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DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS

FOR

STIONEHAVEN AT SUGARLOAF

0202604-5

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TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Name</u>
"A"	Definitions
"B"	Property Submitted
"C"	Additional Property which can be Unilaterally Submitted by Declarant
"D"	Bylaws of Stonehaven at Sugarloaf Neighborhood Association, Inc.

**DECLARATION OF PROTECTIVE COVENANTS AND EASEMENTS
FOR
STONEHAVEN AT SUGARLOAF**

THIS DECLARATION is made on the date hereinafter set forth by John Wieland Homes and Neighborhoods, Inc., a Georgia corporation (hereinafter sometimes called "Declarant").

Background Statement

Declarant is the owner, or if not the owner has the written consent of the owner, of the real property described in Article II, Section 1 of this Declaration.

Declarant desires to subject the real property described in Article II, Section 1 hereof to the provisions of this Declaration to create a residential community of residential housing and to provide for the subjecting of other real property to the provisions of this Declaration.

NOW, THEREFORE, Declarant hereby declares that the real property described in Article II, Section 1 of this Declaration, including the improvements constructed or to be constructed thereon, is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments and liens hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property hereby or hereafter made subject hereto, shall be binding on all persons having any right, title or interest in all or any portion of the real property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title and assigns, and shall inure to the benefit of each and every owner of all or any portion thereof.

**Article I
Definitions**

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

**Article II
Property Subject to this Declaration**

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

Section 2. Other Property. Only the real property described in Section 1 of this Article II is hereby made subject to this Declaration; provided, however, by one or more

Supplementary Declarations, Declarant and the Association have the right, but not the obligation, to subject other real property to this Declaration, as hereinafter provided.

Section 3. Additional Covenants, Restrictions and Easements. The Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by Supplementary Declaration to additional covenants, restrictions and easements and/or modify the applicability of the covenants, restrictions and easements contained in this Declaration as to such property. Such additional covenants, conditions, restrictions and easements may be set forth in a Supplementary Declaration or a separate declaration of protective covenants or other document filed either concurrently with or after the annexation of the subject property. Any such document filed by the Declarant may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property. No Person shall record any declaration of covenants, conditions and restrictions, declaration of condominium, easements, or similar instrument against property within the Community without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the land records of the county or counties where the Community is located. No such instrument recorded by any Person, other than the Declarant pursuant to this section, may conflict with the Declaration, Bylaws or Articles.

Article III

Association Membership and Voting Rights

Section 1. Membership. Every Person who is the record owner of a fee or undivided fee interest in any Unit that is subject to this Declaration shall be deemed to have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one membership per Unit. In the event of multiple Owners of a Unit, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Unit. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one vote be cast for each Unit owned.

Section 2. Voting. Members shall be entitled to one vote for each Unit owned. When more than one Person holds an ownership interest in any Unit, the vote for such Unit shall be exercised as those Owners themselves determine and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Unit's vote shall be suspended in the event more than one Person seeks to exercise it.

Article IV

Assessments

Section 1. Purpose of Assessments. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, welfare, common benefit and enjoyment of the Owners and Occupants of Units, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) annual assessments or charges; (b) Neighborhood assessments, if any; (c) special assessments, such assessments to be established and collected as hereinafter provided; and (d) specific assessments against any particular Unit which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration. All such assessments, together with late charges, interest on the principal amount due at a rate not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum, costs and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Unit against which each assessment is made. Each such assessment, together with late charges, interest, costs and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of such Unit at the time the assessment fell due. Each Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Unit, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings or deed in lieu of foreclosure.

The Association shall, within ten (10) days after receiving a written request therefor and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Unit have been paid. A properly executed certificate of the Association as to the status of assessments on a Unit shall be binding upon the Association as of the date of issuance.

Assessments shall be paid at a uniform rate per Unit in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days written notice, of assessments for delinquents. Unless otherwise provided by the Board, assessments shall be paid in annual installments.

The monthly costs of operating the Association may fluctuate dramatically during each budget year. Therefore, the Board is not required to prorate the assessment obligation of any Owner who has not lived in the Community for a full year. For example, if the bulk of the costs of operating the Association are likely to be incurred in the summer months, any Owner moving into the Community after the beginning of the budget year but prior to the summer months may be required to pay full assessments.

Section 3. Computation. It shall be the duty of the Board to prepare a budget

covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the budget and the assessment to be levied against each Unit for the year (or portion thereof in the case of the initial budget) to be delivered to each member at least thirty (30) days prior to the due date for payment of the assessment (or the first installment thereof). The assessment shall become effective unless disapproved at a meeting by a Majority of the Total Association Vote. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

Section 4. Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments. So long as the total amount of special assessments allocable to each Unit does not exceed Three Hundred Dollars (\$300.00) in any one fiscal year, the Board may impose the special assessment. Except as provided in Article VII, Section 2 hereof, any special assessment which would cause the amount of special assessments allocable to any Unit to exceed this limitation shall be effective only if approved by a Majority of the Total Association Vote. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Section 5. Neighborhood Assessments. The Association may levy assessments against the property in a particular Neighborhood to fund actual and estimated expenses incurred by the Association for the primary benefit of property within such Neighborhood, including without limitation, maintenance required to be performed by the Association with respect to property within such Neighborhood. Neighborhood assessments shall be levied as specifically budgeted from time to time by the Board of Directors pursuant to this Declaration. In addition, the Board shall levy a Neighborhood assessment upon the request of the Owners holding two-thirds (2/3) of the Total Association Vote applicable to Units within a Neighborhood.

Section 6. Lien for Assessments. All sums assessed against any Unit pursuant to this Declaration, together with late charges, interest, costs and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on such Unit in favor of the Association, and the Association shall be entitled to file such a lien in the land records of the county in which the Unit is located. Such lien shall be superior to all other liens and encumbrances on such Unit, except for (a) liens of ad valorem taxes, or (b) liens for all sums unpaid on a first Mortgage, or (c) liens for all sums on any Mortgage to Declarant duly recorded in the land records of the county where the Community is located and all amounts advanced pursuant to such Mortgage and secured thereby in accordance with the terms of such instrument.

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

Section 7. Effect of Nonpayment of Assessments: Remedies of the Association.

Any sums (including assessments or installments thereof) assessed against any Unit pursuant to this Declaration which are not paid when due shall be delinquent. Any such sums delinquent for a period of more than ten (10) days shall incur a late charge in such amount as the Board may from time to time determine. The Association shall cause a notice of delinquency to be given to any member who has not paid within ten (10) days following the due date. If any such sums are not paid within thirty (30) days after the due date, the Board may accelerate and declare immediately due all such sums (including annual assessments or installments thereof) without any further notice being given to the delinquent Owner, and a lien, as herein provided, shall attach. Such lien shall include the late charge, interest on the principal amount due at a rate not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum, all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. If any sum assessed against any Unit pursuant to this Declaration remains unpaid after sixty (60) days from the due date, the Association may, as the Board shall determine, institute suit to collect such amounts and/or to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Unit at any foreclosure sale or to acquire, hold, lease, mortgage or convey the same.

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

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

Section 8. Date of Commencement of Assessments/Assessment Obligation of Declarant.

(a) The assessments provided for herein shall commence as to all Units subject to assessment hereunder as of the first day of the calendar year in which the first Unit is conveyed by the Declarant to a Person other than Declarant. All assessments shall be due and payable in a manner and on a schedule as the Board of Directors may provide. All assessments shall be

rounded up to the nearest dollar and payable as such.

(b) After the commencement of assessment payments as to any Unit, Declarant and its affiliates, on behalf of themselves and their respective successors and assigns, covenant and agree to pay the full amount of the assessments provided herein for each Unit owned by Declarant or its affiliates containing an occupied residence; provided, however, each Unit owned by Declarant or its affiliates which does not contain an occupied residence shall not be subject to any assessment provided for herein.

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

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

Section 9. Specific Assessments. The Board shall have the power to specifically assess pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. Fines levied pursuant to Article XIII, Section 1 of this Declaration and the costs of maintenance performed by the Association which the Owner is responsible for under Article V, Section 2 of this Declaration shall be specific assessments. The Board may also specifically assess Units for the following Association expenses:

(a) Expenses of the Association which benefit less than all of the Units may be specifically assessed equitably among all of the Units which are benefited according to the benefit received.

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

This Section specifically contemplates, without limitation, that the Association may incur expenses (including, without limitation, expenses for extraordinary items, matters and occurrences and expenses not anticipated and/or not budgeted for in advance) for certain maintenance, insurance and repair (in accordance with this Declaration) related to single-family attached or detached townhouse residences within the Community, if any, which expenses benefit the Units containing such type of housing only. Such expenses shall be included in the budget prepared as described in Article IV, Section 3, and the Units primarily benefited by such expenses shall be subject to specific assessment imposed by the Board pursuant to this Section to cover such expenses. Without limiting the generality of the foregoing, the cost of maintaining water or sewer pipes which serve more than one, but less than all of the Units may be assessed against the Units served as a specific assessment.

Section 10. Capitalization of Association. Upon acquisition of record title to a Unit by the first Owner thereof other than Declarant or its affiliates, a contribution shall be made by or on behalf of the purchaser to the working capital of the Association in an amount up to 100% of the then current annual assessment per Unit for that year, with the exact amount to be determined from time to time by the Board. This contribution shall be in addition to, not in lieu of, any other assessments levied on the Unit and shall not in any way be construed as part of or identical to any such assessments or as an advance payment of any such assessments. This contribution shall be collected at the closing of the Unit and disbursed to the Association for use in covering operating and other expenses (including reserves) incurred by the Association pursuant to the terms of this Declaration and the Bylaws.

Section 11. Budget Deficits during Declarant Control. For so long as the Declarant has the authority to appoint the directors and officers of the Association, Declarant may (a) advance funds to the Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Association (but specifically not including an allocation for capital reserves) and the sum of the annual, special and specific assessments collected by the Association in any fiscal year, and such advances shall be evidenced by promissory notes from the Association in favor of the Declarant, or (b) cause the Association to borrow such amount from a commercial lending institution at the then-prevailing rates for such a loan in the local area of the Community. The Declarant in its sole discretion may guarantee repayment of such loan, if required by the lending institution, but no Mortgage secured by the Common Property or any of the improvements maintained by the Association shall be given in connection with such loan.

Article V **Maintenance**

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping, paving and other improvements situated on the Common Property. The Association shall also maintain (i) all entry features for the Community, including entry area landscaping and any irrigation system and the expenses for water and electricity, if any, provided to all such entry features regardless of whether said entry features are on a Unit, private property or public-right-of-way, (ii) all private Community streets and alleys including street signs and medians, if any, originally installed by Declarant or its affiliates, (iii) all storm water detention/retention ponds and storm water drainage facilities, whether or not such storm water detention/retention ponds and storm water drainage facilities are on a Unit, privately owned property or public right-of-way, if and to the extent such facilities are not maintained by a governmental entity; provided however, each Owner of any particular Unit, and not the Association, shall be responsible for maintenance of all storm water drainage facilities located on and used exclusively in connection with such Unit or the improvements thereon, including, for example, guttering, and pipes and drains for transportation of storm water from such Unit into any storm water detention/retention ponds and storm water drainage facilities for the Community, (iv) all Community greenspace and open space, (v) recreational amenities serving the Community, including, but not limited to, the pool, clubhouse, health club, tennis courts, gazebo and walking trails within the Community, if any, (vi) the lake, dam and appurtenant structures located within the Community; (vii) the Gate System, if any; and (viii) the Common Driveways, if any. The maintenance responsibility for the lake located within the Community shall include, without limitation, inspecting and maintaining the dam and performing any dredging or other necessary maintenance. The Association shall also maintain all property outside of Units located within the Community which was originally maintained by Declarant or its affiliates.

The Association may, but shall not be obligated to, maintain, repair, or replace, as necessary, all mailboxes or mailbox posts located within the Community. In addition, the Association shall have the right, but not the obligation, to maintain property not owned by the Association where the Board has determined that such maintenance would benefit all Owners.

There is hereby granted to the Association a blanket easement upon, across, over, and under all property within the Community for access, ingress, and egress as necessary to permit the Association to perform such maintenance. The foregoing maintenance shall be performed consistent with the Community-Wide Standard.

The Association shall not be liable for injury or damage to person or property caused by or resulting from the elements, the Owner of any Unit, any other Person, any utility, rain, snow or ice which may leak or flow from any portion of the Common Property, or any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to any Owner, or any Owner's Occupants, guests or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Property. The Association shall not be liable to any Owner, or any Owner's Occupants, guests or family, for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities hereunder, where such damage or injury is

not a foreseeable, natural result of the Association's failure to discharge its responsibilities. The Association shall repair incidental damage to any Unit resulting from performance of work which is the responsibility of the Association. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such Persons of its choice such duties as are approved by the Board.

Section 2. Owner's Responsibility. Except as provided in Article V, Section 1 above or in a Supplementary Declaration applicable to a particular Neighborhood or in a Neighborhood Declaration, all maintenance of the Unit and all structures, parking areas, landscaping and other improvements thereon, including, without limitation, all pipes, lines, ducts, conduits or other apparatus which serve only the Unit, whether located within or without the Unit's boundaries, shall be the sole responsibility of the Owner thereof, who shall maintain such Unit in a manner consistent with the Community-Wide Standard and this Declaration. Any maintenance which involves an exterior change, including, without limitation, repainting of the exterior of improvements in a different color, shall require prior approval pursuant to and in accordance with Article VI, Section 9.

Each Owner shall be obligated: (a) to perform his or her responsibility in such manner so as not to unreasonably disturb other Persons in or on other Units, (b) to promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible, and (c) not to make any alterations in the portions of the Unit which are to be maintained by the Association, if any, remove any portion thereof, make any additions thereto, or do anything with respect to such Unit or the structures thereon which would or might increase the Association's maintenance costs without first obtaining the written consent of the Board.

Section 3. Failure to Maintain. If the Board of Directors determines that (a) any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible hereunder, or (b) the need for maintenance, repair or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of any Owner or Occupant or their family, guests, lessees or invitees, and is not covered or paid for by insurance, in whole or in part, then the Association may perform the repair, replacement or maintenance and shall, except in the event of an emergency situation, give the Owner written notice of the Association's intent to provide such necessary maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs or replacement deemed necessary. Except in an emergency situation, the Owner shall have ten (10) days from the date of the notice within which to complete such maintenance, repair or replacement, or, in the event that such maintenance, repair or replacement is not capable of completion within such time period, to commence such work within such ten (10) day period and diligently pursue completion within a reasonable time. If any Owner does not comply with the provisions hereof or in an emergency situation, the Association may provide any such maintenance, repair or replacement at such Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

Section 4. Party Walls and Party Fences.

(a) General Rules of Law to Apply. Each wall or fence built as a part of the original construction of the Units which shall serve and separate any two (2) adjoining Units shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and fences and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions.

(c) Damage and Destruction. If a party wall or fence is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the wall or fence may restore it, and if the other Owner or Owners thereafter make use of the wall or fence, they shall contribute to the cost of restoration thereof in equal proportions without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(e) Arbitration. In the event of any dispute arising concerning a party wall or fence, or under the provisions of this Section, each party shall appoint one arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one additional arbitrator and the decision by a Majority of all three arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other.

Article VI **Use Restrictions and Rules**

Section 1. General. This Article, beginning at Section 2, sets out certain use restrictions which must be complied with by all Owners and Occupants. These use restrictions may be amended only in the manner provided in Article XIII, Section 4 hereof regarding amendment of this Declaration. The Board of Directors may, from time to time, without consent of the members, promulgate, modify or delete other use restrictions and rules and regulations applicable to the Units and the Common Property. This authority shall include, but shall not be limited to, the right to limit the type and size and to set the maximum and minimum speeds of vehicles within the Community. The Board shall also have the authority to impose all other necessary traffic and parking regulations and to restrict the maximum noise levels of vehicles in

the Community. Such regulations and use restrictions shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled or modified in a regular or special meeting by a Majority of the Total Association Vote.

