which provides utility or similar services;
- (d) The right to place directional or marketing signs on any portion of the Community, including upon any Unit or the Common Property;
- (e) The right to alter drainage and water flow across any property in the Community, including the Units; and
- (f) The right to construct and operate business offices, signs, construction trailers, model homes, and sales offices incidental to its construction, development and sales activities.

The Declarant and DRP shall not be required to obtain the approval or consent of the Association, the Board, the MAARC, or any director, officer, or member of same, to exercise any right granted to it pursuant to this Section 12.6. Further, Declarant and DRP shall each have the unilateral right, but not the obligation, to record a separate document or record and/or amend any plat for the Community reflecting the establishment of any of the above easements.

- 12.7. <u>Easement for Entrance Sign and Landscaping</u>. The Association shall have an easement over any portion of a Unit on which any entrance feature, including, but not limited to, the Community sign, fencing and landscaping, are located. Such entrance features shall remain the personal property of the Association. The Association shall be solely liable for the maintenance, repair and/or replacement of the entrance features, fencing, landscaping, and annual flowers. The Association shall additionally have an easement for the installation and maintenance of utility and water lines across the Unit to the entrance features.
- 12.8. Fence Easement. Declarant hereby reserves an easement to itself and the Association across any Unit which borders the perimeter of the Community and any Unit that borders or contains a portion of any water facility, detention pond, or retention pond for the

purpose of erecting a fence. Nothing contained in this Section 12.8 shall require the Declarant or the Association to install any fence.

- 12.9. <u>Drainage Easement</u>. Declarant and DRP shall have an easement across the Community for the purpose of altering drainage and water flow across any property in the Community, including the Units. This right shall include altering swales, installing drains, drainage ditches, pipes, inlets, and alerting, channeling, or piping water flow. Rights exercised pursuant to this easement shall be exercised with a minimum interference to the quiet enjoyment of affected properties.
- 12.10. Additional Easements. Declarant and/or the Association shall have the right, but not the obligation, to enter into additional easements and cost-sharing agreements that benefit and/or burden the Community. The Community is bordered by a parcel of property that is currently intended to be developed as a commercial parcel; provided, however, neither the Declarant nor the Association are involved in such development. The Easement and Cost Sharing Agreement provides for the use and maintenance of certain defined Easement Properties consisting of the access road and traffic circle, a shared detention pond, a shared trail system and landscape areas, as well as the sharing of the costs related to such areas. Notwithstanding the foregoing, neither the Declarant nor the Association are making any representations relating to the use of any property, including but not limited to the commercial parcel. Further, neither the Declarant nor the Association shall have the obligation to take any action to compel or otherwise require the development of any property.

## ARTICLE XIII. SALE OF UNITS

- 13.1. Grantor's Obligation for Notice. A Unit Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give the Board written notice of such intention within seven (7) days after execution of the transfer or sales documents. The Owner shall furnish the Board, as part of the notice, the name and address of the intended grantee and such other information as the Board may reasonably require. This Article XIII shall not be construed to create a right of first refusal in the Association or in any third party.
- 13.2. <u>Grantee's Obligation for Notice</u>. Within seven (7) days after receiving title to a Unit, the grantee of the Unit shall give the Board written notice of such ownership of the Unit. Upon failure of an Owner to give the required notice within the seven (7) day period provided herein, the Board may levy a fine against the Unit and Owner thereof, and assess the Owner for all costs incurred by the Association in determining the Owner's identity.

## ARTICLE XIV. INSURANCE

14.1. <u>Hazard Insurance on Common Property</u>. The Association's Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Property. The insurance shall include fire and extended coverage, including coverage for 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.

- 14.2. <u>Liability Insurance and Directors' and Officers' Liability Insurance</u>. The Board shall obtain a public liability covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents in their capacities as such, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least one million (\$1,000,000.00) dollars.
- 14.3. <u>Premiums and Deductible on Association Policies</u>. Premiums for all insurance obtained by the Association shall be a common expense of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.
- 14.4. <u>Policy Terms</u>. All such insurance coverage obtained by the Board shall be written in the name of the Association. Such insurance shall be governed by the following provisions:
- (a) All policies shall be written with a company licensed to do business in Georgia.
- (b) All policies on the Common Property shall be for the benefit of the Association and its members.
- (c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (d) In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.
- (e) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies should be reviewed annually by one or more qualified persons.
- (f) The Board shall use reasonable efforts to secure insurance policies that will provide for the following:
- (i) a waiver of subrogation by the insurer as to any claims against the Board, the Association's manager, if any, the Owners and their respective tenants, servants, agents, and guests;
- (ii) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

- (iii) a provision that no policy may be canceled, invalidated, suspended or subjected to nonrenewal on account of any one or more individual Owners, and a provision that no policy may be canceled, invalidated, suspended, or subjected to nonrenewal due to any defect or conduct of any director, officer, or agent of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time for the required cure to be performed;
- (iv) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and
- (v) that no policy may be canceled or substantially modified or subjected to nonrenewal without at least thirty (30) days prior written notice to the Association.
- Single-Family Detached Unit shall carry blanket all-risk casualty insurance, if reasonably available, or if not reasonably available, fire and extended coverage, on the Owner's Single-Family Detached Unit, and all structures constructed thereon, meeting the same requirements as set forth in this Article XIV for insurance on the Common Property obtained by the Association. Upon request by the Board, the Owner shall furnish a copy of such insurance policy or policies to the Association. In the event that any Owner fails to obtain insurance or fails to furnish proof of a current insurance policy in effect, the Association may purchase such insurance on behalf of the Owner and assess the cost thereof to the Owner. The Association may in addition, or in the alternative, impose a monetary fine to enforce this provision. Nothing contained in this Section shall require the Association to purchase insurance on behalf of the Owner.

Each Owner of a Single-Family Detached Unit further covenants and agrees that, in the event of damage and destruction of structures on the Single-Family Detached Unit and the Limited Common Property assigned to such Owner's Single-Family Detached Unit, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with this Declaration. The Owner shall pay any costs of repair or reconstruction which are not covered by insurance proceeds.

14.6. <u>Condominium Insurance</u>. Insurance relating to the Condominium shall be governed by the Condominium Declaration. In the event the Condominium Association fails to obtain and maintain insurance it is required to obtain under the Condominium Declaration, the Association shall have the right, but not the obligation, to obtain and maintain such insurance and assess all costs thereof as a Neighborhood Assessment. If a Condominium Unit Owner fails to obtain and maintain insurance he or she is required to obtain under the Condominium Declaration, the Association shall have the right, but not the obligation, to obtain and maintain such insurance and assess all costs thereof against said Owner. Nothing contained in this Section shall require the Association to purchase insurance on behalf of the Condominium Association and/or a Condominium Unit Owner.

