

Article 7  
Use Restrictions and Rules

7.1 Rules and Regulations. The Board of Directors may, from time to time, with the consent of the Declarant and without a vote of the members, promulgate, modify or delete reasonable rules and regulations applicable to the Community. Such rules and regulations shall be distributed to all Owners prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled or modified by a majority of the Total Association Vote and the Declarant.

7.2 Residential Use. Each Unit shall be used for residential purposes exclusively. Leasing of a Unit for residential occupancy in accordance with Article 8 hereof shall not be considered a business or business activity. No trade or business of any kind may be conducted in or from a Unit, except that the Owner or Occupant residing at the Unit may conduct business activities within the residential dwelling located thereon so long as the business activity: (a) does not otherwise violate the provisions of the Declaration, Bylaws or rules and regulations of the Association; (b) is not apparent or detectable by sight, sound or smell from the exterior of the Unit; (c) does not unduly increase traffic flow or parking congestion; (d) conforms to all zoning requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; (h) does not threaten the security or safety of other residents of the Community; (i) does not involve door-to-door solicitation within the Community; and (j) does not involve regular visitation of the Unit by employees who do not reside at the Unit, clients, customers, suppliers or other business invitees, all as may be determined in each case in the sole discretion of the Board of Directors. The Board may issue rules regarding permitted business activities. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) the activity is engaged in full or part-time; (y) the activity is intended to or does generate a profit; or (z) a license is required for the activity. Notwithstanding the foregoing, nothing in this Section 7.2 shall be construed as prohibiting the Declarant, Approved Developer or any builder approved by Declarant from maintaining model homes, speculative housing, sales trailers or construction trailers within the Community.

7.3 Signs. No sign of any kind shall be erected or displayed within the Community without prior written approval under Article 6; provided, however, the following signs may be erected on any Unit without approval: (a) one professionally lettered for-sale sign and one (1) security sign not larger than 16 square inches, each of which shall be consistent with the Community-Wide Standard; provided, however, the Board or its designee may require that the sign be displayed only from within the dwelling structure; (b) signs required by legal proceedings; (c) one (1) "life event" sign commemorating a birth, graduation, or similar life event for a period not to exceed seven (7) days from the date of the event; and (d) such other

signs as may be permitted under the Architectural Guidelines. Notwithstanding the foregoing, the Board, on behalf of the Association, and the Declarant shall have the right to erect and display reasonable and appropriate signs, including, without limitation, signs relating to the development, construction, marketing or sales of residential dwellings located on Units in the Community. The Board of Directors shall also have the right to adopt reasonable rules and regulations governing the display and placement of signs in the Community, including, without limitation, imposing reasonable time, place and manner restrictions. The Board or Declarant, as the case may be, may impose a fine, in an amount determined by the Board of Directors, for the display of any sign which violates this provision and is not removed within twenty-four (24) hours after written demand is delivered to the Owner at that Unit. The provisions of this Section shall not apply to any Mortgagee in possession due to foreclosure of a first Mortgage or as grantee pursuant to any deed in lieu of such foreclosure.

#### 7.4 Vehicles: Parking.

(a) General. Vehicles shall be parked only in appropriate parking spaces serving the Unit or other designated parking areas established by the Board, if any. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go carts, golf carts, trucks, campers, buses, vans and automobiles. The term "parking spaces serving the Unit" shall refer to the number of garage parking spaces. All parking shall be further subject to such reasonable rules and regulations as the Board may adopt from time to time.

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

(c) Disabled and Stored Vehicles. No vehicle may be left upon any portion of the Community, except in an enclosed garage or other area designated by the Board, if any, for a period of more than five (5) days if it is not licensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle may be removed from the Community by the Board of Directors or the appropriate authority of Fulton County. No towed vehicle, boat, personal watercraft, recreational vehicle, motor home, trailer, motorcycle, minibike, scooter, go cart, golf cart, commercial vehicle, camper, bus or mobile home shall be regularly stored in the Community or temporarily kept in the Community, except if kept in an enclosed garage or other area designated by the Board, if any, for periods longer than twenty-four (24) hours (the temporary removal of such vehicle from the Community shall not be sufficient to establish compliance with the twenty-four (24) consecutive hour provision provided for herein). Trucks with mounted campers which are used as a primary means of transportation shall not be considered recreational vehicles provided they are used on a regular basis for transportation and the camper is stored in the garage upon removal. No

eighteen wheel trucks or the cabs of such trucks or trucks with a load capacity in excess of three-quarters of a ton shall be parked, kept or stored within the Community except as may be reasonably necessary to provide service to or delivery within the Community or as otherwise permitted by the Board of Directors.

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

(e) Remedies of the Association for Noncompliance. 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 or agent of the Association may cause the vehicle to be towed or booted, subject to compliance with applicable law, including any notice required thereby. The notice may be a general notice by signage or may be placed on the vehicle, if and as allowed under applicable law, as the case may be. If a vehicle is parked in a fire lane, is blocking another vehicle, is obstructing the flow of traffic, is parked on any landscaped area or otherwise creates a hazardous condition, the Board or agent of the Association may have the vehicle towed immediately, subject to compliance with applicable law. If a vehicle is towed or booted in accordance with this subparagraph and applicable law, neither the Declarant, the Association nor their respective affiliates, directors, officers, employees, representatives or agents shall be liable to any person for any claim of damage as a result of the towing or booting activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

(f) Declarant and Approved Developer Exemption. Notwithstanding anything to the contrary in this Section 7.4, the Declarant, Approved Developer and their respective agents, subcontractors and assigns shall have the right, during regular business hours, to park vehicles anywhere in the Community, including, without limitation, on the private Community streets and the Common Property, as needed in order to facilitate the construction, development, maintenance and build out of the Community.