Section 2. Use of Units. All Units shall be used for single-family residential purposes exclusively, and no trade, business or business activity of any kind shall be carried on or conducted in, from or upon any Unit or any part of the Community at any time without the prior written approval of the Board, except that the Owner or Occupant residing on a Unit may conduct such ancillary business activities within the residence on the Unit so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the exterior of the residence; (b) the business activity does not involve regular, frequent or conspicuous visitation of the Unit by employees, clients, customers, suppliers or other business invitees for business purposes; (c) the business activity conforms to all zoning requirements for the Community; (d) the business activity does not increase traffic in the Community (other than by deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services); (e) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage; (f) 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 sole discretion of the Board; and (g) the business activity does not result in a materially greater use of common facilities or Association services.

The terms "business" and "trade," as used herein, shall 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.

This Section shall not apply to activities of the Association. Leasing of a Unit shall not be considered a trade, business or business activity.

Section 3. Signs. No sign of any kind, whether temporary or permanent, shall be erected or displayed within the Community without the prior written consent of the Board except: (a) one (1) professional security sign consistent with the Community-Wide Standard not to exceed four inches (4") by four inches (4") in size displayed from within a Unit (and in the case of a townhome unit, the Board or its designee may require that the sign be displayed only from within the dwelling structure); (b) such signs as may be required by legal proceedings; (c) signs erected by Declarant and its affiliates; (d) in connection with a bona-fide offer to sell or lease a Unit, one (1) professionally lettered "For Sale" or "For Rent" sign consistent with the Community-Wide Standard displayed from a Unit (or, in the case of a townhome unit, displayed only from within the dwelling structure), but only if (i) the sign has a maximum area of four (4) square feet and, except for signs displayed from within a dwelling structure, a maximum height

of four (4) feet above ground level, and (ii) the content of the sign and anything else attached to, associated with or in the vicinity of the sign states or conveys only that the Unit is for sale or for rent and the name and telephone number of the person to contact for additional information; and (e) in connection with a political campaign, candidate yard signs consistent with the Community-Wide Standard displayed from a Unit (or, in the case of a townhome unit, displayed only from within the dwelling structure), but only if (i) the sign has a maximum area of four (4) square feet and, except for signs displayed from within a dwelling structure, a maximum height of four (4) feet above ground level, and (ii) the sign is displayed no sooner than thirty (30) days prior to the election and is removed within five (5) days after the election. The Board shall have the right to erect any reasonable and appropriate signs. The Board may impose a fine against any Owner or Occupant of up to Five Hundred Dollars (\$500.00) per day for violations of this Section, in addition to any other remedies of the Association. Any fine imposed pursuant to this Section shall be deemed an assessment against the Unit and may be collected in the same manner as provided herein for collection of assessments.

Section 4. Vehicles. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, golf carts, trucks, campers, buses, vans, automobiles and limousines. Vehicles shall not be parked on the Common Property (except passenger non-commercial automobiles parked in designated parking areas while the users thereof are using the Common Property) or on any other portion of the Community other than the driveway and the garage. Unless and except to the extent that the Occupants of a Unit shall have more vehicles than the number of garage parking spaces serving their Unit, all vehicles shall be parked within such garage parking spaces. Vehicles may be parked in the driveway and additional parking spot, if any serving a Unit only after all of the garage parking spaces serving such Unit have vehicles parked in them. All parking shall be subject to such further rules and regulations as the Board may adopt.

Disabled vehicles, stored vehicles, boats, trailers, campers, buses, vans (except mini-vans or utility vehicles used as non-commercial passenger vehicles), trucks (except pick-up trucks and sport utility vehicles), recreational vehicles (for example, without limitation, RV's and motor homes), vehicles used primarily for commercial purposes and vehicles with commercial writing on their exteriors are prohibited from being parked in the Community, except in garages. Notwithstanding the above, trucks, vans, commercial vehicles and vehicles with commercial writing on their exteriors shall be allowed temporarily in the Community during normal business hours for the purpose of serving any Unit or the Common Property; provided, however, without the prior written consent of the Board, no such vehicle shall be authorized to remain in the Community overnight or for any purpose except serving a Unit or the Common Property. For purposes of this paragraph, 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 on the Community for three (3) consecutive days or longer without the prior written permission of the Board.

If any vehicle is parked on any portion of the Community in violation of this Section or in violation of the Association's rules and regulations, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the

vehicle may be towed. The notice shall include the name and telephone number of the person or entity which will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the Owner or user of the vehicle. If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Unit, is obstructing the flow of traffic, is parked in any unpaved area, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed in accordance with this Section, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of damage or otherwise as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

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

Section 6. Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted in the Community, except that dogs, cats or other usual and common household pets in reasonable number, as determined by the Board, may be kept on a Unit; provided, however, those pets which are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise or endanger the health of or constitute a nuisance or inconvenience to the Owners of other Units or the owner of any property located adjacent to the Community may be removed by the Board. No pets shall be kept, bred or maintained for any commercial purpose. Dogs shall at all times whenever they are outside a Unit be confined on a leash. Without prejudice to the Board's right to remove any such household pets, no household pet that has caused damage or injury may be walked in the Community.

Section 7. Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on his or her Unit. No Unit shall be used, in whole or in part, for the storage of any property or thing that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any Unit that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any Unit, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to any Person using any property adjacent to the Unit. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community. Without limiting the

generality of the foregoing, no exterior speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, screaming, shouting, excessively loud talking, fighting, raucous behavior, insobriety, playing loud music or television, use of any alarm, equipment, or device, mechanical or otherwise which creates or produces excessively loud sounds or any vibrations, or any conduct which creates any noxious or offensive odors outside a home shall be located, used, placed, installed or maintained upon any the exterior of any Unit, or any portion thereof, unless required by law. The inconvenience complained of shall not be fanciful, or such as would affect only one of fastidious taste, but it shall be such as would affect an ordinary, reasonable person as determined in a particular instance by the Board. This provision shall not apply to any Unit(s) owned by the Declarant.

Section 8. Unightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions shall not be pursued or undertaken in any part of the Community.

Section 9. Architectural Standards. No exterior construction, alteration, addition or erection of any nature whatsoever (including, without limitation, fences, pools, tennis courts, exterior lighting, landscaping, trees, treehouses and play equipment) shall be commenced or placed upon any part of the Community, except such as is installed by the Declarant or its affiliates, or as is approved in accordance with this Section and is approved in accordance with any Neighborhood Declaration, or as is otherwise expressly permitted herein. No exterior construction, addition, erection or alteration shall be made unless and until the plans and specifications showing at least the nature, kind, shape, height, materials and location shall have been submitted in writing to, actually received by, and approved by the Board or its designee. The Board or its designee may promulgate written guidelines for the exercise of this review.

The Board or its designee shall be the sole arbiter of such plans and specifications and may withhold approval on any reasonable basis, including purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. Any member of the Board or its designee or the representatives thereof shall have the right, during reasonable hours, to enter upon any property to inspect for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. If the Board or its designee fails to approve or to disapprove plans and specifications within sixty (60) days after such plans and specifications have been actually received by it, such plans and specifications will be deemed approved. However, all activities pursuant to plans which have been deemed approved shall be consistent with such plans and shall be consistent and in accordance with, and may not violate, this Declaration and any design guidelines.

As a condition of approval under this Section, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance to and on any change, modification, addition or alteration. In the discretion of the Board or its designee, an Owner may be made to verify such condition of

approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest.

PLANS AND SPECIFICATIONS ARE NOT APPROVED FOR ENGINEERING OR STRUCTURAL DESIGN OR QUALITY OF MATERIALS, AND BY APPROVING SUCH PLANS AND SPECIFICATIONS, THE BOARD, ITS MEMBERS, ITS DESIGNEE AND THE ASSOCIATION DO NOT ASSUME LIABILITY OR RESPONSIBILITY THEREFOR, NOR FOR ANY DEFECT IN ANY STRUCTURE CONSTRUCTED FROM SUCH PLANS AND SPECIFICATIONS. DECLARANT, ITS PARTNERS AND AFFILIATES, THE ASSOCIATION, THE BOARD, ITS DESIGNEE, AND THE OFFICERS, DIRECTORS, MEMBERS, SHAREHOLDERS, EMPLOYEES AND AGENTS OF ANY OF THEM, SHALL NOT BE LIABLE IN DAMAGES OR OTHERWISE TO ANYONE SUBMITTING PLANS AND SPECIFICATIONS TO ANY OF THEM FOR APPROVAL, OR TO ANY OWNER OF PROPERTY AFFECTED BY THESE RESTRICTIONS, BY REASON OF ANY MISTAKE IN JUDGMENT, NEGLIGENCE OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR THE FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS AND SPECIFICATIONS. EVERY PERSON WHO SUBMITS PLANS AND SPECIFICATIONS AND EVERY OWNER AGREE THAT SUCH PERSONS AND OWNERS WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT, ITS PARTNERS AND AFFILIATES, THE ASSOCIATION, THE BOARD, ITS DESIGNEE, OR THE OFFICERS, DIRECTORS, MEMBERS, SHAREHOLDERS, EMPLOYEES AND AGENTS OF ANY OF THEM, TO RECOVER ANY DAMAGES OR FOR ANY OTHER PURPOSE, AND SUCH PERSONS AND OWNERS HEREBY RELEASE, REMISE, QUITCLAIM AND COVENANT NOT TO SUE FOR ALL CLAIMS, DEMANDS AND CAUSES OF ACTION, ARISING OUT OF OR IN CONNECTION WITH ANY MISTAKE IN JUDGMENT, NEGLIGENCE OR NONFEASANCE IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR THE FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS AND SPECIFICATIONS. ALL SUCH PERSONS AND OWNERS HEREBY WAIVE THE PROVISIONS OF ANY LAW WHICH PROVIDE THAT A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, DEMANDS AND CAUSES OF ACTION NOT KNOWN AT THE TIME THE RELEASE IS GIVEN.

Section 10. Antennas and Satellite Dishes. No transmission antennas or satellite dishes of any kind, and no direct broadcast satellite ("DBS") antennas or multi-channel multi-point distribution service ("MMDS") antennas larger than one (1) meter in diameter, shall be placed, allowed or maintained upon any portion of the Community, including any Unit, without the prior written consent of the Board or its designee. DBS and MMDS antennas and satellite dishes one (1) meter or less in diameter, antennas designed to receive or transmit fixed wireless signals and television broadcast service antennas (each a "Permitted Antenna") may be installed only if reasonably screened and located as approved by the Board or its designee and installed in accordance with the rules and regulations of the Federal Communications Commission and of the Association, both as may be amended from time to time; provided however neither the Board or the Association may restrict the location of a Permitted Antenna if such restriction (i) imposes unreasonable delay or prevents the use of the antennae; (ii) unreasonably increases the cost of

installation; or (iii) an acceptable quality signal cannot otherwise be obtained. However, the Board and Declarant (and its affiliates) reserve the right to (but shall not be obligated to) erect any type and size of master antenna, satellite dish or other similar master system for the benefit of the Community. Each Owner and Occupant acknowledges that this provision benefits all Owners and Occupants and each Owner and Occupant agrees to comply with this provision despite the fact that the erection of an individual outdoor antenna or similar device would be the most cost-effective way to receive the signals sought to be received.

Section 11. Gardens, Basketball Goals, Etc. Grass, ornamental plants and shrubbery (and only the foregoing) may be planted in the front or side yard of any Unit. All other planting may be done only with prior written approval of the Board or its designee or in accordance with the guidelines previously established by the Board or its designee. Overseeding of fescue lawns and sodding of lawns with Bermuda or zoysia grasses shall not require prior approval pursuant to this Section. No vegetable garden, hammocks, statuary or recreational equipment may be placed, erected, allowed or maintained within the Community without the prior written consent of the Board or its designee. This provision shall not, however, apply to basketball goals which may be installed after the type and location have been previously approved in writing by the Board or its designee.

Section 12. Tree Removal. No trees shall be removed without the express prior consent of the Board or its designee, except for (a) trees removed by the Declarant or its affiliates; (b) diseased or dead trees; and (c) trees needing to be removed to promote the growth of other trees. The Association may require any Owner to replace any tree removed pursuant to this Section with a tree of comparable size and type.

Section 13. Lighting. Notwithstanding Article VI, Section 9 above, the following exterior lighting may be installed without the necessity of obtaining the prior approval of the Board or its designee: (a) seasonal decorative lights during the December holiday season; (b) illumination of model homes and entrance features constructed by the Declarant or its affiliates; and (c) other lighting originally installed by the Declarant or its affiliates. Plans for all other exterior lighting must be submitted and approved in accordance with Article VI, Section 9 hereof. Decorative post lights will not be approved unless they conform with established street lighting.

Section 14. Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant of any Unit may obstruct or rechannel the drainage flows after the location and installation of drainage swales, storm sewers or storm drains. Declarant, for itself and its affiliates, reserves the right to prepare sloping banks, cut or fill, on a three (3) to one (1) slope on all streets and roads. Declarant, for itself and its affiliates, hereby reserves a perpetual easement across all Community property for the purpose of altering drainage and water flow. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

Section 15. Sight Distance at Intersections. All property located at street intersections shall be so landscaped as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain at any corner where this would create a traffic or sight problem.

Section 16. Clotheslines, Garbage Cans, Woodpiles, Etc. All clotheslines, garbage cans, woodpiles, and other similar items shall be located or screened so as to be concealed from view of neighboring Units, streets and property located adjacent to the Unit. All rubbish, trash and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate thereon. No garbage or trash shall be placed on the Common Property, temporarily or otherwise, except as provided herein. Notwithstanding the foregoing, the Association reserves the right to provide and maintain a dumpster for the use of residents within the Community. Declarant, however, hereby expressly reserves the right to dump and bury rocks and trees on property within the Community as needed for efficient construction and to allow, in Declarant's sole discretion, developers and builders within the Community to do so.

The Association may, but shall not be required to, contract with a private trash collection company to pick up all usual and customary household trash on a regular basis. Trash and recycling receptacles shall be placed at the curb no earlier than 5:00 p.m. the day before pick up and shall be removed within twenty-four (24) hours. Trash pick up shall also be subject to such reasonable rules and regulations as the Board of Directors may adopt.

Section 17. Subdivision of Unit. No Unit shall be subdivided or its boundary lines changed except with the prior written approval of the Board or its designee. Declarant, however, hereby expressly reserves the right to replat any Unit(s) or other property in the Community. Any such division, boundary line change or replatting shall not be in violation of the applicable subdivision and zoning regulations.

Section 18. Guns. The use of firearms in the Community is prohibited. The term "firearms" includes "B-B" guns, pellet guns and small firearms of all types.

Section 19. Solar Devices. No artificial or man-made device which is designed or used for collection of or heating by solar energy or other similar purposes shall be placed, allowed or maintained upon any portion of the Community, including any Unit, without the prior written consent of the Board or its designee.

Section 20. Fences. No fence or fencing type barrier of any kind shall be placed, erected, allowed or maintained upon any portion of the Community, including any Unit, without the prior written consent of the Board or its designee. Fencing must be privacy type fencing. The Board or its designee may issue guidelines detailing acceptable fence styles or other specifications consistent with the immediately preceding sentence, but in no event may a chain link fence or a free-standing hog wire fence be approved.

Section 21. Exterior Colors. The exterior of all improvements, including, without limitation, residences, constructed, erected, allowed or maintained upon any Unit must be

painted or repainted in a color as approved by the Board or its designee.

Section 22. Mailboxes. No mailboxes and appurtenant posts and/or structures shall be erected without the prior written approval of the Board or its designee. Generally, the foregoing must be of the same type and color as that originally installed by the Declarant or its affiliates.

Section 23. Detached Structures. No detached structures shall be placed, erected, allowed or maintained upon any Unit or within the Community unless installed by Declarant, without the prior written consent of the Board or its designee. All detached structures must be consistent in design materials and color with the dwelling on the Unit. In no event shall any trailers, campers, vehicles, shacks, tents, any garages (attached and detached), barns or other structures be used as a residence or living space in any manner whatsoever, either temporarily or permanently, within the Community. Specifically, no garage, including, but not limited to, attached and detached garages, shall be utilized in any manner whatsoever as an additional living space or residence.