## ARTICLE XV. REPAIR AND RECONSTRUCTION

- 15.1. An Insured Loss. In the event of damage to or destruction of all or any part of the Community that is insured by the Association, as a result of fire or other casualty that is covered by insurance that the Association has obtained, unless eighty (80%) percent of the Owners vote not to proceed with the reconstruction and repair of the structure, the Board or its agent shall arrange for and supervise the prompt repair and restoration of the structure.
- 15.2. <u>Cost Estimates</u>. Promptly after a fire or other casualty that is covered by insurance that the Association has obtained causing damage to the Community that is insured by the Association, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures to substantially the condition which existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.
- 15.3. Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, a special assessment shall be made against all of the Owners without the necessity of a vote of the members or compliance with Article VII, Section 7.7 above. If, after repair and reconstruction is completed, there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board.

## ARTICLE XVI. MORTGAGEE'S RIGHTS

- 16.1. Foreclosure. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to judicial or nonjudicial foreclosure of the first Mortgage, it shall not be liable for assessments or charges by the Association chargeable to such Unit which became due prior to such acquisition of title. Such acquirer shall be responsible for all charges accruing subsequent to the passage of title.
- 16.2. <u>Eligible Mortgage Holder</u>. A Mortgage Holder shall become an Eligible Mortgage Holder if the Mortgage Holder provides to the Association in writing its name, address, and phone number, as well as the address of the Unit and name of the Unit Owner to which it holds a Mortgage; provided, however, a settlement statement (HUD-1) from a closing shall not be sufficient information to enable a Mortgage Holder to become an Eligible Mortgage Holder. Upon becoming an Eligible Mortgage Holder, an Eligible Mortgage Holder shall be entitled to timely written notice of the following:
- (a) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Owner of any other obligation under this Declaration which is not cured within sixty (60) days; or

- (b) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.
- 16.3. <u>Financial Statement</u>. 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 Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.
- 16.4. <u>Non-Impairment</u>. Notwithstanding anything to the contrary herein contained, the provisions of this Declaration governing sales and leases shall not apply to impair the right of any first Mortgagee to: (i) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; (ii) take a deed or assignment in lieu of foreclosure; or (iii) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.
- 16.5. <u>Notice to Association</u>. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

## ARTICLE XVII. AMENDMENTS

- 17.1. General. Subject to Section 17.2 and Section 17.3 of this Article XVII, this Declaration may be amended by an instrument or instruments approved by the vote of at least two-thirds (2/3) of Owners. Notice of a meeting, if any, at which a proposed amendment will be considered, shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and filed in Forsyth County, Georgia land records.
- 17.2. Approval of Declarant. Until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use, any amendment to the Declaration or Bylaws must be approved in writing by the Declarant prior to becoming effective; and during such time, Declarant shall have the unilateral right to amend the Declaration from time to time without the approval of the Association members; provided, however, any such amendment shall not: (i) materially adversely affect the substantive rights of any Owners hereunder to use and enjoy the Owner's Unit; or (ii) adversely affect title to any Unit without the consent of the affected Owner.
- 17.3. <u>Consent of DRP Required</u>. So long as DRP owns a Unit, any amendment to the Declaration shall require the prior written approval of DRP. Any amendment recorded in the land records without such approval shall be deemed void and of no force and effect unless subsequently approved by a written consent signed by DRP.
- 17.4. Georgia Property Owners' Association Act. The majority of the Board of Directors, without the approval of the Association members, may record an amendment to submit the Declaration to the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220,

et seq.; provided, however, such amendment must be approved by the Declarant and DRP if the Declarant or DRP, as applicable, then owns any property subject to this Declaration.

17.5. <u>Limitation Period</u>. Any action to challenge the validity of this Declaration or an amendment adopted under this Article XVII must be brought within one (1) year of the recording of same in the Forsyth County, Georgia land records. No action to challenge this Declaration or any such amendment may be brought after such time.

## ARTICLE XVIII. GENERAL PROVISIONS

- 18.1. <u>Enforcement</u>. In addition to any other enforcement right set forth within the Declaration or Bylaws, the Association, acting through the Board of Directors, shall have the right to enforce, in its sole discretion, any violation of the Declaration, Bylaws or rules and regulations of the Association by a proceeding at law or in equity, or as otherwise provided herein. Failure of the Board of Directors to exercise its authority to take enforcement action authorized by the Declaration, Bylaws or rules and regulations of the Association shall not be grounds for any action against the Association or the Board of Directors. Owners may enforce the Declaration against other Owners by a proceeding at law or in equity.
- (a) Fines and Suspensions of Use. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Unit, for any violation of the Declaration, Bylaws, or any Association rules and regulations. The Board shall further have the power to suspend the use of the Common Property for any violation of the Declaration, Bylaws, or any Association rules and regulations. If any Occupant violates the Declaration, Bylaws or Association rules and regulations and a fine is imposed, the fine may be imposed against the Owner and/or Occupant. The Board may establish and promulgate a fining schedule. The Board shall not impose a fine or suspend the right to use the Common Property, unless and until the Board has sent or delivered written notice to the Owner or Occupant as provided herein; provided, however, a late fee shall not constitute a fine and an Owner's right to use the Common Property shall automatically be suspended without notice during any period in which an Owner is more than thirty (30) days delinquent on any assessment or charge, and the Owner shall be ineligible to use the Common Property until the Owner's account balance has been paid in full.
- Association rule or regulation is violated, the Board shall send the violating Owner or Occupant written notice identifying the violation and fine and/or suspension being imposed and advising the Owner or Occupant of the right to request a hearing before the Board to contest the violation or the fine and/or suspension or to request reconsideration of the fine and/or suspension. Fines and suspensions may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the Owner or Occupant's right to request a hearing before the Board to challenge the fine and/or suspension. 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 Owner or Occupant. In the event an Owner or Occupant violates the same provision of the Declaration or Bylaws or any Association rule and regulation within six (6) months from the date of the notice, the Board may impose the fines and/or other sanction provided in the notice without further notice to the Owner or Occupant.