However, this Section shall not be construed to prevent Declarant and those engaged in development, construction, marketing, property management or sales from using sheds, trailers or other temporary structures for any of the foregoing purposes. In addition, nothing in this Declaration shall be constructed to prevent Declarant from developing, constructing, marketing, or maintaining model homes or speculative housing within the Community.

Section 24. Entry Features and Street Signs. Owners shall not alter, remove or add improvements to any entry features or street signs constructed within the Community, or any part of any easement area associated therewith, without the prior written consent of the Board or its designee.

Section 25. Swimming Pools. No swimming pools shall be permitted in the Community without the prior written consent of the Board and in no event shall above ground swimming pools be permitted in the Community.

Section 26. Window Air Conditioning Units. No window air conditioning units shall be installed on any Unit in the Community.

Section 27. Traffic Regulations. All vehicular traffic on any private streets or alleys in the Community shall be subject to the provisions of the state and local laws concerning operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including 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 the violation thereof. In the event of a conflict between such provisions of state and local laws and such rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle

within the Community. All vehicles of any kind and nature which are operated on the streets or alleys in the Community shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.

Section 28. Window Coverings. No foil or other reflective material shall be used on any windows for sun screens, blinds, shades or any other purpose.

Section 29. Garage Sales. No garage sale, yard sale, flea market or similar activity shall be conducted in the Community without the prior written consent of the Board. Any such activities that have been permitted by the Board shall be subject to all reasonable conditions imposed by the Board.

Section 30. Sidewalks. Other than sidewalks and walkways constructed in the Community by the Declarant, all sidewalks and walkways are subject to approval or disapproval under Article VI, Section 9 above.

Section 31. Wetlands, Ponds, Creeks and Streams. Except as herein provided, all wetlands, ponds, storm water retention or detention ponds, creeks and streams within the Community shall be used for aesthetic amenities and storm water drainage only, no other use thereof, including, without limitation, swimming, ice skating, playing, or use of personal flotation devices, and other recreation, shall be permitted, without the written consent of the Board of Directors. The Association and/or the Declarant shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of wetlands, ponds, storm water retention or detention ponds, creeks or streams within the Community. No Owner shall have any right to place rocks, stones, trash, garbage, sewage, waste water, rubbish, debris, ashes or other refuse in any wetlands, ponds, storm water retention or detention ponds, creeks or streams within the Community, or any other Common Property. Applicable governmental agencies, the Declarant and the Association, shall have the sole right to control the water level of all other bodies of water located within the Community and to control the growth and eradication of plants, fowls, reptiles, animals, fish and fungi in and around any wetlands, ponds, storm water retention or detention ponds, creeks and streams within the Community. Owners shall have no riparian or littoral rights with respect to the waters in any pond, storm water retention or detention pond, creek or stream within the Community and shall not be permitted to withdraw water from any pond, storm water retention or detention pond, creek or stream as may exist in the Community without the prior written consent of the Board of Directors.

Section 32. Stream Buffer. Land-disturbing activities shall not be conducted closer to the banks of any stream within the Community than is permitted by federal, state or local law or ordinances, as measured from the point where vegetation has been wrested by normal stream flow or as measured otherwise as may be required pursuant to applicable law or ordinance, except with prior written approval under Article VI, Section 9 of this Declaration and compliance with Georgia law and all other applicable laws or ordinances, including, without limitation, the Control of Erosion and Sedimentation Act, O.C.G.A. Section 12-7-1, *et seq.*, as amended from time to time.

Section 33. Buffer and Improvement Setback. The Community may contain one or more "Impervious Setback" and/or "Undisturbed Buffer" areas, or similarly named areas, as may be shown on the recorded subdivision plat(s) for the Community. Any buffer areas shall exist as undisturbed natural buffer areas of existing vegetation. Owners shall not disturb any Undisturbed Buffer areas in any way, including, without limitation, the construction of any improvements in the Undisturbed Buffer, landscaping, or cutting of trees, bushes or other vegetation. No improvements may be erected within any Impervious Setback area. Owners are not allowed to maintain or trim the vegetation in any Undisturbed Buffer or Impervious Setback areas. The Association is allowed to maintain and trim the vegetation in any Undisturbed Buffer or Impervious Setback areas at the direction of the Board, but only in accordance with all applicable zoning and code requirements.

Section 34. Use of Common Property. There shall be no obstruction of the Common Property nor shall anything be kept, parked or stored on any part of the Common Property without the prior written consent of the Board.

Section 35. Prohibition of Damage. Without the prior written consent of the Board, nothing shall be done or kept in the Community which would increase the rate of insurance which the Association is obligated to obtain hereunder, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the common expenses of the Association. No Owner shall do any work which, in the reasonable opinion of the Board or its designee, would jeopardize the soundness or safety of the Community or any structure located within the Community, would reduce the value thereof, or would impair any easement or hereditament thereto, without in every such case the unanimous prior written consent of all members of the Association and their Mortgagees. No damage to or waste of the Common Property, or any part thereof shall be permitted by any Owner or member of his or her family or any invitee of any Owner. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, members of his or her family, guests, invitees or Occupants of his or her Unit.

Article VII

Insurance and Casualty Losses

Section 1. Insurance. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements located on the Common Property or required to be maintained by the Association under Article V, Section 1 hereof. This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

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

The Board is hereby authorized to contract with or otherwise arrange to obtain the insurance coverage required hereunder through the Declarant or its affiliates and to reimburse the Person so providing or arranging the insurance coverage for the cost thereof, and Declarant or its affiliates shall be authorized, but not obligated, to purchase such insurance coverage for the benefit of the Association and the Owners upon Declarant or its affiliate, as the case may be, and the Association agreeing upon the terms and conditions applicable to reimbursement by the Association for costs incurred by Declarant or its affiliate, as the case may be, in obtaining such coverage. Notwithstanding anything contained in this Declaration to the contrary, the Board shall not be required to comply with the provisions of this Article if the Board has contracted for or otherwise arranged to obtain the required insurance coverage through the Declarant or its affiliates.

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

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective parties which may be benefited by such insurance, as their interests may appear. Such insurance shall be governed by the provisions hereinafter set forth:

- (a) All policies shall be written with a company authorized to do business in Georgia.
- (b) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (c) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.
- (d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement, if these are reasonably available, and all insurance policies shall be

reviewed annually by one or more qualified Persons, at least one of whom must be in the real estate industry and familiar with construction in the county where the Community is located.

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

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, 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) that no policy may be canceled, subjected to nonrenewal, invalidated or suspended on account of any one or more individual Owners;

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

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

(vi) that no policy may be canceled, subjected to nonrenewal, or substantially modified without at least ten (10) days' prior written notice to the Association.

In addition to other insurance coverage required by this Section, the Board shall obtain workers compensation insurance, if and to the extent necessary to satisfy the requirements of applicable law, and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employees dishonesty coverage covering directors, officers, employees and other Persons handling or responsible for the Association's funds. The amount of fidelity or employees dishonesty coverage, if obtained, shall be determined in the directors' best business judgment. Such coverage, if obtained, shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation and shall not be subject to cancellation, nonrenewal or substantial modification without at least ten (10) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage and flood insurance, if and to the extent necessary to satisfy the requirements of The Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

Section 2. Damage and Destruction -- Property Insured by Association.

(a) In General. Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessary to comply with applicable building codes.

(b) Repair and Reconstruction. Any damage or destruction to property required to be covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the Total Association Vote otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

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

In the event that it should be determined in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition.

Section 3. Damage and Destruction – Units Not Insured by Association. Unless otherwise provided in a Supplementary Declaration applicable to a particular Neighborhood or in a Neighborhood Declaration, the damage or destruction by fire or other casualty to all or any portion of any improvement on a Unit shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the Unit and remove all debris therefrom within seventy-five (75) days after such damage or destruction. In the event of noncompliance with this provision, the Board of

Directors shall have all enforcement powers specified in Article XIII, Section 1 of this Declaration.

Section 4. Insurance Deductible. The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be allocated among the Persons who are responsible hereunder, or under any declaration or contract requiring the Association to obtain such insurance, for maintenance of the damaged or destroyed property.

Article VIII **Condemnation**

Whenever all or any part of the Common Property shall be taken (or conveyed in lieu of and under threat of condemnation by the Board, acting on behalf of the Association or on the written direction of all Owners of Units subject to the taking, if any) by any authority having the power of condemnation or eminent domain, the Association shall represent the Owners. The award made for such taking shall be payable to the Association as trustee for all Owners. The provisions of Article VII, Section 2 above, applicable to damage or destruction of property insured by the Association, shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

Article IX **Annexation and Withdrawal of Property**

Section 1. Unilateral Annexation by Declarant.

(a) As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege and option from time to time at any time until fifteen (15) years after the recording of this Declaration to subject all or any portion of the real property described in Exhibit "C" attached hereto and by reference made a part hereof to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the land records of the county in which the property to be annexed is located a Supplementary Declaration describing the property being annexed. Any such annexation shall be effective upon the filing for record of such Supplementary Declaration unless a later effective date is provided therein. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of then Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property.

(b) The rights reserved unto Declarant to subject additional land to this Declaration shall not and shall not be implied or construed so as to impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction of the Association. If such additional land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict

the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

Section 2. Other Annexation. Subject to the consent of the owner thereof and the consent of the Declarant (so long as the Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community), upon the affirmative vote or written consent, or any combination thereof, of Owners of at least two-thirds (2/3) of the Units, the Association may annex other real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the land records of the county in which the property to be annexed is located a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be signed by the President and Secretary of the Association, and any such annexation shall be effective upon the filing for record of such Supplementary Declaration, unless a later effective date is provided therein.

Section 3. Withdrawal of Property. Declarant reserves the right to amend this Declaration so long as it has a right to annex additional property pursuant to this Article for the purpose of removing any portion of the Community then owned by Declarant or its affiliates or the Association from the coverage of this Declaration, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Community, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community. Any such withdrawal shall be accomplished by the filing for record of an amendment to this Declaration describing the property removed and shall be effective upon filing for record in the Office of the Clerk of the Superior Court of Gwinnett County, Georgia unless a later effective date is provided therein. Such amendment shall be executed by the Declarant and the Owner(s) of the property being removed and shall not require the vote or consent of any other Person.

Section 4. Creation of Additional Neighborhoods and Annexation of Property to this Declaration. The Declarant reserves the unilateral right, but not necessarily the obligation, to (a) create additional Neighborhoods on all or any portion of the property described in Exhibit "C" attached hereto and incorporated herein, which Neighborhoods may be organized as one or more townhome associations, and (b) to subject said property and Neighborhood(s) to the terms of this Declaration.

Article X

Leasing and Sale of Units

Section 1. Leasing. In order to preserve the character of the Community as predominantly owner-occupied, and to comply with the eligibility requirements for financing in the secondary mortgage market, leasing of Units shall be governed by the restrictions imposed by this Section. As used herein, "leasing" shall mean the regular, exclusive occupancy of a Unit by any Person(s) other than the Owner for which the Owner receives any direct or indirect monetary or economic benefit; the occupancy of a Unit by a roommate of an Owner then occupying a Unit shall not constitute leasing. Except as provided herein, the leasing of Units shall be prohibited.

(a) General. Owners desiring to lease their Units may do so only if they have applied for and received from the Board either a "leasing permit" or a "hardship leasing permit." Such a permit, upon its issuance, will allow an Owner to lease such Owner's Unit, provided that such leasing is in strict accordance with the terms of the permit and this Section. The Board shall have the authority to establish conditions as to the duration and use of such permits consistent with this Section. All leasing permits and hardship leasing permits shall be valid only as to a specific Owner and Unit and shall not be transferable between either Units or Owners (including a subsequent Owner of a Unit where a permit was issued to the Owner's predecessor in title).

(b) Leasing Permits. An Owner's request for a leasing permit shall be approved if the number of then current, outstanding leasing permits for Units, including the request then under consideration, would be less than 10% of the total Units in the Community. A leasing permit shall be automatically revoked upon the happening of any of the following events: (i) the sale or transfer of the Unit to a third party (excluding sales or transfers to (a) an Owner's spouse, (b) a person cohabiting with the Owner, and (c) a corporation, partnership, company, or legal entity in which the Owner is a principal); (ii) the failure of an Owner to lease such Owner's Unit within 90 days of the leasing permit having been issued; or (iii) the failure of an Owner to have such Owner's Unit leased for any consecutive 90-day period thereafter. If the number of current leasing permits, including the request then under consideration, would be 10% or more of the Units, no additional leasing permits shall be issued (except for hardship leasing permits) until the number of outstanding current leasing permits, including the next request under consideration, would fall below 10% of the total Units in the Community. Owners who have been denied a leasing permit shall automatically be placed on a waiting list for a leasing permit and shall be issued the same if they so desire when the number of current outstanding leasing permits, including the next one to be issued, falls to less than 10% of the total Units in the Community. 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.

(c) Hardship Leasing Permits. If the failure to lease will result in a hardship, the Owner may seek to lease on a hardship basis by applying to the Board for a hardship leasing permit. The Board shall have the authority to issue or deny requests for hardship leasing permits in its discretion after considering the following factors: (i) the nature, degree, and likely duration of the hardship, (ii) the harm, if any, which will result to the Community if the permit is approved, (iii) the number of hardship leasing permits which have been issued to other Owners, (iv) the Owner's ability to cure the hardship, and (v) whether previous hardship leasing permits have been issued to the Owner. Hardship leasing permits shall be valid for a term not to exceed one (1) 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.

(d) Leasing Provisions. Leasing which is authorized, pursuant to permit, hereunder shall be governed by the following provisions:

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

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

(iii) Liability for Assessments, Use of Common Property, and Compliance with Declaration, Bylaws, and Rules and Regulations. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(a) Compliance with Declaration, Bylaws, and Rules and Regulations. The lessee shall comply with all provisions of the Declaration, Bylaws, and Association rules and regulations adopted pursuant thereto (collectively, "Governing Documents"), and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure such compliance. The Owner (lessor) shall cause all Occupants of such Owner's (lessor's) Unit to comply with the Governing Documents and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Unit are fully liable and may be sanctioned for any such violation. If the lessee, or a person living with the lessee, violates the Governing Documents for which a fine is imposed, notice of the violation shall be given to the lessor and the lessee, and such fine may be assessed against the lessee in accordance with Article V, Section 2 of the Bylaws. If the fine is not paid by the lessee within the time period set by the Board, the lessor shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Unit.

Any violation of the Governing Documents by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the lessor to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The lessor hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the

Governing Documents, including, without limitation, the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the lessor, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Unit.

(b) Use of Common Property. The lessor transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the lessor has to use the Common Property, including, but not limited to, the use of any and all recreational facilities and other amenities.

(c) Liability for Assessments. If lessor fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then lessor hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply herewith, lessee shall pay to the Association all amounts authorized under the Declaration as if lessee were the owner of the Unit. The above provision shall not be construed to release the lessor from any obligation, including the obligation for assessments, for which lessor would otherwise be responsible.

(e) Applicability. Notwithstanding the above, this Section shall not apply to any leasing transaction entered into by 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.

Section 2. Sale of Units. Except for the Declarant, an Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of such intention within seven (7) days after execution of the transfer or sales documents. The Owner shall furnish to the Board as part of the notice (i) the name and address of the intended grantee; and (ii) such other information as the Board may reasonably require. This provision shall not be construed to create a right of first refusal in the Association or in any third party.

Within seven (7) days after receiving title to a Unit, the Owner shall give written notice to the Board of such Owner's ownership of the Unit. Upon failure of an Owner to give the required notice within the seven (7) day time period provided herein, the Board may levy fines against the Unit and the Owner thereof, and assess the Owner for all costs incurred by the Association in determining such Owner's identity.

Article XI

Mortgagee Provisions

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

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

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

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

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

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

Section 2. No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.

Section 3. Notice to Association. Upon request, each Unit Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Unit.

Section 4. Amendments by Board. Should the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 5. Applicability of Article XI. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration,

Bylaws, or Georgia law for any of the acts set out in this Article.

Section 6. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request.

Article XII **Easements**

Section 1. 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 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 five (5) 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; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, tenant or the Association.

Section 2. Easements for Use and Enjoyment.

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

(i) 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, his family, tenants, guests and invitees;

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

(iii) the right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon, and give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the

benefit of Declarant and/or its affiliates, any Unit or Unit Owner, and/or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Unit Owner encumbering any Unit or other property located within the Community (any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, interests, options, easements or privileges herein reserved or established for the benefit of Declarant and/or its affiliates, any Unit or Unit Owner, and/or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Unit Owner encumbering any Unit or other property located within the Community); no such Mortgage given by the Association shall be effective unless an instrument agreeing to such Mortgage has been approved by Owners of at least two-thirds (2/3) of the Units (other than Units of Declarant so long as the consent of Declarant is required) and the consent of Declarant (so long as the Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex property to the Community);

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

(vi) the right of the Association to dedicate or transfer all or any portion of the Common Property subject to such conditions as may be agreed to by the members of the Association; no such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by Declarant (so long as Declarant owns any property for development and/or sale within the Community or has the right unilaterally to annex additional property to the Community) and Owners representing at least two-thirds (2/3) of the Total Association Vote;

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

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

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

Section 3. Easements for Utilities. There is hereby granted to the Association blanket easements upon, across, above and under all property within the Community for access to, ingress to, egress from, installation of, 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 utilities, as well as storm drainage and any other service, such as, but not limited to, a master television antenna system, cable television system, or security system, which the Declarant or Association might decide to have installed to serve the Community. It

shall be expressly permissible for the Declarant, the Association, or the designees of either, as the case may be, 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 Board shall have the right to grant such easement.

Section 4. Easements for Association Maintenance. There is hereby expressly granted to the Association a perpetual easement across such portions of the Community, determined in the sole discretion of the Association, as are necessary to allow for the maintenance required under Article V. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment of Owners' property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

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

Section 6. Easements for Entry. In addition to the right of the Board to exercise self-help as provided in Article XIII, Section 2 hereof, the Board shall have the right, but shall not be obligated, to enter upon any property within the Community for emergency, security and safety reasons, which right may be exercised by the manager and all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. This right of entry shall include the right of the Board to enter to cure any condition which may increase the possibility of a fire, slope erosion or other hazard in the event an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

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

Section 8. Easements for Common Driveways. Declarant hereby creates joint and

reciprocal easements in perpetuity for vehicular and pedestrian traffic in, upon, over and across those areas, if any, shown on any plat for the Community, recorded by Declarant in the land records of the county where the Community is located, as a common driveway (or such similar or equivalent language as would indicate that such area is a common driveway among two or more Units) (hereinafter referred to as a "Common Driveway"). These easements shall be for the benefit of any Owner of a Unit served by a Common Driveway and shall be for access to and ingress and egress to and from such Owner's Unit by such Owner, and his or her family members, invitees, and designees in, upon, over and across the Common Driveway, or portion thereof, serving such Owner's Unit. Any Common Driveway shall continue to be used for this purpose by the Owners of the Units upon which such Common Driveway is located and by the subsequent Owners and successors-in-title to such Units. In connection with the creation of these easements, it is acknowledged and agreed that the Owner of a Unit served by a Common Driveway easements must utilize the easement for access to and ingress and egress to and from such Owner's Unit and that such easement is critical to the future use and enjoyment of such Owner's Unit. No Owner shall be allowed to change, alter or diminish the rights of an Owner of a Unit served by a Common Driveway easement to use and enjoy the Common Driveway serving such Owner's Unit.

Each Common Driveway shall be cleaned, maintained, repaired and replaced by the Association. The cost thereof shall be assessed on an equal basis to each of the Owners benefited by the Common Driveway, notwithstanding the respective use of the Common Driveway by the Owners of the Units served by such Common Driveway. In order to protect the value of the respective Units and to insure the proper use and enjoyment of the respective Units, the Association shall have the full and unrestricted right to cause the cleaning, maintenance, repair and replacement of the Common Driveway.

Declarant hereby expressly reserves for itself, its successors and assigns, all rights and privileges incident to the Common Driveways which are not inconsistent with the rights and privileges herein granted, including, without limitation, the right to maintain one or more proprietary signs on about the Common Driveways and the right to grant additional non-exclusive easements to third parties over, under and across the Common Driveways. Declarant hereby reserves for the benefit of Declarant, and grants to the Association as Common Property, the perpetual nonexclusive right and easement upon, over and across the Common Driveways for the installation, maintenance, and use of such Common Driveways, traffic directional signs located adjacent to said Common Driveways, grading for proper drainage of said Common Driveways, and related activities and improvements.

Section 9. Easements for Driveway Turnaround. Each Unit is hereby granted an appurtenant easement for encroachment onto adjacent Units to a distance of not more than five (5) feet from the common boundary or boundaries with the adjacent Units. This easement is for the sole purpose of the placement, existence, use and maintenance of a driveway turnaround as originally constructed on and to serve the Unit. If the driveway turnaround on and serving the Unit is originally constructed so as not to utilize portions of this easement, the portions of this easement not utilized (which could be all of this easement, as the case may be) shall terminate and be null and void forever and of no further force and effect at any time.

This easement shall be for the benefit of the Owner of the Unit served by a driveway turnaround originally constructed in whole or in part on an adjacent Unit and shall be solely for access to, and ingress and egress to and from, such Owner's Unit by such Owner and his or her family members, invitees and designees in, upon, over and across the driveway turnaround serving such Owner's Unit. No other Person shall be allowed to change, alter or diminish the rights of the Owner of the Unit benefited by this easement to the use and enjoyment of the driveway turnaround serving such Owner's Unit. The driveway turnaround shall be cleaned, maintained, repaired and replaced by the Owner of the Unit served by the driveway turnaround. However, the Owner of the Unit served by the driveway turnaround shall not in any way expand this easement/encroachment after initial construction on the Unit.

Section 10. Easements for Encroachments. The dwellings located on the Units may have certain eaves, roof overhangs, building materials and other structures attached to the walls and roofs of such dwellings which may encroach over or extend into the air space, improvements and/or real property located on adjoining or continuous Units and/or Common Property. All of the Units and the Common Property shall be subject to easements for encroachments and for the maintenance, repair and replacement thereof as a result of construction, reconstruction, repair, renovation, restoration, shifting, settlement or movement so long as such encroachment exists. If any such Unit, including any dwelling located thereon, is damaged or destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, the Owner of such Unit shall have an easement to reconstruct such encroachments in connection with the reconstruction of such dwelling. Easements shall also exist for encroachment upon the Common Property and/or Units as necessary for the express purpose of maintenance, repair and restoration of any Unit or structure located thereon. The easements shall be used only for such period of time as is reasonably necessary in order to complete the needed maintenance, repair and restoration. The Owner of the Unit exercising the easement right shall be liable for the prompt repair of any damage to the property over which the easement is exercised which is caused by the maintenance, repair or restoration work. The damaged portions of such property shall be restored to substantially the same condition as existed prior to the damage.

Section 11. Easement for Private Street, Sidewalks and Signs. Declarant hereby grants, conveys, declares, creates, imposes and establishes a perpetual, nonexclusive right-of-way easement for vehicular and pedestrian access, ingress and egress over and across the private streets and drives as depicted on the recorded subdivision plats for the Community. 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. Declarant hereby expressly reserves for itself, its successors and assigns, all rights and privileges incident to the ownership of the fee simple estate of any such easement area which are not inconsistent with the rights and privileges herein granted, including, without limitation, the right to maintain one or more proprietary signs on the easement area and the right to grant additional nonexclusive easements to third parties, over, under and across the easement area. Declarant hereby reserves for the benefit of Declarant and grants to the Association as Common Property, the perpetual nonexclusive right and easement upon, over and across the private drives for the installation, maintenance, and use of such drives,

sidewalks, traffic directional signs, grading for proper drainage, and related activities and improvements.

Section 12. Easements for Drainage. There is hereby reserved by the Declarant and granted to the Association an easement upon, across, above and under all storm water drainage easement areas as shown on the recorded subdivision plat(s) for the Community for access, ingress, egress, installation, alteration, repairing, replacing, and maintaining the storm water drainage system and related facilities serving the Community or any portion thereof (but without obligation on the part of Declarant). This easement shall include the right (but not obligation on the part of Declarant) to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill. In addition, there is hereby reserved to the Declarant and granted to the Association a blanket easement across all Units for creating and maintaining satisfactory drainage in the Community (but without obligation on the part of Declarant); provided, however, such easement area shall not include any portion of a Unit within the outer perimeter of the dwelling structure. It is anticipated that increased storm water run-off across downstream Units will result from the construction of impervious surface in the Community. Neither the Declarant, the Association nor any builder or Owner constructing according to plans and specifications approved or deemed approved under Article VI, Section 9 hereof shall have any liability to any Owner due to the increased flow or increased velocity of surface water resulting from such construction.

Section 13. Mailbox and Trash Receptacle Easement. The Declarant hereby declares, creates, imposes and establishes a non-exclusive joint and reciprocal easement in perpetuity over and across an area five (5) feet wide running along and contiguous to the boundary line of the private streets in the Community as shown on the recorded subdivision plats for the Community for the installation of and use and enjoyment of mailboxes and the placement of trash receptacles for pickup. Each mailbox shall be of a standard type as approved under Article VI hereof.

Section 14. Unit Owner - Easement for Utilities. Declarant hereby establishes for the benefit of each Unit a nonexclusive easement for installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Unit and situated in, on or under any other Unit or the Common Property. The Board of Directors, and without a vote of the Owners, shall have the right, power and authority to grant permits, licenses, utility easements, and other easements, permits or licenses necessary or desirable for the proper maintenance or operation of the Community under, through, or over the Units, and the Common Property as may be reasonably necessary to or desirable for the ongoing operation of the Community. In the event that any Owner desires access to the attic or other areas of another Unit to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owners of such Unit(s) at least two (2) days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted immediately upon request. Any Owner of a Unit to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet

enjoyment of affected Units, reasonable steps shall be taken to protect such Units and the property the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense.

Article XIII **General Provisions**

Section 1. Enforcement. Each Owner and every Occupant of a Unit shall comply strictly with the Bylaws, the rules and regulations, the use restrictions, as they may be lawfully amended or modified from time to time, and with the covenants, conditions and restrictions set forth in this Declaration and in the deed to his or her Unit, if any. The Board of Directors may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Association, or, in a proper case, by an aggrieved Owner. Failure by the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice of violation of the Declaration, Bylaws, rules and regulations or use restrictions and to assess the cost of recording and removing such notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

Section 2. Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Unit or any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates this Declaration, the Bylaws, the rules and regulations or the use restrictions. Unless an emergency situation exists, the Board shall give the violating Unit Owner ten (10) days' written notice of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after reasonable notice. All costs of self-help, including reasonable attorney's fees actually incurred, shall be assessed against the violating Unit Owner and shall be collected as provided for herein for the collection of assessments.

Section 3. Duration. The covenants and restrictions of this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association or any Owner, their respective legal representatives, heirs, successors and assigns, perpetually to the extent permitted by law; provided, however, if Georgia law limits the period during which covenants restricting lands to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time any such provisions shall be (a) automatically extended for successive periods of ten (10) years, unless a written instrument reflecting disapproval signed by the then Owners of at least two-thirds (2/3) of the Units and the Declarant (so long as the Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community) has been recorded within the year immediately preceding the beginning of a ten (10) year renewal period agreeing to change such provisions, in whole or

in part, or to terminate the same, in which case this Declaration shall be modified or terminated to the extent specified therein; or (b) extended as otherwise provided by law. Every purchaser or grantee of any interest (including, without limitation, a security interest) in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that such provisions of this Declaration may be extended and renewed as provided in this Section.

Section 4. Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Units subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to guarantee or insure Mortgage loans on the Units subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Unit unless any such Unit Owner shall consent thereto in writing. Further, so long as Declarant has the right unilaterally to subject additional property to this Declaration as provided in Article IX hereof, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Unit Owner hereunder, nor shall it adversely affect title to any Unit without the consent of the affected Unit Owner.

In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of Owners of at least two-thirds (2/3) of the Units and the consent of Declarant (so long as the Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community). Amendments to this Declaration shall become effective upon recordation, unless a later effective date is specified therein. No provision of this Declaration which reserves or grants special rights to the Declarant and/or its affiliates shall be amended without the prior written consent of the Declarant and any affiliates affected by such amendment, so long as the Declarant and/or such affiliates, as the case may be, own any property primarily for development and/or sale in the Community or subject to annexation by the Declarant to the Community.

Any lawsuit challenging any aspect of an amendment to this Declaration must be filed in a court of competent jurisdiction in a county in which the Community is located within one (1) year of the recordation of such amendment.

Section 5. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 6. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this Declaration are declared to be severable.

Section 7. Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 8. Conveyance of Property to Association; No Implied Rights. Declarant and its affiliates may transfer or convey to the Association at any time and from time to time any personal property and any interest in improved or unimproved real property. Such conveyance shall be accepted by the Association, and the property shall thereafter be Common Property to be maintained by the Association for the benefit of all or a part of its members. So long as Declarant owns any property primarily for development and/or sale in the Community or has the right unilaterally to annex additional property to the Declaration, Declarant may, upon written notice to the Association, require the reconveyance by the Association to Declarant or its designee of any Common Property or any portion thereof, improved or unimproved, at no charge to Declarant or its designee, without a vote of the Owners/members of the Association, if the Common Property or portion thereof is: (i) found by Declarant to have been conveyed in error, (ii) needed by Declarant so that Declarant can make adjustments in property boundary lines, or (iii) reasonably determined by Declarant to be needed by Declarant due to changes in the overall scheme of development for the Community.

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

Lakes and dams shall, without limitation, be included in the property that may be conveyed by Declarant and its affiliates and which shall be accepted by the Association. Declarant and its affiliates shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section, including, without limitation, dredging or otherwise removing silt from any lake that may be conveyed, and Declarant and its affiliates shall have no duty or obligation to convey any property or property rights to the Association, regardless of whether or not any such property has been made available for the use of Owners. The Association shall also accept assignment of, and shall assume and agree to perform, any contracts entered into by Declarant and its affiliates for the benefit of the Association, its members or the Owners, including, without limitation, detention pond

maintenance agreements and all types of utility easements.

Declarant may reserve, by condition, restriction, lease, license, easement or otherwise, such rights of use and enjoyment in and to all or any portion of the property conveyed as Declarant may reasonably require, so long as such reservation is not materially inconsistent with the overall scheme of development for the Community. Neither the recordation of any subdivision plat, nor the use by the Owners or maintenance by the Association of any property, shall create any rights, easements or licenses in the Association or the Owners, express or implied, unless and until any such property, rights, easements or licenses are conveyed to the Association or the Owners, as the case may be, by an instrument recorded in the land/real estate records of the county where the property is located.

Section 9. Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 10. Indemnification. In accordance with, and to the full extent allowed by, the Georgia Nonprofit Corporation Code, the Association shall indemnify every Person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that such Person is or was serving as a director or officer of the Association against any and all expenses, including attorney's fees, imposed upon or reasonably incurred in connection with any action, suit or proceeding, if such Person acted in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Association only as authorized in a specific case upon a determination that indemnification of the Person is proper under the circumstances.