- Owner or Occupant 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 Owner or Occupant 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. Failure to request a timely hearing as provided herein shall result in loss of the right to challenge and request reconsideration of the fines or suspension. The Board of Directors may, but shall not be required to, suspend the fines and/or suspension until the date of the hearing.
- (b) <u>Suspension of Voting</u>. A member's right to vote shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge. The Association shall not be required to provide any notice to such member that the member's voting rights have been automatically suspended. The Board shall also have the right to suspend a member's right to vote for a reasonable period of time for any violation of the Declaration, Bylaws, or rules and regulations.
- (c) <u>Abatement and Self-Help</u>. The Board or its designee may enter upon a Unit to exercise self-help in order to remove or abate any violation thereon of the Declaration; provided, however, the Board shall first provide the Owner of the Unit ten (10) days notice of the Board's intention to enter the Owner's Unit and provide the Owner with an opportunity to remove or abate the violation, provided further, such notice shall not be required if the Board determines that an emergency exists. All costs of self-help or of otherwise enforcing the Declaration, Bylaws or Association rules, including reasonable attorney's fees actually incurred, shall be assessed against the Owner, Occupant and/or Unit subject to the violation.
- (d) <u>Notice of Violation</u>. The Association shall have the authority to record in the Forsyth County, Georgia land records a notice of violation identifying an uncured violation of the Declaration, Bylaws, or rules and regulations regarding a Unit.
- (e) <u>Enforcement Costs</u>. The Owner or Occupant responsible for a violation shall be liable for all costs incurred in enforcement, including reasonable attorney's fees actually incurred, whether or not a legal proceeding in law or equity is filed in connection with the violation. In the event an Occupant is responsible for the violation, the Owner shall also be liable for all costs incurred in enforcement against such Occupant, including reasonable attorney's fees actually incurred, whether or not a legal proceeding in law or equity is filed in connection with the violation. All such costs shall be considered a specific assessment and shall become a lien against the Owner's Unit.
- (f) Waiver. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter. Neither the Declarant, the Association, its Board of Directors, any duly created committee, any member of any of the foregoing, the Association's officers, nor agents shall have any liability of any kind as a result of any failure to enforce any provision contained in this Declaration, the Bylaws, or the rules and regulations. Each Owner acknowledges and agrees that the Association has the discretion to pursue covenant violations based on the gravity of the violation, the strength of the Association's legal and factual position, and the Association's

financial position. The Association's decision regarding any specific covenant violation shall not affect the rights of other Owners with respect to that violation.

- 18.2. <u>Duration</u>. The Covenants and Restrictions within the Declaration shall run with and bind the property subject to this Declaration perpetually or as otherwise provided by Georgia law.
- 18.3. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SAFETY AT THE COMMUNITY; HOWEVER, EACH OWNER, FOR HIMSELF OR HERSELF AND HIS OR HER TENANTS, GUESTS, LICENSEES, AND INVITEES, ACKNOWLEDGES AND AGREES THAT THE ASSOCIATION IS NOT A PROVIDER OF SECURITY AND SHALL HAVE NO DUTY TO PROVIDE SECURITY AT THE COMMUNITY. 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 UNIT OWNER.

THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SAFETY MEASURES UNDERTAKEN.

- 18.4. Dispute Resolution. Any Unit Owner or Occupant must give written notice to the Declarant, DRP, or Board requesting a hearing with the Declarant or Board and attend such hearing to discuss amicable resolution of any dispute against the Declarant, DRP or Association, respectively, before that Owner or Occupant files any lawsuit against the Declarant, the Association, the Board, or any officer or director, or any agent of same. The Owner or Occupant shall, in such notice and at the hearing, make a good faith effort to explain the grievance and resolve the dispute in an amicable fashion, and shall give the Declarant, DRP or Association a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Declarant, DRP or the Association shall give notice of the date, time, and place of the hearing to the Person requesting the hearing. The Declarant, DRP or Association shall schedule the hearing for a date not less than seven (7) nor more than twenty-one (21) days from the date of receipt of the notice of hearing from the Person requesting the hearing. Alternatively, the Declarant, DRP or the Board may notify the Owner or Occupant that it is waiving the requirement of the Owner or Occupant to request and attend the hearing with the Declarant, DRP or the Board.
- 18.5. <u>Limitation on Litigation</u>. Except as provided in this Section 18.5, the Association shall not commence a judicial or administrative proceeding without the approval of Owners representing at least 75% of the total votes in the Association. This Section 18.5 shall not apply, however, to (a) actions brought by the Association to enforce the Declaration, Bylaws or rules and regulations of the Association (including, without limitation, the foreclosure of liens); (b) the collection of assessments; (c) proceedings involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. This Section

- 18.5 shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.
- 18.6. <u>No Discrimination</u>. No action shall be taken by the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status, or handicap.
- 18.7. <u>Indemnification</u>. The Association shall indemnify every officer and director against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.
- 18.8. Eminent Domain. If all or any part of the Common Property shall be taken or conveyed in lieu of or under threat of condemnation by any authority having power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. If the taking involves a portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after such taking at least seventy-five percent (75%) of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining Common Property to the extent land is available therefor.
- 18.9. <u>Implied Rights</u>. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation of the Association, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.
- 18.10. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision, which shall remain in full force and effect.
- 18.11. Conflicts. The duties, powers, and obligations of the Association, including the members, directors, and officers, shall be those set forth in the Georgia Nonprofit Corporation Code, the Declaration, the Bylaws, the Articles of Incorporation, and the rules and regulations of the Association. If there are conflicts or inconsistencies between such, then the provisions of the Georgia Nonprofit Corporation Code, the Declaration, the Bylaws, the Articles of Incorporation, and the rules and regulations of the Association, in that order, shall prevail; and each Owner of a

Unit, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

[SIGNATURES BEGIN ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration under seal this  $/\mathcal{A}$  day of  $/\mathcal{A}$  day of  $/\mathcal{A}$ . Signed, sealed and delivered in the presence of: Witness:

**DECLARANT:** 

**BEAZER HOMES, LLC**, a Delaware limited liability company

By: (Seal)

Its: Division President - Atlanta

IN WITNESS WHEREOF, the undersigned Owner, as owner of some or all of the tract or parcel of land described on Exhibit "A" attached hereto, does hereby declare and consent, on behalf of such Owner and such Owner's successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of Owner described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration. This 6th day of November, 2018.