Section 11. Construction and Sale Period. Notwithstanding any provisions contained in this Declaration, the Bylaws, the Articles of Incorporation of the Association, rules and regulations, use restrictions, and any amendments to any of the foregoing, the Declarant hereby expressly reserves unto itself and its successors and assigns a non-exclusive, perpetual right, privilege, and easement with respect to the Community for the benefit of the Declarant, its successors and assigns, over, under, in, and/or on the Community, without obligation and without charge to the Declarant, for the purposes of taking all actions related to or connected with construction, installation, relocation, development, sale, maintenance, repair or replacement in the Community and any other property now owned or which may in the future be owned by the Declarant (such other property is hereinafter referred to as "Additional Property"). The reserved easement shall constitute a burden on the title to the Community and specifically includes, but is not limited to:

(a) the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Community; and the right to tie into any portion of the Community with

streets, driveways, parking areas and walkways; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee payable to the Association or any Owner for so doing), replace, relocate, maintain and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community;

(b) the right to use (continually or from time to time) without charge any clubhouse or similar structure and appurtenant recreational facilities, if any, for business purposes or company functions and any similar use, including, but not limited to, sales and marketing meetings, offices for sales or other employees and agents, a design studio and employee parties; and

(c) the right to construct, install, replace, relocate, maintain, repair, use and enjoy signs, model residences, construction trailers and sales offices in the Community.

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

If these reserved easements are exercised without annexing any Additional Property to the Community, the owners of the affected Additional Property shall share the costs, if any, of using and maintaining utility and similar facilities, including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities, with the Owners in the Community in the proportion that the number of completed dwellings on the affected Additional Property bears to the sum of the number of completed dwellings on the affected Additional Property plus the number of Units in the Community. The costs of maintenance and repair of Community streets and driveways shall likewise be apportioned to the affected Additional Property if the only means of vehicular access to the affected Additional Property is across the Community. For the purposes of this provision, a dwelling on the affected Additional Property shall be considered completed when a certificate of occupancy has been granted. The allocation of expenses and the collection therefor may be done on a monthly, quarterly or annual basis, as may reasonably be determined by the Association in accordance with this Declaration. If any of the Additional Property is added to the Community, from the time of the annexation, the sharing of costs and expenses and the use of any property so added shall be governed by this Declaration, rather than by these reserved easements.

This Section shall not be amended without the prior written consent of the Declarant so long as the Declarant owns any property primarily for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community.

Section 12. Books and Records.

(a) Inspection by Members and Mortgagees. This Declaration, the Bylaws, copies of

rules and use restrictions, membership register, books of account and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by any member of the Association or by his duly appointed representative and by holders, insurers or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to his or her interest as a member or holder, insurer or guarantor of a first Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.

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

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

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

Section 13. Financial Statements. Financial statements for the Association shall be compiled annually in the manner as the Board of Directors may decide; provided, however, after having received the Board's financial statements at the annual meeting, the Owners, by a Majority vote, may require that the financial statements of the Association be audited as a common expense by a certified public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all costs associated therewith, such holder shall be entitled to receive a copy of the audited financial statements of the Association within ninety (90) days of the date of the request.

Section 14. Notice of Sale or Lease. In the event an Owner sells or leases his or her Unit, the Owner shall give to the Association, in writing, the name of the purchaser or lessee of the Unit and such other information as the Board may reasonably require.

Section 15. Agreements. Subject to the prior approval of Declarant, so long as the Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article IX above, all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors, assigns and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

Section 16. Variances. Notwithstanding anything to the contrary contained herein, the Board of Directors or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the

provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

Section 17. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least seventy-five percent (75%) of the Total Association Vote. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article IV hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant pursuant to Article XIII, Section 4 hereof, or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 18. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation of the Association, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

Section 19. Security.

(a) The Declarant and the Association may, but shall not be obligated to, maintain or support certain activities within the Community designed to make the Community and the Units safer than they otherwise might be. HOWEVER, THE ASSOCIATION, THE DECLARANT, ITS PARTNERS AND AFFILIATES, ANY SUCCESSOR DECLARANT, AND THE OFFICERS, DIRECTORS, COMMITTEES, MEMBERS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING, SHALL NOT IN ANY WAY BE CONSIDERED INSURERS OR GUARANTORS OF SECURITY WITHIN THE COMMUNITY, NOR SHALL ANY OF THE FOREGOING BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR OF INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN. NO REPRESENTATION OR WARRANTY IS MADE THAT ANY FIRE PROTECTION SYSTEM, BURGLAR ALARM SYSTEM OR OTHER SECURITY SYSTEM CANNOT BE COMPROMISED OR CIRCUMVENTED, NOR THAT ANY SUCH SYSTEMS OR SECURITY MEASURES UNDERTAKEN WILL IN ALL CASES PREVENT LOSS OR PROVIDE THE DETECTION OR PROTECTION FOR WHICH THE SYSTEM IS DESIGNED OR INTENDED. EACH OWNER ACKNOWLEDGES, UNDERSTANDS AND COVENANTS TO INFORM ITS TENANTS THAT THE ASSOCIATION, THE DECLARANT, ITS PARTNERS AND AFFILIATES, ANY SUCCESSOR DECLARANT, AND THE OFFICERS, DIRECTORS, COMMITTEES, MEMBERS, SHAREHOLDERS, EMPLOYEES, AGENTS, SUCCESSORS AND ASSIGNS OF ANY OF THE FOREGOING, ARE NOT INSURERS AND THAT EACH PERSON USING THE COMMUNITY ASSUMES ALL RISKS FOR LOSS OR DAMAGE TO PERSONS, TO PROPERTY, TO UNITS, AND TO THE CONTENTS OF UNITS AND THE STRUCTURES THEREON RESULTING FROM

ACTS OF THIRD PARTIES.

(b) Declarant or the Association may, but shall not be required to, install a mechanical system that limits vehicular access from North Brown Road and/or Sever Road into the Community (the "Gate System"). By accepting a deed to a Unit, each Owner acknowledges and agrees to the following:

(i) The Board of Directors, with the consent of the Declarant, shall determine when the Gate System will be operational and if and when any guardhouse will be manned.

(ii) 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.

(iii) The Gate System is not intended to replace or to serve in lieu of individual alarm systems or other measures 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.

(iv) Declarant disclaims any and all representations and warranties, express or implied, and makes 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.

(v) Owner and Occupants 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 (with the consent of the Declarant).

Section 20. Use of Recreational Facilities by Nonmembers. For so long as Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article IX above, Declarant shall have the right to grant to persons who are not members of the Association the right to use the Community recreational facilities (if any). The extent and duration of nonmember use and the fee to be charged therefor shall be determined solely by Declarant. The Declarant may grant nonmember use rights to individuals as an easement appurtenant to such individuals' residential real property so that such use rights shall automatically inure to the benefit of both the original grantees and their respective successors-in-title to such real property. For so long as Declarant or an affiliate of Declarant owns such recreational facilities, nonmember user fees shall be paid to Declarant. If such recreational facilities are conveyed to the Association, nonmember user fees due and payable after the date of such conveyance shall be paid to the Association. Declarant shall determine the amount of nonmember user fees which are due and payable after such conveyance. Such fees shall be paid in equal annual installments to the Association, unless otherwise determined by the Board. The amount of such installment payments may be increased each year by the Board so

long as the percentage increase (as compared to the previous year's installment) does not exceed the percentage increase in the annual assessment levied against members of the Association (as compared to the previous year's assessment).

Unless otherwise determined by the Declarant, any use right granted to nonmembers which extends beyond the termination of Declarant's option to unilaterally subject additional property to this Declaration shall be valid and may not be terminated by the Association so long as the terms and conditions imposed upon nonmember use by Declarant are complied with by the nonmember user.

Declarant hereby expressly reserves unto itself and its successors and assigns a non-exclusive, perpetual right, privilege and easement with respect to the Community for the benefit of Declarant, its successors, assigns and the above discussed nonmember users, over, under, in and/or on the Community (including, without limitation, the above described recreational facilities), without obligation and without charge to the foregoing, for the purposes of taking all actions related to or connected with the granting of nonmember use and the use by such nonmembers as described above. Such right, privilege and easement shall include, without limitation, the right of access, ingress, use and egress of and to the above described recreational facilities and the right of access, ingress, use and egress for vehicular and pedestrian traffic over, under, on or in the Community roads, parking areas and walkways.

Declarant, its partners and affiliates, and the officers, directors, shareholders, employees, agents, successors and assigns of any of the foregoing, shall not be liable for and are hereby held harmless by the Association from any failure of any nonmember to pay a nonmember user fee to the Association where required to do so by this Section. In such case, the Association's sole remedy shall be to suspend the use right of the nonmember who has not timely paid until all amounts owed are paid. Declarant, its partners and affiliates, and the officers, directors, shareholders, employees, agents, successors and assigns of any of the foregoing, shall also not be liable for and are hereby held harmless by the Association from any personal injury or property damage caused by a nonmember entitled to use the above described recreational facilities.

So long as Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article IX above, Declarant shall have the sole right to grant use rights to the above described recreational facilities to nonmembers and the Board shall have no such right; provided, however, upon the expiration or earlier surrender in writing of this option, the Board shall have the rights of the Declarant set forth in this Section, subject to then existing nonmember use rights. The provisions of this Section shall apply notwithstanding any contrary provisions in this Declaration, the Bylaws, Articles of Incorporation, rules and regulations, use restrictions and any amendments to any of the foregoing.

Section 21. No Discrimination. No action shall be taken by the Declarant, the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or disability.

Section 22. Cumulative Effect; Conflict. The covenants, restrictions, and provisions of

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

[SIGNATURES BEGIN ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned has executed this instrument and affixed the seal this 7th day of December, 2006.

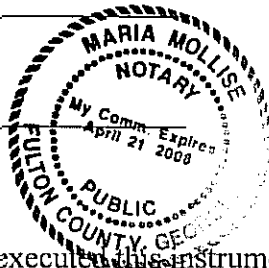
Signed, sealed and delivered
in the presence of:

Courtney A. Hull
Witness

[Signature]
Notary Public

My commission expires: _____

[NOTARIAL SEAL]



JOHN WIELAND HOMES AND
NEIGHBORHOODS, INC., a Georgia
corporation

By: [Signature]

Print Name: Dan Fieias

Title: Vice President

[CORPORATE SEAL]



The Association has executed this instrument and affixed the seal below this 7th day of December, 2006 for the purpose of consenting to all of the terms and provisions of this Declaration.

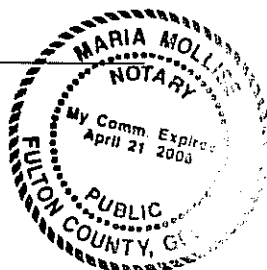
Signed, sealed and delivered
in the presence of:

Courtney A. Hull
Witness

[Signature]
Notary Public

My commission expires: _____

[NOTARIAL SEAL]



STONEHAVEN AT SUGARLOAF
NEIGHBORHOOD ASSOCIATION, INC., a
Georgia nonprofit corporation

By: [Signature]

Print Name: Frederick D. Evans III

Title: Secretary

[CORPORATE SEAL]

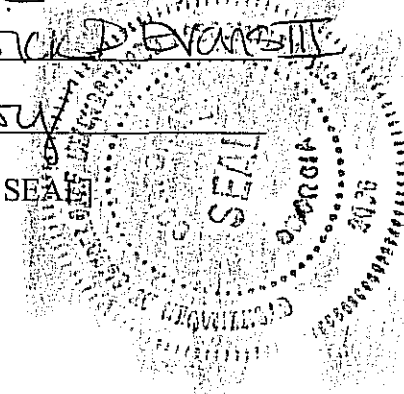


EXHIBIT "A"Definitions

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

(a) "Association" shall mean and refer to Stonehaven at Sugarloaf Neighborhood Association, Inc., a nonprofit Georgia corporation, its successors and assigns.

(b) "Board of Directors" or "Board" of the Association shall be the appointed or elected body, as applicable, having its normal meaning under Georgia corporate law.

(c) "Bylaws" shall refer to the Bylaws of Stonehaven at Sugarloaf Neighborhood Association, Inc., attached to this Declaration as Exhibit "D" and incorporated herein by this reference.

(d) "Common Property" shall mean any and all real and personal property and easements, leaseholds 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.

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

(f) "Community-Wide Standard" shall mean the standard of conduct, maintenance or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board of Directors of the Association. Such determination, however, must be consistent with the Community-Wide Standard originally established by the Declarant.

(g) "Declarant" shall mean and refer to John Wieland Homes and Neighborhoods, Inc., a Georgia corporation, and its successors-in-title and assigns, provided any such successor-in-title or assign shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the real property described in Exhibit "B", attached hereto, or in Exhibit "C", attached hereto, and provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance; provided, further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that as to all of the property described in Exhibit "B", attached hereto, and in Exhibit "C", attached hereto, which is now or hereafter subjected to this Declaration, there shall be only one Person or legal entity entitled to exercise

the rights and powers of the "Declarant" hereunder at any one point in time. An "affiliate" of Declarant shall mean any entity in which Declarant or John Wieland (and/or member(s) of his immediate family) own or control at least twenty (20%) percent of the beneficial interest thereof.

(h) "Majority" means those eligible votes, Owners or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

(i) "Mortgage" means any mortgage, deed to secure debt, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.

(j) "Mortgagee" shall mean the holder of a Mortgage.

(k) "Neighborhood" means each separately developed and denominated residential area within the Community that has been so designated on Exhibit "B" hereof or in one or more Supplementary Declarations. By way of illustration and not limitation, a townhouse development, cluster home development, or single-family detached housing development might each be designated as a separate Neighborhood. The Declarant shall have the right to designate separate Neighborhood status and change the Neighborhood status of any previously designated Neighborhood for any property in the Community. A Neighborhood may (but is not required to) have a separate incorporated mandatory membership Neighborhood Association.

(l) "Neighborhood Association" means a homeowners association or other mandatory membership community association having concurrent jurisdiction with the Association over any Neighborhood.

(m) "Neighborhood Declaration" shall refer to any declaration of protective covenants or similar instrument recorded in the land records of the county or counties where the Community is located which subjects all or a portion of the land within such Neighborhood to covenants, restrictions, and easements in addition to those contained in this Declaration.

(n) "Occupant" shall mean any Person occupying all or any portion of a Unit or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

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

(p) "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust, or other legal entity.

(q) "Supplementary Declaration" means an amendment or supplement to this Declaration which subjects additional property to this Declaration or imposes, expressly or by reference, additional restrictions and obligations on the land described therein, or both.

(r) "Total Association Vote" means all of the votes attributable to members of the Association (including votes of Declarant) and the consent of Declarant (so long as Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community).

(s) "Unit" means any plot of land or real property within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site (whether an attached or detached dwelling), as shown on any plats and/or plans for or relating to the Community, or amendments or supplements thereto, recorded in the land records for the county or counties where the Community is located. This includes, without limitation, any tract of land or real property within the Community containing or which is a townhome residence, all as shown on any plats and/or plans for or relating to the Community. The ownership of each Unit shall include, and there shall automatically pass with the title to each Unit as an appurtenance thereto, all of the right, title and interest of an Owner in the Common Property, if any, which shall include, without limitation, membership in the Association.

EXHIBIT "B"Property Submitted

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Unit 114, 7th District, Gwinnett County, Georgia, containing approximately 21.198 acres as shown on that certain Final Plat for Stonehaven at Sugarloaf Unit 1, Phase A, dated 10/3/06, last revised 11/8/06, prepared by McFarland-Dyer & Associates, Inc., certified by Chris Whitley, Georgia Registered Land Surveyor No. 2872, which plat was recorded on _____ in Plat Book _____, Pages _____, Gwinnett County, Georgia land records.

Together with:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Unit 113, 7th District, Gwinnett County, Georgia, containing approximately 3.071 acres as shown on that certain Exemption Plat/Survey for Sever Road Tract, dated 9/20/06, prepared by McFarland-Dyer & Associates, Inc., certified by Chris Whitley, Georgia Registered Land Surveyor No. 2672, which plat was recorded on 10/24/06 in Plat Book 117, Page 120, Gwinnett County, Georgia land records.

EXHIBIT "C"

Additional Property which can be Unilaterally
Submitted by Declarant

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Units 113, 114
and 115 of the 7th District, Gwinnett County, Georgia.

EXHIBIT "D"

**BYLAWS
OF
STONEHAVEN AT SUGARLOAF NEIGHBORHOOD ASSOCIATION, INC.**

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BYLAWS
OF
STONEHAVEN AT SUGARLOAF NEIGHBORHOOD ASSOCIATION, INC.