OWNER:

DRP GA 1, LLC, a Delaware limited

liability company

By:

DW General Partner, LLC, a Delaware limited liability company, its manager

By:

(SEAL)

Name: Marc Valdes

Title:

Authorized Signatory

Signed, sealed, and delivered in the présence of:

**PUBLIC** 

My Commission Expires: 8/22/2020

[AFFIX NOTARY SEAL]

MEAGHAN MAHONEY Notary Public, State of New York Reg. No. 01MA6346899 Qualified in Nassau County My Commission Expires 8/22/2020

#### CONSENT AND SUBORDINATION OF LENDER

The undersigned, WESTERN ALLIANCE BANK, an Arizona corporation, with a mailing address of One East Washington Street, 14th Floor, Phoenix, Arizona 85004 ("Lender"), is the owner and holder of that certain Construction Deed to Secure Debt and Fixture Filing from DRP GA 1, LLC, a Delaware limited liability company, to Lender, dated December 29, 2017, recorded January 8, 2018 in Deed Book 8443, Pages 376 – 418, Forsyth County, Georgia land records (hereinafter referred to as the "Security Instrument").

Lender hereby consents to and subordinates the Security Instrument to the foregoing Declaration of Covenants, Conditions, Restrictions and Easements for Traditions at Herrington to which this Consent and Subordination is attached (as may be amended from time to time, the "Declaration"), and Lender agrees that all of its right, title and interest in and to the real property described therein by virtue of the Security Instrument shall be bound by, subject to and subordinate to the easements and other terms and provisions of the foregoing Declaration, and the foregoing Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Instrument or any other instrument that Lender holds; provided, however, that nothing herein shall modify, alter or amend the Security Instrument as between Lender and the borrower thereunder.

IN WITNESS WHEREOF, the undersigned has caused this Consent and Subordination of Lender to be duly executed and sealed, as of this ETH day of HOUSINGSU, 2018.

> LENDER: WESTERN ALLIANCE BANK, an

> > Arizona corporation

By:

Print Name:

Title:

Signed, sealed, and delivered

in the presence of:

[BANK SEAL]

BLICSARAH TAYLOR

My Commission Expires: August 25, 2019

[AFFIX NOTARY SEAL]



## EXHIBIT "A" DESCRIPTION OF SUBMITTED PROPERTY

### North Tract

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot(s) 448, 449, 488 AND 489 of the 2<sup>nd</sup> District, 1<sup>st</sup> Section, Forsyth County, Georgia and being more particularly described as follows:

To find the TRUE POINT OF BEGINNING, commence at a point at the intersection of the northerly right-of-way line of Brannon Road (100° R/W) and the southeasterly right-of-way line of Georgia Hwy 141(R/W varies); thence along the southeasterly right-of-way line of Georgia Hwy 141 the following courses and distances:, North 17 degrees 38 minutes 14 seconds East a distance of 108.97 feet to a point; thence North 15 degrees 54 minutes 18 seconds East a distance of 140.56 feet to a point at the intersection of said right-of-way line and the southeasterly rightof-way line of Georgia Hwy 400; thence along the southeasterly right-of-way line of Georgia Hwy 400 the following courses and distances: North 78 degrees 52 minutes 13 seconds East a distance of 183.10 feet to a point; thence North 56 degrees 41 minutes 29 seconds East a distance of 185.97 feet to a point at the intersection of said right-of-way line and the southwesterly side of an Access Rd; thence along the southwesterly side of an Access Rd the following courses and distances: South 23 degrees 27 minutes 13 seconds East a distance of 170,22 feet to a point; thence South 34 degrees 01 minutes 34 seconds East a distance of 98.09 feet to a point; thence crossing said Access Rd to the northeasterly side of said Access Rd, North 56 degrees 34 minutes 16 seconds East a distance of 100.29 feet to a point; thence along the northeasterly side of said Access Rd. North 34 degrees 14 minutes 14 seconds West a distance of 19.38 feet to an iron pin found (3/4" crimp top) and the TRUE POINT OF BEGINNING, from the TRUE POINT OF BEGINNING as thus established; thence continue along the northeasterly side of said Access Rd the following courses and distances: North 34 degrees 10 minutes 57 seconds West a distance of 72.86 feet to a R/W monument found; thence 140.57 feet along an arc of a curve to the right, said curve having a radius of 100.78 feet and a chord bearing and distance of North 04 degrees 20 minutes 03 seconds East 129.45 feet to a R/W monument found; thence North 43 degrees 38 minutes 33 seconds East a distance of 754.23 feet to R/W monument found; thence North 41 degrees 11 minutes 36 seconds East a distance of 47.59 feet to an iron pin found ("2" crimp top); thence leaving said Access Rd, South 87 degrees 39 minutes 24 seconds East a distance of 1,094.65 feet to an iron pin found (1/2" crimp top); thence South 01 degrees 54 minutes 17 seconds East a distance of 995.13 feet to an iron pin found on the northerly right-of-way line of Ronald Reagan Boulevard (R/W Varies); thence along said right-of-way line, 411.76 feet along an arc of a curve to the left, said curve having a radius of 1,035 feet and a chord bearing and distance of South 77 degrees 54 minutes 37 seconds West 409.05 feet to a point; thence 171.63 feet along an arc of a curve to the left, said curve having a radius of 1049.61 feet and a chord bearing and distance of South 61 degrees 43 minutes 48 seconds West 171.43 feet to a point; thence leaving said right-of-way line, North 01 degrees 59 minutes 31 seconds West a distance of 200.40 feet to an iron pin found (1/2" crimp top); thence North 01 degrees 50 minutes 00 seconds East a distance of 210.09 feet to an iron pin found (1/2" crimp top); thence North 87 degrees 47 minutes 48 seconds West a distance of 764.03 feet to a nail found; thence South 89 degrees 13 minutes 42 seconds West a distance of 43.86 feet to a point; thence South 89 degrees 13 minutes 42 seconds West a distance of 289.00 feet to an iron pin found (3/4" crimp top) and the TRUE POINT OF BEGINNING.

Said tract containing 29.367 acres and being more particularly shown on ALTA/NSPS Land Title Survey for Beazer Homes, LLC, DRP GA 1, LLC and Chicago Title Insurance Company, dated December 2 and December 19, 2016, last revised April 17, 2017 prepared by Planners and Engineers Collaborative and bearing the certification of Michael C. Sanford, G.R.L.S. No. 3179.

## LESS AND EXCEPT:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot(s) 488 and 489 of the 2<sup>nd</sup> District, 1<sup>st</sup> Section, Forsyth County, Georgia and being more particularly described as follows:

Beginning at a point on the northerly right-of-way line of Ronald Reagan Boulevard (R/W Varies), said point being the POINT OF BEGINNING, thence along said right-of-way line, 171.63 feet along an arc of a curve to the left, said curve having a radius of 1,049.61 feet and a chord bearing and distance of South 61 degrees 43 minutes 48 seconds West 171.43 feet to an iron pin found; thence leaving said right-of-way line, North 01 degrees 59 minutes 31 seconds West a distance of 200.40 feet to an iron pin found (1/2" ctp); thence North 01 degrees 50 minutes 00 seconds East a distance of 210.09 feet to an iron pin found (1/2" ctp); thence North 87 degrees 47 minutes 48 seconds West a distance of 764.03 feet to a nail found; thence South 89 degrees 13 minutes 42 seconds West a distance of 43.86 feet to a point; thence North 01 degrees 18 minutes 27 seconds East a distance of 38.54 feet to a point; thence South 88 degrees 37 minutes 48 seconds East a distance of 855.61 feet to a point; thence South 01 degrees 22 minutes 12 seconds West a distance of 68.00 feet to a point; thence 75.80 feet along an arc of a curve to the left, said curve having a radius of 220.00 feet and a chord bearing and distance of South 08 degrees 30 minutes 02 seconds East 75.43 feet to a point; thence 108.09 feet along an arc of a curve to the left, said curve having a radius of 65.50 feet and a chord bearing and distance of South 21 degrees 32 minutes 35 seconds East 96.23 feet to a point; thence South 21 degrees 46 minutes 26 seconds East a distance of 154.89 feet to a point and the TRUE POINT OF BEGINNING.

Said tract containing 1.636 acres and being more particularly shown on ALTA/NSPS Land Title Survey for Beazer Homes, LLC, dated December 2 and December 19, 2016, last revised April 17, 2017 prepared by Planners and Engineers Collaborative and bearing the certification of Michael C. Sanford, G.R.L.S. No. 3179.

# EXHIBIT "B" ADDITIONAL PROPERTY

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 448, 449, 488, 489 and 520 of the 2nd District, 1st Section, Forsyth County, Georgia.

## EXHIBIT "C"

## **BYLAWS**

OF

HERRINGTON COMMUNITY ASSOCIATION, INC.

## TABLE OF CONTENTS

ARTICLE I.	GENERAL
1.1.	Applicability1
1.2.	Name1
1.3.	Definitions1
1.4.	Membership 1
1.5.	Voting1
1.6.	Entity Members1
1.7.	Purpose2
1.8.	Electronic Communications
ARTICLE II.	MEETINGS OF MEMBERS2
2.1.	Annual Meetings2
2.2.	Special Meetings2
2.3.	Notice of Meetings3
2.4.	Waiver of Notice3
2.5.	Quorum3
2.6.	Adjournment3
2.7.	Proxy3
2.8.	Action Taken Without a Meeting4
2.9.	Order of Business4
ARTICLE III.	BOARD OF DIRECTORS5
3.1.	Composition5
3.2.	Election and Term
3.3.	Nomination 5
3.4.	Removal of Directors6
3.5.	Vacancies 6
3.6.	Compensation 6
3.7.	Director Conflicts of Interest6
3.8.	Regular Meetings6
3.9.	Special Meetings6
3.10.	Waiver of Notice 7
3.11.	Ouorum and Conduct of Meetings7

3.12.	Open Meetings7
3.13.	Action Without a Meeting7
3.14.	Powers and Duties7
3.15.	Management Agent9
3.16.	Borrowing9
3.17.	Liability and Indemnification of Officers and Directors9
ARTICLE IV.	<b>OFFICERS</b> 10
4.1.	Designation 10
4.2.	Appointment of Officers
4.3.	Removal of Officers10
4.4.	Vacancies
4.5.	President
4.6.	Vice President
4.7.	Secretary
4.8.	Treasurer
4.9.	Other Officers
4.10.	Agreements, Contracts, Deeds, Leases, Etc
ARTICLE V.	AMENDMENTS11
5.1.	General
5.2.	Approval by Declarant11
5.3.	Georgia Property Owners' Association Act11
5.4.	Limitation Period11
ARTICLE VI.	MISCELLANEOUS
6.1.	Committees
6.2.	Notices
6.3.	Severability
6.4.	Captions
6.5	Fiscal Year
6.6.	Financial Review13
6.7.	Conflicts13
6.8.	Books and Records

#### **BYLAWS**

#### OF

## HERRINGTON COMMUNITY ASSOCIATION, INC.

## ARTICLE I. GENERAL

- 1.1. <u>Applicability</u>. These Bylaws provide for the self-government of Herrington Community Association, Inc., in accordance with the Articles of Incorporation filed with the Secretary of State and the Declaration of Covenants, Conditions, Restrictions, and Easements for Traditions at Herrington (hereafter referred to as the "Declaration"), recorded in the Forsyth County, Georgia land records.
- 1.2. <u>Name</u>. The name of the corporation is Herrington Community Association, Inc. (hereafter referred to as the "Association").
- 1.3. <u>Definitions</u>. Unless otherwise provided herein, capitalized terms shall have the meanings specified in Article I of the Declaration.
- 1.4. <u>Membership</u>. Each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be a member of the Association. This is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Unit owned. In the event of multiple Owners of a Unit, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Unit. In no event shall more than one (1) vote be cast per Unit.
- 1.5. <u>Voting</u>. Members shall be entitled to one (1) equal 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 exercised as those Owners determine among themselves. In the absence of such advice, the Unit's vote shall be suspended if more than one (1) Person seeks to exercise it. A member's right to vote shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge, and the member shall be ineligible to vote on any matter until the member's account balance has been paid in full and such member's vote shall not be counted for any purpose.
- 1.6. Entity Members. In the event an Owner is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is the designated agent of such legal entity shall be eligible to represent such entity in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity which is the Owner of the Unit. The membership rights of an Owner which is a corporation, partnership,

trustee, or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

1.7. <u>Purpose</u>. The Association shall have the responsibility of administering the Community, establishing the means and methods of collecting the assessments in accordance with the Declaration, and performing all of the other acts that may be required to be performed by the Association pursuant to the Declaration and Georgia Nonprofit Corporation Code. Except as to those matters which the Declaration or the Georgia Nonprofit Corporation Code specifically require to be performed by the vote of the Association membership, the administration of the foregoing responsibilities shall be performed by the Board of Directors.