Article I
Name, Membership and Definitions

Section 1. Name. The name of the Association shall be Stonehaven at Sugarloaf Neighborhood Association, Inc. (the "Association").

Section 2. Membership. The Association shall have one (1) class of membership, as is more fully set forth in the Declaration of Protective Covenants and Easements for Stonehaven at Sugarloaf (such Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

Section 3. Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit.

Article II
Association: Meetings, Quorum, Voting, Proxies

Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

Section 2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one (1) year from the date the Declaration is recorded. Annual meetings shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a Majority of the Board of Directors or upon a petition signed by at least twenty-five percent (25%) of the Total Association Vote (the consent of the Declarant shall not be required). The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary of the Association to mail or to cause to be delivered to the Owner of record of each Unit a notice of each annual or

special meeting of the Association stating the time and place where it is to be held and, for a special meeting, the purpose thereof. If an Owner wishes notice to be given at an address other than his or her Unit, he or she shall have designated by notice in writing to the Secretary of the Association such other address. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than thirty (30) days before a meeting.

Section 5. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a Majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 7. Voting. The voting rights of the members shall be as set forth in the Declaration, and such voting rights are specifically incorporated herein.

Section 8. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary of the Association before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Unit, or upon receipt of notice by the Secretary of the Association of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

Section 9. Quorum. The presence, in person or by proxy, of ten percent (10%) of the total eligible Association vote shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 10. Action without a Formal Meeting. Any action to be taken at a meeting of the members, or any action that may be taken at a meeting of the members, may be taken without a meeting if one or more consents, in writing, setting forth the action so taken shall be signed by members holding the voting power required to pass such action at a meeting held on the date that the last consent is executed and such action is consented to by Declarant, if required. Such action shall be effective upon receipt by the Association of a sufficient number of such consents executed by current members unless a later effective date is specified therein. Each signed

consent shall be delivered to the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Section 11. Action by Written Ballot. Any action to be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and, except in the case of the election of directors, provide an opportunity to vote for or against each proposed action. Approval by written ballot of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and, except in the case of the election of directors, the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter (other than election of directors); and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board of Directors. The results of each action by written ballot shall be certified by the Secretary of the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Article III

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 2 of this Article, the directors must reside in the Community and shall be members or spouses of such members; provided, however, no Person and his or her spouse may serve on the Board at the same time.

Section 2. Directors Appointed by Declarant. The Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events shall occur: (a) the date when Declarant no longer owns any property for development and/or sale in the Community and no longer has the right to unilaterally annex additional property to the Community; or (b) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. The Declarant intends to surrender such authority on December 31 of the year in which ninety (90%) percent of the Units planned by Declarant to be a part of the Community shall have been conveyed to Owners for occupancy as a residence. Each Owner, by acceptance of a deed to or other conveyance of a Unit, vests in Declarant such authority to appoint and remove directors and officers of the Association. The directors appointed by the Declarant need not be Owners or residents in the Community.

Section 3. Number of Directors. The Board of Directors shall consist of not less than

three (3), nor more than (9), members, the precise number to be an odd number fixed by resolution of the Board from time to time.

Section 4. Nomination of Directors. Elected directors may be nominated from the floor and may also be nominated by a nominating or elections committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 5. Election and Term of Office. Owner-elected directors shall be elected and hold office as follows:

(a) After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting to be held at which Owners shall elect five (5) directors.

(b) At annual meetings of the membership thereafter, directors shall be elected. All eligible members of the Association shall vote on all directors to be elected, and the candidate(s) receiving the most votes shall be elected; provided, however, the initially elected directors shall serve the remainder of their terms.

The term of one (1) director shall be fixed at one (1) year, the term of two (2) directors shall be fixed at two (2) years, and the term of two (2) directors shall be fixed at three (3) years. At the expiration of the initial term of office of each respective member of the Board of Directors, a successor shall be elected to serve for a term of two (2) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 6. Removal of Directors. At any regular or special meeting of the Association duly called, any one (1) or more of the members of the Board of Directors may be removed, with or without cause, by a Majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed by the Owners shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than twenty (20) days may be removed by a Majority vote of the directors at a meeting, a quorum being present. This Section shall not apply to directors appointed by Declarant.

Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. Each Person so selected shall serve the unexpired portion of the term.

B. Meetings.

Section 8. Organizational Meetings. The first meeting of the members of the Board of

Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a Majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

Section 10. Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President, Vice President or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a Person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director; (d) by telegram, charges prepaid; or (e) by commercial delivery service to such director's home or office. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph company shall be given at least forty-eight (48) hours before the time set for the meeting.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting cannot be held because a quorum is not present, a Majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time that the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. Compensation. No director shall receive any compensation from the Association for acting as such unless approved by a Majority of the Total Association Vote.

However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

Section 14. Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

Section 15. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 16. Action without a Formal Meeting. Any action to be taken at a meeting of the directors, or any action that may be taken at a meeting of the directors, may be taken without a meeting if a consent, in writing, setting forth the action so taken shall be signed by all of the directors and delivered to the Association for filing in the permanent records of the Association.

Section 17. Telephonic Participation. One (1) or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all directors participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a regular meeting of the Board.

C. Powers and Duties.

Section 18. Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, the Articles of Incorporation of the Association, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

- (a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses;
- (b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the assessments;
- (c) providing for the operation, care, upkeep and maintenance of all areas which are the maintenance responsibility of the Association;
- (d) designating, hiring and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such

personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;

- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
- (f) making and amending use restrictions and rules and regulations;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;
- (i) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;
- (j) paying the cost of all services rendered to the Association or its members which are not directly chargeable to Owners;
- (k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any other expenses incurred; and
- (l) contracting with any Person for the performance of various duties and functions.

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

Section 19. Management Agent. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Declarant or an affiliate of the Declarant may be employed as managing agent or Manager. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice. Any and all Neighborhood Associations must use the same management agent as the Association.

Section 20. Fining Procedure. The Board shall not impose a fine (a late charge shall not constitute a fine) unless and until the following procedure is followed:

- (a) Demand. Written demand to cease and desist from an alleged violation

shall be served upon the alleged violator specifying:

- (i) the alleged violation;
- (ii) the action required to abate the violation; and

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

(b) Notice. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board may, upon notice stating the nature of the violation, impose a fine.

Article IV **Officers**

Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. Any two (2) or more offices may be held by the same Person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.

Section 2. Election, Term of Office and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association under Article III, Section 2, of these Bylaws, the officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.

Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code.

Section 5. Vice President. 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.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors and shall have charge of such books and papers as the

Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in accordance with Georgia law.

Section 7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors.

Section 8. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Article V **Committees**

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

Article VI **Miscellaneous**

Section 1. Fiscal Year. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings when not in conflict with Georgia law, the Articles of Incorporation of the Association, the Declaration, these Bylaws, or a ruling made by the Person presiding over the proceeding.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation of the Association, the Declaration, and these Bylaws, the provisions of Georgia law, the Declaration, the Articles of Incorporation of the Association, and the Bylaws (in that order) shall prevail.

Section 4. Amendment. The provisions of the Declaration applicable to amendment of that instrument shall apply to any amendment of these Bylaws.

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NEIGHBORHOOD LIVING STANDARDS
SINGLE FAMILY DETACHED HOMES

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- REQUEST FOR MODIFICATION REVIEW FORM
- SATELLITE DISH INSTALLATION NOTICE

APPLICATION INFORMATION

1. The following exterior modifications, and only these modifications, do not require a Request for Modification Review Form ("Form") to be submitted, if certain conditions are met:

Patios (Standard 1)
Exterior Lighting (Standard 2)
Garden Plots (Standard 3)
Play Equipment (Standard 4)
Basketball Goals (Standard 5)
Children's Wading Pools (Standard 6)
Ornamental Trees and Shrubbery (Standard 8)
Repainting with same color (Standard 12)

2. A complete Form must be submitted through the Covenants Committee for all other types of modifications. **THE VERBAL APPROVAL OF ANY SALES AGENT, JOHN WIELAND HOMES AND NEIGHBORHOODS EMPLOYEE, OR ASSOCIATION REPRESENTATIVE IS NOT SUFFICIENT. ALL MODIFICATION APPROVALS MUST BE IN WRITING.** When plans are required, they must be submitted with the Form. A Form is attached to these Standards. Additional Forms are available from the John Wieland Homes & Neighborhoods Sales Office or the Covenants Committee.
3. The Covenants Committee typically meets on a regular basis. By the Neighborhood Covenants, a response to a modification request must be provided within sixty (60) days.

COVENANT ENFORCEMENT PROCEDURES

1. Apparent Covenant violations – as may be reported by any source – must be submitted in writing to the Covenants Committee to be referred for appropriate action.
2. If a violation cannot be resolved by the Covenants Committee, the Advisory Committee may refer the matter to the Board of Directors for resolution.
3. If necessary, follow-up correspondence requesting immediate action will be sent. Possible sanctions include: (A) suspension of the right to vote; (B) suspension of the privilege of using the recreational facilities; (C) recordation of notice of Covenant violation with the Superior Court; (D) imposition of a fine on a per violation and/or per day basis; (E) commencement of legal proceedings; (F) correction of the violation by the Association with all costs charged to the violator; and/or (G) filing of a lien for all fines and costs to correct the violation.

NEIGHBORHOOD LIVING STANDARDS
Single Family Detached Homes

STANDARD NUMBER 1

Patios and Walkways

1. Submission of a Form for a concrete patio is not required if:
 - A. The patio does not extend beyond the left and right sides of the house and does not extend to within ten (10) feet of the side property lines nor further than twenty (20) feet from the rear of the home, **and**
 - B. The patio does not exceed six (6) inches above the ground at any point.
2. Submission of a Form for a concrete walkway is not required if the walkway is located in the rear yard, **and**
 - A. The walkway does not extend beyond the left and right sides of the house and does not extend to within ten (10) feet of side property lines, **and**
 - B. The walkway does not exceed four (4) inches above the ground at any point.
3. A Form must be submitted for patio covers, awnings, trellises, permanent seating, railings, and all other items not enumerated above.

STANDARD NUMBER 2

Exterior Decorative Objects, Front Porch Flower Pots, Lighting, etc.

1. A Form must be submitted for all exterior decorative objects, both natural and man-made, including, but not limited to, items such as bird baths, wagon wheels, sculptures/statuary, fountains, pools, antennas, flower pots, free-standing poles of any type, flag poles, and items attached to approved structures.
2. A Form is not required to be submitted for a single attached flagpole, not to exceed six (6) feet in length, attached to the front portion of the house or attached to the house in the garage entry area.
3. Except as provided below, a Form must be submitted for all exterior lights or lighting fixtures not included as a part of the original structures. A Form is not required if lights meet the following criteria:
 - A. Lighting does not exceed twelve (12) inches in height, **and**
 - B. The number of lights does not exceed twelve (12), **and**
 - C. The total wattage does not exceed 100 watts, all lights are white or clear, non-glare, and located so as to cause minimal visual impact on adjacent properties and streets.
4. Front doors and front entry area decorations must be tasteful and in keeping with the style and colors of the house. Plants and flowers in pots must always be neat and healthy. Neatly maintained front porch flower-pots (maximum of four (4)) that blend with the exterior color of the house, containing evergreens/flowers do not require the submission of a Form.
5. Objects will be evaluated on criteria such as location, proportion, color, and appropriateness to the surrounding environment.

6. Holiday decorations and lighting may be installed in a reasonable manner for the various recognized holidays. Holiday decorations and lighting may be in use for a period not to exceed thirty (30) days. Holiday decorations and lighting must be placed so as to have a minimum sensory impact on neighboring properties.

STANDARD NUMBER 3

Garden Plots

1. A Form must be submitted for garden plots unless all of the following conditions are met:
 - A. The plot is located behind the rear of the house;
 - B. The size of the plot is limited to 150 square feet or $\frac{1}{4}$ of the rear yard, whichever is smaller; and
 - C. The maximum height of plants is less than four (4) feet at full growth.
2. EXCEPTION: Garden plots for cluster houses, houses set on lots at angles, and houses on corner lots will be considered on an individual basis when a Form is submitted.

STANDARD NUMBER 4

Play Equipment

1. Except for lots adjacent to a lake, the Form is not required to be submitted for play equipment if the play equipment is located:
 - A. Within the extended right and left sides of the house;
 - B. In the rear yard;
 - C. Within a screened and fenced area of the rear of the house, if yard is fenced; and
 - D. Does not exceed fifteen (15) feet in height and will have a minimum visual impact on adjacent properties.
2. All play equipment, including, but not limited to, swing sets, slides, seesaws, jungle gyms, etc., exclusive of wearing surfaces (slide poles, climbing rungs, swing seats, etc.) will generally be required to blend into the surrounding environment through the use of earthen colors comparable to dark green or brown.
3. A baseball backstop or similar item is not considered as play equipment, and must comply with the fence Standards.

Play Houses and Tree Houses

1. A Form must be submitted for all play houses and tree houses.
2. Play houses and tree houses must be located where they will have a minimum visual impact on adjacent properties. In most cases, material used **must** match existing materials of the home, and the tree house/play house may not be larger than 100 square feet.

STANDARD NUMBER 5

Basketball Goals

1. A Form is not required to be submitted if all the following requirements are met:
 - A. The backboard is perpendicular to the primary street on which the house is located;
 - B. The backboard is white, beige, light gray, or clear;
 - C. The backboard post is painted black; and
 - D. The homeowner obtains written approval of any neighbor who may be impacted by play.
2. One rectangle surrounding the hoop is permissible. Basketball goals may **not** be attached to the house. Portable goals may not be maintained for periods of more than twenty-four (24) hours in the street or at the curb.

STANDARD NUMBER 6

Private Pools

1. A Form is not required to be submitted for children's portable wading pools (those that can be emptied at night) that do not exceed eighteen (18) inches in depth and whose surface area does not exceed thirty-six (36) square feet.
2. Pools exceeding thirty-six (36) square feet located above the ground are not allowed.
3. A Form must be submitted for all in-ground pools.
 - A. Appearance, height, and detailing of all retaining walls must be consistent with the architectural character of the house. Some terracing may be acceptable.
 - B. The pool must have adequate fencing. Preferred privacy fencing for lots with pools or spas must be consistent with the attached privacy fence exhibit.
 - C. The maximum allowable pool area is 1000 square feet.
 - D. Glaring light sources that have a visual impact on neighboring lots are not allowed.
 - E. Landscaping enhancement of the pool area and screening with landscaping is required and must be included with the submitted Form and plan.
4. A Form must be submitted for all exterior spas or hot tubs. Spas and hot tubs must be screened from adjacent properties and streets.

STANDARD NUMBER 7

Fences

1. The original design concept of a John Wieland Neighborhood promotes a feeling of open space; therefore, fencing is not generally encouraged. For any type of fencing to be considered, a Form must be submitted
2. **Chain link fences or chain link dog runs are not allowed.**
3. The following types of fences may be approved for installation:
 - A. Six-foot **privacy** fence with scalloped tops and post detail as noted (See Exhibit "A"). Material must be cedar, cypress, or #2 or better pressure treated wood.
 - B. Four-foot **picket** fence, either straight, scalloped, or inverted scalloped with an approved tip style (See Exhibit "B"). Material must be cedar, cypress, vinyl, or #2 or better pressure treated wood.
 - C. Maximum four-foot **split rail** fence that may or may not have inside welded wire. The split rail fence may be complimented by the use of a picket style gate or gates (See Exhibit "C"). Material (except for welded wire if used) must be cedar, cypress, or #2 or better pressure treated wood.
 - D. Maximum five-foot **wrought iron** or aluminum style fence with an approved tip style (See Exhibit "D").
4. All Forms must include the following information:
 - A. Picture or drawing of the fence type (see attached Exhibits for acceptable styles).
 - B. Dimensions – Maximum heights are noted above. The maximum span between posts shall be ten (10) feet. The minimum post size shall be 4 X 4 inches and must have two 2 X 8 inch rails or three 2 X 6 inch rails per section.
 - C. Color – Wood fences must be natural or painted to match exterior house trim color. Vinyl fences must be white or match the exterior trim color. Wrought iron or aluminum fences must be black.
 - D. Site Plan – An exact site plan denoting the location of the fence, house, and property lines must accompany the Form. Fences shall not be located closer to any street than the rear edge of the home. However, on corner lots, the fence shall not be closer to any side street than the building line of the lot.
 - E. Crossbeam – Except for exterior lots backing up to non-residential property, crossbeam structure shall not be visible from any street (must face inside toward the yard).
5. All fences constructed on any lot shall be of uniform style and construction, including fencing used for dog runs. A Form must be submitted for all dog runs. Dog runs must meet all fence Standards.
6. All fence posts for all fences must be set in concrete.
7. No fence shall be allowed on any lot that borders a lake located in any neighborhood.
8. Interior porches – Should the house plan include an interior, corner porch, the fence may begin at the front most corner of the porch in lieu of the rear corner of the house. An interior porch is defined as a porch located on the rear corner of the house, built into the first floor of the house, and covered above by a second floor heated living space.