## 1.8. Electronic Communications.

- (a) <u>Records and Signatures</u>. Whenever the Declaration or these Bylaws require that a document, record or instrument be written or in writing, the requirement is deemed satisfied by an electronic record pursuant to the Georgia Uniform Electronic Transactions Act. Whenever the Declaration or these Bylaws require a signature on a document, record or instrument, an electronic signature, in accordance with the Georgia Uniform Electronic Transactions Act, satisfies that requirement.
- (b) Verification and Liability for Falsification. The Board of Directors may require reasonable verification of any electronic signature, document, record, or instrument. Absent or pending verification, the Board of Directors may refuse to accept any electronic signature or electronic record that, in the Board's sole discretion, is not authentic. Neither the Board of Directors nor the Association shall be liable to any Owner or any other Person for accepting or acting in reliance upon an electronic signature or electronic record that the Board of Directors reasonably believes to be authentic, or rejecting any such item which the Board of Directors reasonably believes not to be authentic. Any Owner or Person who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature shall fully indemnify the Association for actual damages, reasonable attorneys' fees actually incurred and expenses incurred as a result of such acts.

## ARTICLE II. MEETINGS OF MEMBERS

- 2.1. <u>Annual Meetings</u>. The annual meeting of the members shall be held each year with the date, hour, and place to be set by the Board.
- 2.2. Special Meetings. Special meetings of the members may be called for any purpose at any time by the President or by request of any two (2) or more directors, or upon written petition of at least twenty-five (25%) percent of the total eligible vote of the Association membership. Any such written petition by the members must be submitted to the Association's Secretary. The Secretary shall then verify that the required number of members have joined in the petition and shall submit the petition to the Association's President. The President shall then promptly call a special meeting for the purpose stated

in the petition, and the Secretary shall send notice of the meeting in accordance with these Bylaws. Members petitioning for a special meeting may request the date, time and location of the meeting, but such request shall not be binding upon the Association.

- 2.3. Notice of Meetings. The Secretary shall mail or deliver to each member of the Association a notice of each Association meeting at least twenty-one (21) days prior to each annual meeting and at least ten (10) days prior to each special meeting. All notices shall state the date, time, and location of the annual or special meeting. If any member wishes notice to be given to an address other than the Owner's Unit address, the member shall designate such other address by written notice to the Secretary. The mailing or delivering of a meeting notice as provided in this Section 2.3 shall constitute proper service of notice.
- 2.4. <u>Waiver of Notice</u>. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any Association meeting, either before or after such meeting. Attendance at a meeting by a member, whether in person or represented by proxy, shall be deemed waiver by such member of notice of the date, time and location thereof unless such member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.
- 2.5. Quorum. The presence, in person or by proxy, of members entitled to cast twenty percent (20%) of the total eligible vote of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is closed and shall not need to be reestablished. Members whose voting rights have been suspended pursuant to the Declaration or these Bylaws shall not be counted as eligible votes toward the quorum requirement.
- 2.6. Adjournment. Any meeting of the Association members may be adjourned from time to time for periods not exceeding fifteen (15) days by vote of the members holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could have been transacted properly at the original session of the meeting with a quorum present may be transacted at a reconvened session with a quorum present, and no additional notice of such reconvened session shall be required.
- 2.7. Proxy. Any Association member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. The term "proxy" shall mean the written document in which the member authorizes any other person to attend a membership meeting on behalf of the member and vote the member's vote at the meeting. The written proxy document shall not be required to be in any particular form; but to be valid, the proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. The member giving the proxy shall be the "proxy giver" and the person holding the proxy and authorized to

attend on behalf of the proxy giver and vote for the proxy giver shall be the "proxy holder." Proxies may be delivered by either the proxy giver or the proxy holder by personal delivery, U.S. Mail, facsimile transmission, email, or other electronic means to any Board member or the property manager, if any. Proxies may be revoked only by written notice of the proxy giver delivered to the Secretary, except that the presence in person by the proxy giver at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy. Proxies shall be counted towards establishment of a quorum.

- 2.8. <u>Action Taken Without a Meeting</u>. In the Board's discretion, any action that may be taken by the Association members at any annual, regular, or special meeting may be taken without a meeting if the Board delivers a written consent form or written ballot to every member entitled to vote on the matter.
- (a) <u>Ballot</u>. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when (1) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

All solicitations for votes by written ballot shall: (1) indicate the number of responses needed to meet the quorum requirements; (2) state the percentage of approvals necessary to approve each matter other than election of directors; and (3) specify the time by which a ballot must be received by the Board in order to be counted. A written ballot may not be revoked.

- (b) Written Consent. Approval by written consent shall be valid only when the number of written consents received equals or exceeds the requisite majority of the voting power for such action. Executed written consents shall be included in the minutes or filed with the Association's records. If an action of the members is approved by written consent hereunder, the Board shall issue written notice of such approval to all members who did not sign written consents. Membership approval shall be effective ten (10) days after written notice is issued; provided, however, if the consent is to an amendment to the Declaration or Bylaws which must be recorded, the effective date shall be no earlier than the date of recording of such amendment.
- 2.9. <u>Order of Business</u>. At all meetings of the Association, <u>Roberts Rules of Order</u> (latest edition) shall govern when not in conflict with the Declaration, these Bylaws or the Articles of Incorporation, unless the members present at a particular meeting vote to suspend Robert's Rules at that meeting.

## ARTICLE III. BOARD OF DIRECTORS

## 3.1. <u>Composition</u>.

The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons; provided, however, during the period of time that Declarant has the right to appoint and remove the directors and officers of the Association pursuant to Section 3.2 of this Article III, the Board of Directors shall be composed of one (1) to five (5) persons as determined by the Declarant. Except for directors appointed by the Declarant hereunder, the directors shall be Owners of Units or the spouse of an Owner; provided, however no Owner and his or her spouse may serve on the Board at the same time, and no co-owners may serve on the Board at the same time.

## 3.2. Election and Term.

The Declarant shall have the right to appoint and remove directors and officers of the Association until the earlier of the following to occur: (a) sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use; or (b) the voluntary surrender by Declarant, in writing, of the authority to appoint and remove the Association's directors and officers. In the event the Declarant voluntarily surrenders the authority to appoint and remove the Association's directors and officers, the Declarant shall thereafter retain the right to veto any action of the Board of Directors until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been conveyed to any Person not constituting the Declarant for residential use.

Upon the termination of the Declarant's right to appoint and remove directors, the Association shall call a meeting to elect a Board of Directors. Two (2) directors shall be elected by members who are Owners of the Condominium Units, and such directors must be Owners or the spouses of an Owner of a Condominium Unit. Two (2) directors shall be elected by members who are Owners of the Single-Family Detached Units, and such directors must be Owners or the spouses of an Owner of a Single-Family Detached Unit. The remaining director shall be elected by the vote of all eligible members of the Association. Those candidates receiving the most votes shall be elected to the number of positions to be filled. There shall be no cumulative voting. Voting for election of Board members shall be by secret written ballot (unless dispensed by unanimous consent at the meeting at which such voting is conducted). All directors shall be elected for one (1) year terms and shall hold office until their successors are elected. The newly elected Board shall meet within ten (10) days following the meeting at which the election occurred for the purpose of appointing officers and any other business that comes before the Board.

3.3. <u>Nomination</u>. Nominations for election to the Board may be made from the floor at the meeting. Nominations also may be made by a nominating committee, if

appointed by the Board. The Board may also establish additional procedures for the nomination of directors.

- 3.4. Removal of Directors. At any valid regular or special Association meeting, any one or more directors, except those directors appointed by the Declarant, may be removed with or without cause by a majority of the total eligible vote of the Association members and a successor may then and there be elected to fill the vacancy created. Any director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting to consider his or her removal and shall be given an opportunity to be heard at the meeting. In addition, any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings or is more than sixty (60) days past due in the payment of any assessment or charge may be removed by the vote of a majority of the other directors.
- 3.5. <u>Vacancies</u>. Vacancies on the Board caused by any reason, except the removal of a director by vote of the membership as provided in Section 3.4 of this Article III, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any Board meeting. The successor selected shall hold office for the remainder of the term of the director being replaced.
- 3.6. <u>Compensation</u>. Directors shall not be compensated for services. However, directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon Board approval of such expenses. Directors also may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed not to exceed a value of \$100.00 per calendar year. For purposes hereof, reasonable food and beverages purchased for Board meetings shall not be considered compensation.
- 3.7. <u>Director Conflicts of Interest</u>. Nothing herein shall prohibit a director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided the director's interest is disclosed to the Board and the contract is approved by a majority of the directors who are at a meeting of the Board of Directors at which a quorum is present, excluding the director with whom the contract is made. The interested director shall not count for purposes of establishing a quorum of the Board. The interested director shall be entitled to be present at the meeting at which the proposed contract is discussed, but the director must leave the room during the discussion on such matter.
- 3.8. <u>Regular Meetings</u>. Regular Board meetings may be held at such time and place as determined by the Board, but at least once every three (3) months; provided however, so long as the Declarant has the right to appoint and remove the officers and directors of the Association, the Board may meet less frequently.
- 3.9. Special Meetings. Special Board meetings may be called by the President on three (3) days notice to each director given by mail, in person, by telephone, by facsimile transmission, or by email, which notice shall state the time, date, location, and purpose of the meeting. Special Board meetings shall be called by the President, Vice President,

Secretary, or Treasurer in like manner and on like notice upon the written request of at least two (2) directors.

- 3.10. <u>Waiver of Notice</u>. Any director at any time, in writing, may waive notice of any Board meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any Board meeting shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any Board meeting, no notice shall be required and any business may be transacted at such meeting.
- 3.11. Quorum and Conduct of Meetings. The President shall preside over all Board meetings, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. The presence of directors entitled to cast a majority of the votes of the Board shall constitute a quorum for the transaction of business. One or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, provided all persons participating in the meeting can hear each other.
- 3.12. Open Meetings. All Board meetings shall be open to all Association members, but members other than directors may not participate in any discussion or deliberation unless expressly authorized by the Board. Notwithstanding the above, the Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, delinquent assessments, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.
- 3.13. Action Without a Meeting. Any Board action required or permitted to be taken at any meeting may be taken without a meeting if a majority of the directors consent in writing to such action. The written consents must describe the action taken. The written consents shall be filed with the minutes of the Board. The written consent may be by email or other electronic means; a copy of the consents shall be printed and filed with the minutes of the Board.
- 3.14. <u>Powers and Duties</u>. The Board shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Community and may do all such acts and things as are not by the Act, the Declaration, the Articles of Incorporation, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws, the Board shall have the power to and shall be responsible for the following, in the way of explanation, but not limitation:
- (a) preparation and adoption of an annual budget(s), in which there shall be established the contribution of Owners to the Common Expenses and Neighborhood Expenses pursuant to the terms of the Declaration;

- (b) making assessments to defray the Common Expenses and Neighborhood Expenses, establishing the means and methods of collecting such assessments;
- (c) providing for the operation, care, upkeep, and maintenance of all portions of the Community for which the Association is assigned maintenance responsibility under the Declaration;
- (d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair and replacement of all portions of the Community for which the Association is assigned maintenance responsibility under the Declaration, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a financial depository or institution which it shall approve, or otherwise investing the proceeds in accordance with any limitations set forth in O.C.G.A. Section 14-3-302, and using the proceeds to administer the Association;
- (f) making and amending rules and regulations for the Community and imposing sanctions for violation thereof, including reasonable monetary fines;
- (g) opening of bank or other financial accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions and improvements to, or alterations of, the Common Property after damage or destruction by fire or other casualty, in accordance with the other provisions of the Declaration and these Bylaws;
- (i) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (k) paying the costs of all services rendered to the Association or its members and not directly chargeable to specific Owners;
- (l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

- (m) entering into easement and cost-sharing agreement with other Persons that benefit and/or burden the Community pursuant to such terms as the Board deems reasonable;
- (n) vetoing any action taken or contemplated to be taken by a Neighborhood Association, which the Board of Directors of the Association reasonably determines to be adverse to the either the interests of the Association and its members, or the Declaration;
- (o) requiring specific action to be taken by a Neighborhood Association in connection with its obligations and responsibilities; and
- (p contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into management agreements. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.
- 3.15. <u>Management Agent</u>. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize.
- 3.16. <u>Borrowing</u>. The Board shall have the power to borrow money for the purpose of maintenance, repair, restoration or improvement to the Common Property or for any other purpose; provided, however, if the total amount of such borrowing exceeds or would exceed Fifty Thousand Dollars (\$50,000.00) of outstanding debt at any one time, such borrowing must first be approved by members of the Association holding a majority of the total Association vote; provided further, however, the Board shall be authorized to borrow money from the Declarant as provided in Article VII, Section 7.10 of the Declaration without the approval of the members of the Association.
- 3.17. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