STANDARD NUMBER 8

Exterior Landscaping, Maintenance, and Composting

1. A Form is not required to be submitted for the addition of six (6) or fewer ornamental trees or shrubs. However, a Form must be submitted for screen plantings (row or cluster style), property line plantings, and ornamental plantings of seven (7) or more.
2. General maintenance of the area from the front property line to the center line of the street (also applies to the side street for a corner lot) is the responsibility of the individual homeowner. Each owner is responsible for removal of debris, clippings, etc., from this area, and should report any problems that might be noted with the asphalt or drainage. All planting areas should be properly maintained at all times, and, after the first frost, affected material should be removed. At the end of the growing season, all dead plant material should be removed. It is suggested that the bare earth be covered with pinestraw, mulch, or similar covering to prevent soil erosion.
3. Forms must include a description of the types and anticipated mature sizes of trees or shrubs to be planted and a site plan showing the relationship of plantings to the house and adjacent dwellings.
4. Landscaping should relate to the existing terrain and natural features of the lot, utilizing plant materials native to the Southeastern United States. The amount and character of the landscaping must conform to the precedent set in the surrounding neighborhood.
5. All mulched landscape beds must be covered with natural pinestraw, chopped pine bark mulch, or wood shavings. No artificial mulch or other bed covering may be used without specific approval of the Board of Directors or its designee.
6. The preferred landscape bed edging is a neat four to six (4" – 6") inch deep trench. Other edging, if used, shall not exceed three (3") inches above the turf height and be of a uniform type. Any other style edging must be submitted for approval.
7. Each owner shall keep his lot and all improvements thereon in good order and repair, including, but not limited to, seeding, watering, mowing, the pruning and cutting of all trees and shrubs, raking as necessary, and the painting or other appropriate external care of all buildings and improvements. This should be done in a manner and with such frequency as is consistent with good property management and the precedent set in the surrounding neighborhood.
8. Outdoor storage of garden tools and hoses must be screened from view and kept behind shrubs. Any tools or items stored under a deck or porch must also be screened from view.
9. Composting may be done by individuals or communal groups. If desired, composting shall be done with strict adherence to the following Standards:
 - A. All yard waste must be containerized. Only acceptable means of composting may be used. No dumping in wooded areas, cracks or holes in the ground, or other location is allowed.
 - B. Containers cannot exceed one cubic yard in size.
 - C. The composting unit must be located behind the house and screened by hedges or similar greenery so that it does not affect the aesthetic appearance from the street or adjacent property.

- D. Contents of composting units may consist of herein listed items **only**: grass clippings, leaves, shrub prunings, flowers, weeds, sawdust, small limbs, and wood ash.
- E. Unacceptable composting items include, but are not limited to: meat, bones, dairy products, fish, greasy foods, animal feces, poultry, unchopped wood, wastes, and diseased plants.
- F. Before installation, a Form must be completed and submitted to the Covenants Committee for approval or disapproval.

STANDARD NUMBER 9

Firewood

- 1. Firewood piles are to be maintained in good order and must generally be located between the right and left sides of the house and in the rear yard, in order to preserve the open space vistas.
- 2. Woodpile coverings are allowed only if the cover is an earthen color and the woodpile is screened from the view of the street. For example, a woodpile located under a deck may be covered with an earthen colored tarp and screened with appropriate shrubs.

STANDARD NUMBER 10

Decks

- 1. A Form must be submitted for **all** decks.
- 2. The Form must include a site plan denoting location, dimensions, materials, and color.
 - A. In most cases, the deck may not extend beyond the right and left sides of the home.
 - B. Materials must be cedar, cypress, or #2 or better pressure treated wood. Any other decking materials must be specifically approved by the Board of Directors or its designee.
 - C. Color must be natural, stained, or painted to match the exterior of the home.
- 3. Vertical supports for wood decks must be a minimum of four by six (4" X 6") inch wood posts OR painted metal poles, boxed in to give the appearance of wood columns.
- 4. The following, without limitation, will be reviewed: location, size, conformity with design of the house, relationship to neighboring dwellings, and proposed use.
- 5. Owners are advised that a building permit may be required for deck construction.

STANDARD NUMBER 11

Exterior Building Alterations

- 1. A Form must be submitted for **all** exterior building alterations, including, but not limited to, storm doors or windows, removal or installation of shutters, construction of driveways or parking pads, garages, carports, porches, attached storage space, and

room additions to the home. Repainting of the house or trim does not require a Form if the color(s) are not changed.

2. The original architectural character or theme of any home must be consistent for all components of the home. Once the character is established, whether it is traditional, contemporary, etc., no change may alter that character.
3. A paint color change requires that the following information be submitted along with the Form:
 - A. A paint sample or picture of the paint color used in or approved for this or another John Wieland Neighborhood in the same County. The address of the home and neighborhood where the color has been approved must be identified.
 - B. Area of home to be re-painted.
 - C. Photograph of your home and homes on either side (in most cases, adjacent homes cannot be painted the same color).
4. Storm windows and doors must be made of anodized bronze or anodized aluminum with baked enamel finish compatible with the primary and trim colors of the house. The Form must contain the following information:
 - A. Picture or drawing of all windows or doors on which storm windows or doors will be installed;
 - B. Picture depicting the style of storm window or door to be installed; and
 - C. Color.
5. If County authorities make any changes to the plans as approved by the Covenants Committee, the owner must submit changes for re-approval, prior to construction.
6. A Form must be submitted for all tennis courts. Lighted courts (other than the neighborhood courts) are not allowed.
7. Detached buildings will be considered only for lots sized one (1) acre or more.
 - A. Detached buildings must be located within the extended right and left sides of the home.
 - B. Detached buildings shall be limited to 400 square feet.
 - C. Detached buildings may not be used for any purpose that may be deemed by the Board of Directors or its designee to cause disorderly, unsightly, or unkempt conditions. Detached buildings may not be used for living space.
 - D. Detached building exterior materials must match the architectural character of the home, and be built with the same type of materials.
 - E. Plastic or metal storage sheds or other structures are not allowed.
8. Owners are advised that a building permit may be required for certain exterior building alterations.
9. A Form must be submitted for all dog houses, including a site plan denoting location, dimensions, materials, and color. All dog houses must be located where they will have a minimal visual impact on adjacent properties.
 - A. Materials must be cedar, cypress, or #2 or better pressure treated wood.
 - B. Color must be natural, stained, or painted to match the exterior of the home.
 - C. No plastic or metal dog houses are allowed.

STANDARD NUMBER 12

Vehicles, Parking, and Traffic

1. Except for passenger, non-commercial vehicles, no boat, trailer, camper, recreational vehicle, or any other type vehicle may be parked or stored in open view on residential property for longer than a twenty-four (24) hour period.
2. All vehicles parked in open view and not in a garage must be operable and may not be unsightly.
3. No vehicle may be parked on any yard. Parking of vehicles on the street is prohibited. Temporary parking (four (4) hours or less) is allowed if not a nuisance to neighbors or an impediment to traffic flow. Homeowners are responsible for guest parking and must insure that guests park in a safe manner and do not impede access to other driveways and traffic.
4. All vehicle operators should observe all local, County, and State traffic regulations at all times while in the Neighborhood.
5. The operation of golf carts, motorized scooters, non-licensed mopeds or mini-bikes, and ATVs is not allowed on streets, sidewalks, paths, or common areas, except for the use of golf carts on designated paths.

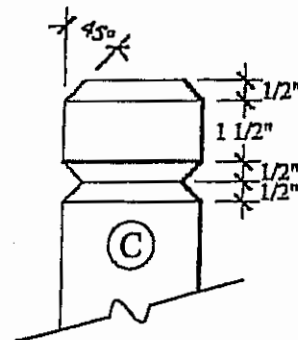
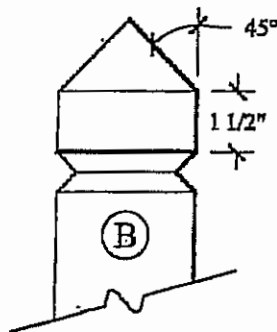
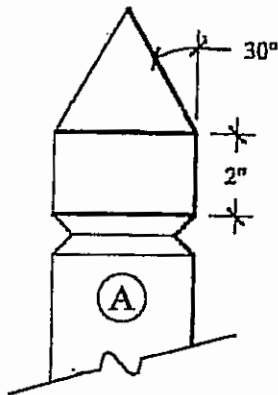
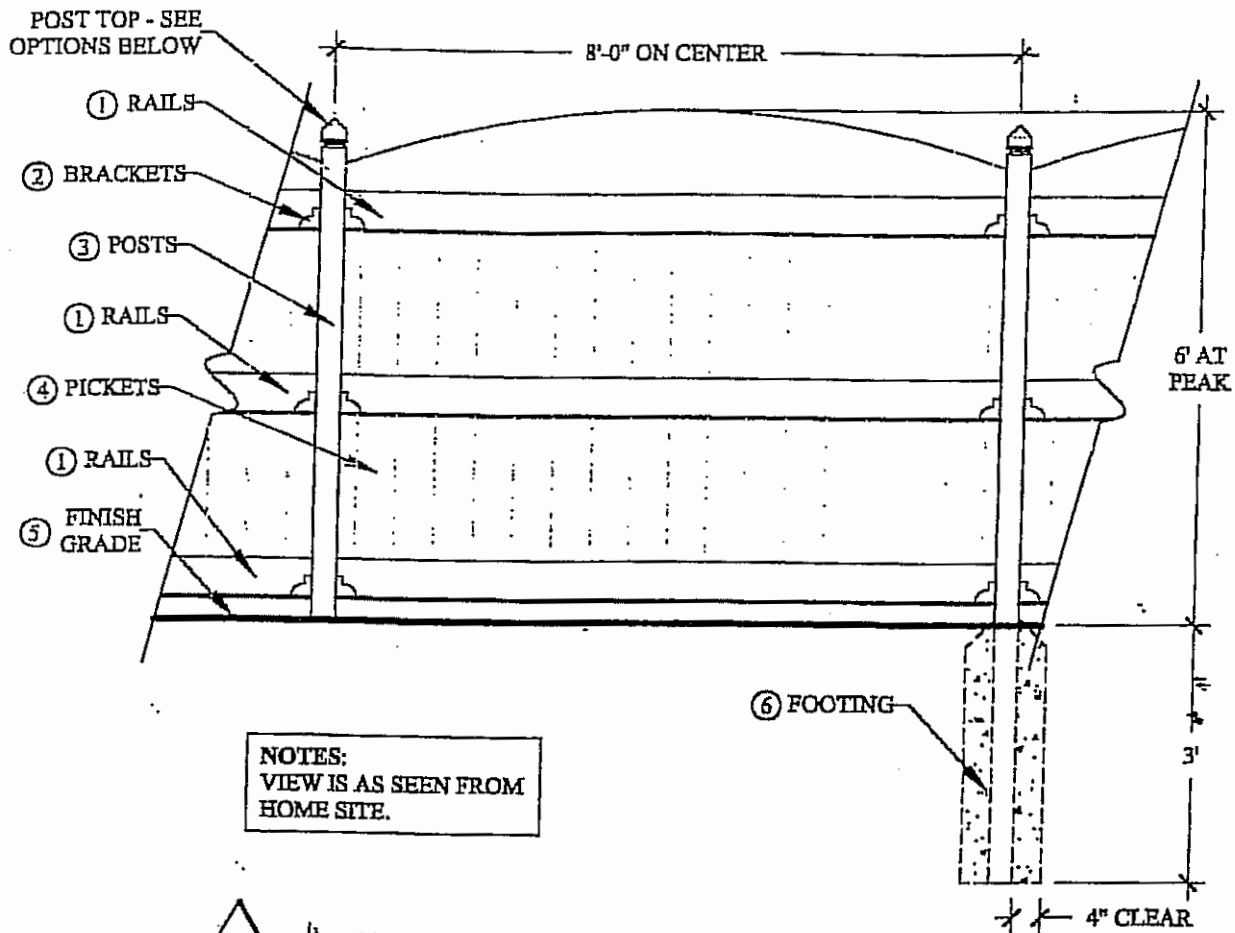
STANDARD NUMBER 13

Satellite Dishes

1. No transmission antennas or satellite dishes of any kind, and no direct broadcast satellite (DBS) antennas or multi-channel, multi-point distribution service (MMDS) antennas larger than one (1) meter in diameter, shall be placed, allowed, or maintained upon any portion of the Neighborhood, including any Lot, without the prior written consent of the Board of Directors or its designee. DBS and MMDS antennas and satellite dishes one (1) meter or less in diameter and television broadcast service antennas may be installed only if reasonably screened and located as approved by the Board of Directors or its designee and installed in accordance with the rules and regulations of the Federal Communications Commission and of the Association, both as may be amended from time to time. However, the Board and Declarant and its affiliates reserve the right to (but shall not be obligated to) erect any type and size of master antenna, satellite dish, or other similar master system for the benefit of the Neighborhood. Each Owner and Occupant acknowledges that this provision benefits all Owners and Occupants and each Owner and Occupant agrees to comply with this provision despite the fact that the erection of any individual outdoor antenna or similar device would be the most cost-effective way to receive the signals sought to be received.
2. A standard modification Form must be submitted for any installation of more than one satellite dish or antenna
3. A satellite dish or antenna may be mounted only on the ground of the owner's property, the rear exterior wall of the house, or the roof.
4. Placement should be between the right and left sides of the house and behind the center-line or peaks of the roof of the house.

5. In all cases, the satellite dish or antenna shall be located so that it is not visible from the street. Mounting at the roof ridge or on the chimney above the ridge is not allowed.
6. If a rear mounted location is not feasible due to poor quality of reception or the orientation of the house, a Form must be submitted, and is subject to approval by the Covenants Committee prior to installation. A sidewall location may be approved if the following Standards are met:
 - A. Located near existing air conditioning condensers, gas meter, and electric meter;
 - B. Mounted on the wall with the top of the device no higher than five (5) feet above grade;
 - C. Mounted on the ground within five (5) feet of air conditioning condensers, gas meter, and electric meter, and within two (2) feet of house sidewall.
 - D. Color of device shall be utility gray or similar color to match adjacent utility devices; and
 - E. Ground mounted devices shall be screened from street view by adequate and approved landscaping materials.

EXHIBIT 'A' 6 FOOT WOOD PRIVACY FENCE DETAILS

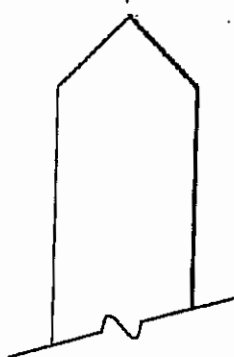
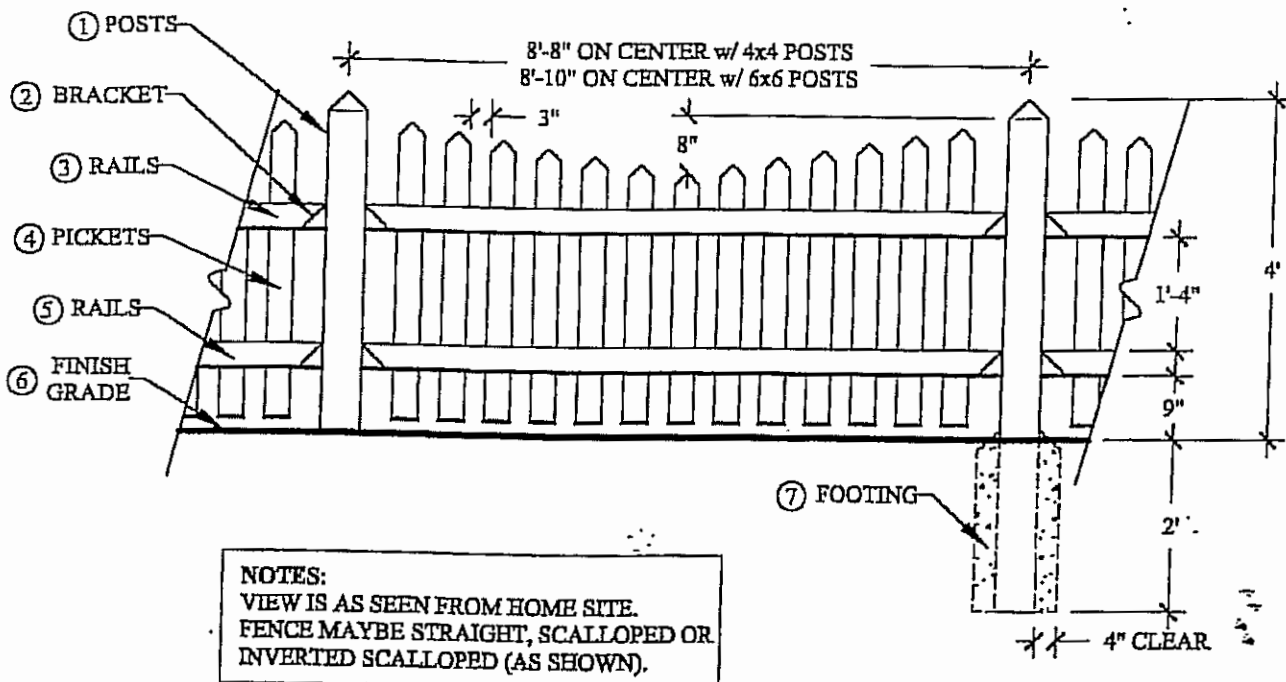


POST TOP OPTIONS

NOTES:

1. 2x4 OR 2x6 CEDAR, CYPRESS OR PRESSURE TREATED RAIL.
2. FENCE RAIL BRACKET CENTERED ON POST.
3. 4x4 OR 4x6 OR 6x6 PRESSURE TREATED POST.
4. 1x6 SMOOTH PICKETS WITH SMOOTH SIDE FACING OUT. PICKETS MAY BE PLACED WITH NO GAP OR WITH ONE INCH OVERLAP SHADOWBOX STYLE.
5. FINISHED GRADE WITH 3 INCH CLEARANCE BETWEEN GRADE AND BOTTOM RAIL. MAINTAIN 12 INCH WIDE PINE STRAW BED (6 INCHES EITHER SIDE) UNDER ENTIRE LENGTH OF FENCE.
6. CONCRETE FOOTING.

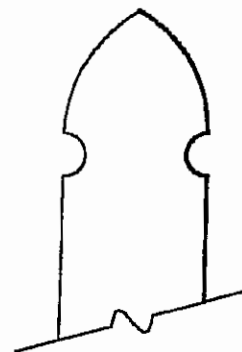
EXHIBIT 'B' PICKET FENCE DETAILS



45° CUT



DOG EAR



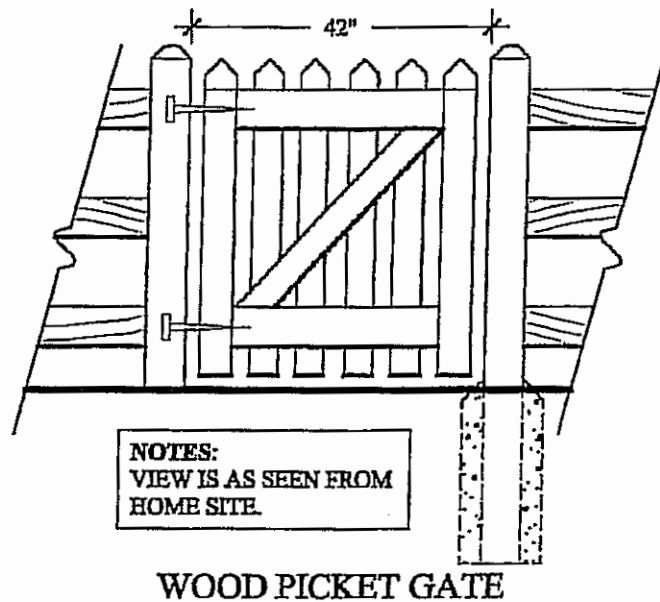
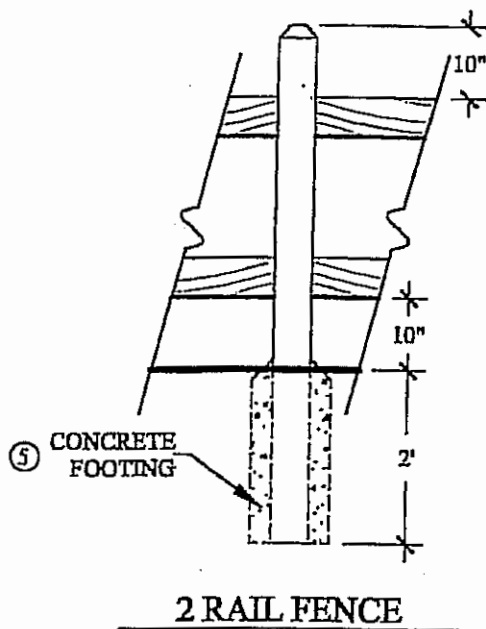
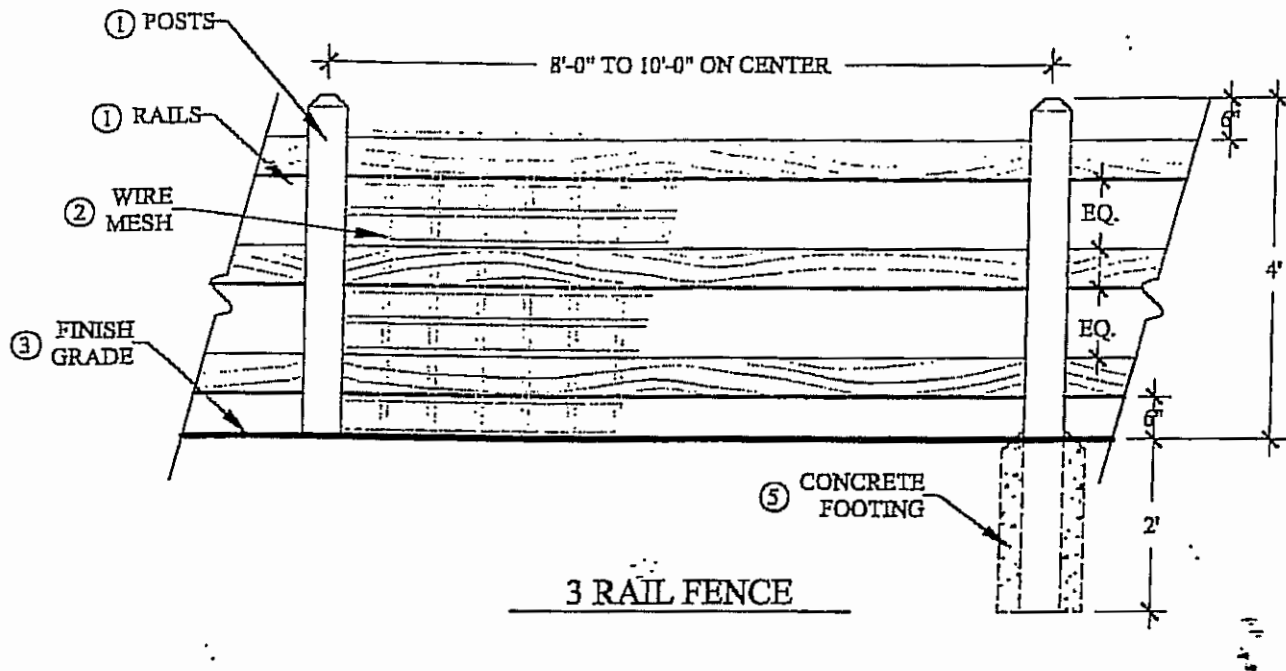
GOTHIC

PICKET TOP OPTIONS

NOTES:

1. 4x4 OR 4x6 OR 6x6 VINYL OR PRESSURE TREATED POST.
2. FENCE RAIL BRACKET CENTERED ON POST.
3. 2x4 CEDAR, CYPRESS, VINYL OR PRESSURE TREATED RAIL.
4. 1x4 PRESSURE TREATED PINE OR SMOOTH CEDAR (SMOOTH SIDE FACING OUT) OR VINYL PICKETS.
5. 2x4 OR 2x6 PRESSURE TREATED PINE OR VINYL BOTTOM RAIL.
6. FINISHED GRADE WITH 3 INCH CLEARANCE BETWEEN GRADE AND BOTTOM RAIL. MAINTAIN 12 INCH WIDE PINE STRAW BED (6 INCHES EITHER SIDE) UNDER ENTIRE LENGTH OF FENCE.
7. CONCRETE FOOTING.

EXHIBIT 'C' SPLIT RAIL FENCE DETAILS

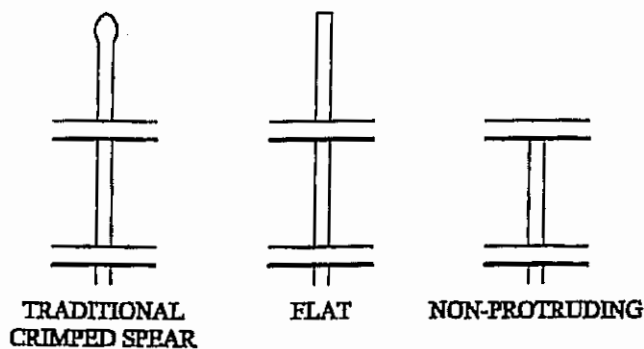
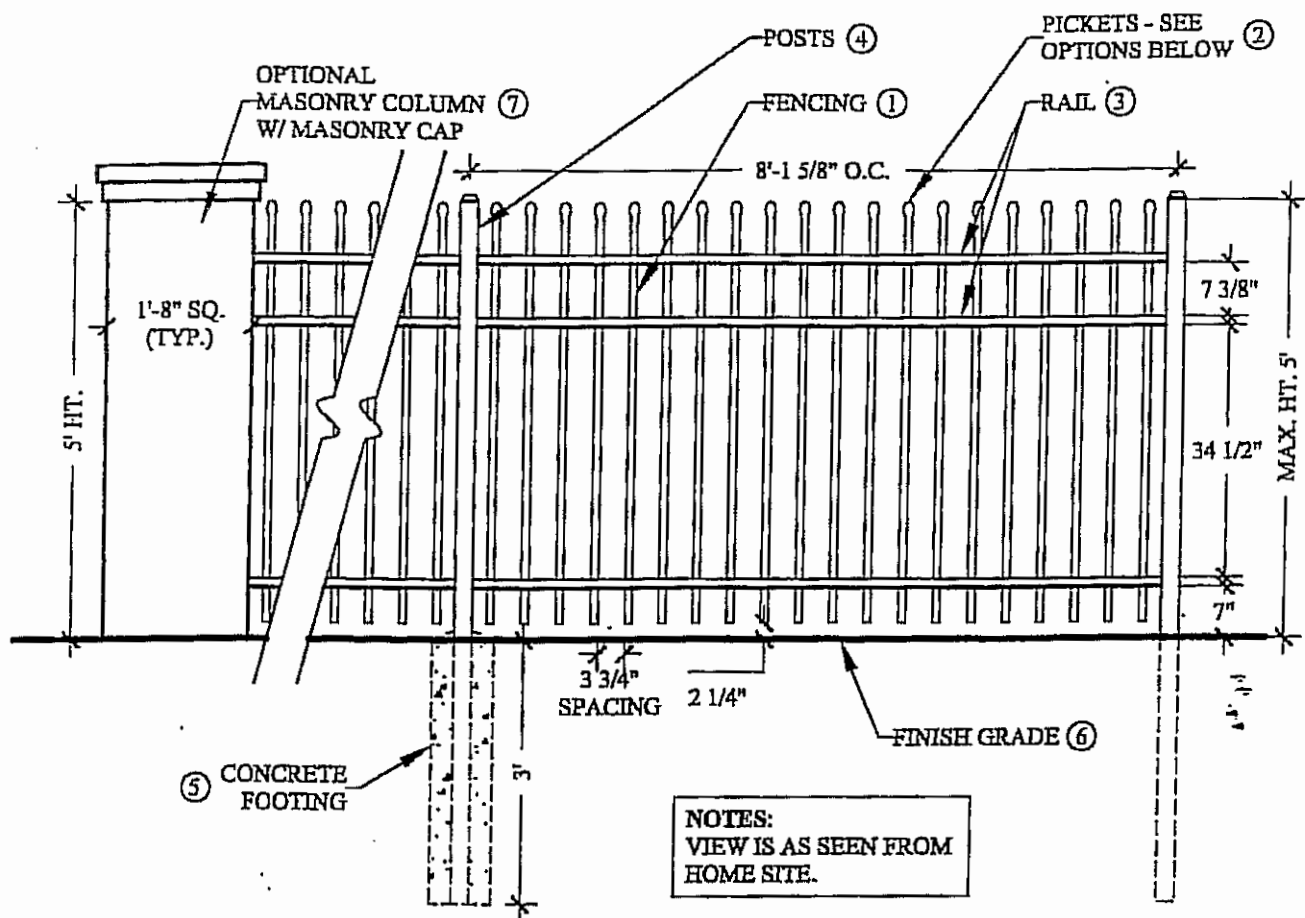


NOTES:
VIEW IS AS SEEN FROM
HOME SITE.

NOTES:

1. CEDAR, CYPRESS OR PRESSURE TREATED PINE SPLIT RAILS.
2. 6x6 OR 2x4 GALV. WELDED WIRE MESH w/ BLACK VINYL COATING STAPLED TO HOUSE SITE SIDE OF FENCE.
3. FINISHED GRADE. MAINTAIN 12 INCH WIDE PINE STRAW BED (6 INCHES EITHER SIDE) UNDER ENTIRE LENGTH OF FENCE.
4. 4x4 OR 6x6 PRESSURE TREATED POSTS.
5. CONCRETE OR TAMPED EARTH FOOTING.

EXHIBIT 'D' BLACK WROUGHT IRON / ALUMINUM / STEEL FENCE DETAILS



PICKET TOP OPTIONS

NOTES:

1. ALL FENCING SHALL BE BLACK WROUGHT IRON, ALUMINUM OR STEEL.
2. 1/2" PICKETS MINIMUM. PICKETS SHALL BE STRAIGHT UP AND DOWN WITH NO CURVES AT TOP AND/OR BOTTOM. NO ADD-ON PICKET TIPS ALLOWED.
3. OPTION OF ONE OR TWO TOP RAILS.
4. 2 1/2" POSTS.
5. MINIMUM OF 3" CONCRETE AROUND POST.
6. MINIMUM CLEARANCE BETWEEN GRADE AND BOTTOM PICKET SHALL BE 1".
7. MASONRY COLUMNS MAY BE ADDED TO THE CORNERS OF THE FENCING. NO LIGHTING OR OTHER ORNAMENTAL FIXTURES MAY BE ADDED TO COLUMNS. COLUMN MASONRY TO MATCH MASONRY ON RESIDENCE. FENCING SHALL BE CENTERED ON THE COLUMN.