## ARTICLE IV. OFFICERS

- 4.1. <u>Designation</u>. The principal officers of the Association shall be the President, Vice President, Secretary, and Treasurer. The President, Vice President and Secretary must be directors. The Treasurer shall be elected by the Board, but need not be a director. The Board may appoint one or more Assistant Treasurers, Assistant Secretaries, and such other subordinate officers as in its judgment may be necessary. Any assistant or subordinate officers shall not be required to be directors. Except for the offices of Secretary and Treasurer and all offices appointed by Declarant, which may be held by the same person, no person may hold more than one (1) office.
- 4.2. Appointment of Officers. The Declarant shall have the right to appoint and remove directors and officers of the Association until the earlier of the following to occur: (a) sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use; or (b) the voluntary surrender by Declarant, in writing, of the authority to appoint and remove the Association's directors and officers. Upon the termination of the Declarant's right to appoint and remove officers, the Association officers shall be elected annually by the Board of Directors, and shall hold office at the pleasure of the Board and until a successor is elected.
- 4.3. Removal of Officers. During the period that the Declarant has the right to appoint and remove the officers of the Association, any officer may be removed, either with or without cause, and a successor may be appointed by the Declarant. After the termination of the Declarant's right to appoint and remove officers of the Association as provided herein, upon the affirmative vote of a majority of the Board members at any Board meeting at which a quorum is established, any officer may be removed, either with or without cause, and a successor may be elected.
- 4.4. <u>Vacancies</u>. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.
- 4.5. <u>President</u>. The President shall be the chief executive officer of the Association and shall preside at all Association and Board meetings.
- 4.6. <u>Vice President</u>. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.
- 4.7. <u>Secretary</u>. The Secretary shall keep the minutes of all Association and Board meetings and shall have charge of the Association's books and records.
- 4.8. <u>Treasurer</u>. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required

financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board.

- 4.9. Other Officers. Other offices may be created by the Board, and the Board members which hold such offices shall have such titles and duties as are defined by the Board.
- 4.10. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by the Board. This Section shall not apply during the period of time that Declarant has the right to appoint and remove the directors and officers of the Association pursuant to Section 3.2 hereof.

#### ARTICLE V. AMENDMENTS

- 5.1. General. Subject to Section 5.2 of this Article V, these Bylaws may be amended by an instrument or instruments approved by the affirmative vote of at least two-thirds (2/3) of Owners. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and filed in Forsyth County, Georgia land records.
- 5.2. Approval by Declarant. Until sixty (60) days following the date on which one hundred percent (100%) of the Units shown on the final recorded plat or plats for the Community have been issued a certificate of occupancy and have been conveyed to any Person not constituting the Declarant or a Builder for residential use, any amendment to the Bylaws must be approved in writing by the Declarant prior to becoming effective; and during such time, Declarant shall have the unilateral right to amend the Bylaws from time to time without the approval of the Association members.
- 5.3. Georgia Property Owners' Association Act. The majority of the Board of Directors, without the approval of the Association members, may record an amendment to submit the Declaration and these Bylaws to the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, et seq.; provided, however, such amendment must be approved by the Declarant, if the Declarant than owns any property subject to the Declaration.
- 5.4. <u>Limitation Period</u>. Any action to challenge the validity of these Bylaws or an amendment adopted under this Article V must be brought within one (1) year of the recording of same in the Forsyth County, Georgia land records. No action to challenge these Bylaws or any such amendment may be brought after such time.

## ARTICLE VI. MISCELLANEOUS

6.1. <u>Committees</u>. The Master Association Architectural Review Committee shall be a standing committee of the Association as provided in the Declaration. The Board may establish a nominating committee and any other committee as the Board deems desirable with the powers and duties that the Board shall authorize. Except as otherwise provided herein and in the Declaration, members of any committee shall be appointed by the Board and shall serve at the pleasure of the Board. Any committee member may be removed with or without cause at any time and with or without a successor being named.

## 6.2. Notices.

- (a) <u>Method of Giving Notice</u>. All notices, demands, bills, statements, or other communications shall be in writing and shall be given:
  - (1) Personal delivery to the addressee;
  - (2) Via United States mail, first class, postage prepaid;
  - (3) Via electronic mail;
  - (4) Via facsimile; or
  - (5) Via any other legal means.
- (b) <u>Addressee</u>. Notice sent by one of the methods described herein shall be deemed to have been duly given:
- (1) If to an Owner, at the address, electronic mail address or facsimile number which the Owner has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Owner's Unit;
- (2) If to an Occupant, to the electronic mail address or facsimile number which the Occupant has designated in writing, or if no such address has been designated, at the address of the Unit occupied; or
- (3) If to the Association, the Board or the managing agent, if any, at the postal address, facsimile, or electronic mail address of the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary.
- 6.3. <u>Severability</u>. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws or the Declaration.
- 6.4. <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision thereof.

- 6.5 <u>Fiscal Year</u>. The fiscal year of the Association may be set by Board resolution or, in the absence thereof, shall be the calendar year.
- 6.6. <u>Financial Review</u>. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board. However, after having received the Board's financial review at the annual meeting, the members may, by a majority of the Association members present at such meeting, in person or proxy, require that the Association accounts be audited as a Common Expense by an independent accountant.
- 6.7. <u>Conflicts</u>. The duties and powers of the Association shall be those set forth in the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association. If there are conflicts or inconsistencies between such, then the provisions of the Georgia Nonprofit Corporation Code (as may be applicable), the Declaration, the Articles of Incorporation and these Bylaws, in that order, shall prevail, and each Owner of a Unit, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.
- Books and Records. To the extent provided for, and restricted in, 6.8. Section 14-3-1602 of the Georgia Nonprofit Corporation Code, as such code section may be amended from time to time, all Association members and any institutional holder of a first Mortgage shall be entitled to inspect Association records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the member wishes to inspect and copy. The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the member. Notwithstanding anything to the contrary, the Board may limit or preclude member inspection of confidential or privileged documents, including attorney/client privileged communications, executive session meeting minutes, and financial records or accounts of other members. Minutes for any Board or Association meetings do not become effective as an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting. All Board members may inspect and copy any book or record of the Association.