7.5 Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on any Unit, with the exception of dogs, cats or other usual and common household pets in a reasonable number as determined by the Board from time to time in its sole discretion. No animals shall be kept, bred or maintained for any commercial purpose. No dog runs, invisible fences, runners or exterior pens for animals shall be erected or maintained on any Unit unless approved in accordance with the provisions of Article 6 hereof. Pet doors leading to the outdoors shall not be permitted on any Unit in the Community unless approved in accordance with the provisions of Article 6 hereof. Dogs shall at all times when outside of a dwelling

located on a Unit be kept on a leash or otherwise under the physical control of a responsible person. All Owners must control their animals at all times, whether or not such Owner is present, in a manner that will prevent any animal from: (a) making noise at objectionable sound levels for extended periods of time, whether continuously or intermittently; (b) endangering the health or safety of other Owners, their families, guests or invitees or creating fear in other Owners as to the safety of themselves, their families, guests or invitees; or (c) otherwise constituting a nuisance or inconvenience to the Owner(s) or Occupant(s) of any other Unit; all of the foregoing as determined by the Association in its sole discretion. The Association may require that an Owner remove any animal that presents an actual threat to the health or safety of residents and require abatement of any nuisance or unreasonable source of annoyance. In the event that the Owner fails to remove an animal as provided herein, the Association shall have the right, but not the obligation, to institute legal action to have the animal removed and all costs associated therewith, including, without limitation, reasonable attorneys' fees actually incurred, shall be a specific assessment against the Unit of such Owner.

All animals shall be registered, licensed and inoculated if and as required by law. Animal control authorities shall be permitted to enter the Community to patrol and remove unlicensed animals. Animal waste deposited in the Community must be removed by the owner of the animal or the person responsible for the animal. The Association may adopt reasonable rules and regulations designed to minimize damage and disturbance to other Owners and Occupants, including regulations requiring damage deposits, waste removal, leash controls and noise controls.

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

the Declarant, Approved Developer and their agents, subcontractors or employees may engage in construction activities on one or more Units in the Community and further agrees that such construction activities shall not be deemed a nuisance as provided herein.

7.7 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. This Section shall not apply to Declarant and its' agents, subcontractors, employees or assigns during the initial construction of a residential dwelling on a Unit.

7.8 Antennae. No exterior antenna, receiving dish or similar apparatus of any kind for receiving and/or transmitting audio or video signals shall be placed, allowed or maintained upon any portion of the Community, including any Unit, unless approved in accordance with the provisions of Article 6 hereof or otherwise permitted by the Architectural Guidelines; provided, however, no approval shall be necessary to install the following on a residential dwelling located on a Unit: (a) antennae designed to receive direct broadcast satellite services, including direct-to-home satellite services or antenna designed to receive or transmit fixed wireless signals via satellite, that are one meter or less in diameter; (b) antennae designed to receive video programming services via multi-point distribution services or antenna designed to receive or transmit fixed wireless signals other than via satellite that are one meter or less in diameter or diagonal measurement; or (c) antennae that are designed and intended to receive television broadcast signals. Owners shall install any permitted antennae on the rear of the residential dwelling located on a Unit unless such installation: (x) imposes unreasonable delay or prevents the use of the antennae; (y) unreasonably increases the cost of installation; or (z) an acceptable quality signal cannot otherwise be obtained.

7.9 Fences. No fence or fencing type barrier of any kind, including, without limitation, an invisible fence, shall be placed, erected, allowed or maintained upon any Unit or Common Property unless approved in accordance with the provisions of Article 6 hereof. Notwithstanding the foregoing, Declarant and the Association may erect any type of fence on the Common Property or elsewhere within the Community as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for the health and safety of Owners and Occupants.

7.10 Air-Conditioning Units. No window air conditioning units may be installed on any Unit.

7.11 Lighting and Display. Exterior lighting on any Unit visible from the street shall not be permitted, except for: (a) approved lighting as originally installed on a Unit; (b) street lights in conformity with an established street lighting program for the Community; (c) seasonal decorative lights for a period of thirty (30) days from the date of installation; (d) front house illumination of model homes; or (e) other lighting approved under and pursuant to Article 6 hereof or as may be otherwise permitted as provided in the Architectural Guidelines. Religious or holiday symbols and decorations may be displayed on a Unit of the kinds normally displayed

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

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

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

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

7.15 Clotheslines. No exterior clotheslines of any type shall be permitted in the Community.

7.16 Window Treatments. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades or for any other purpose. The side of all window treatments which can be seen at any time from the outside of any structure located on a Unit must be white, off-white or such other color(s) as may be permitted in the Architectural Guidelines or approved in accordance with Article 6 hereof. Bed sheets, blankets, towels, black plastic, paper and similar type items shall not be used as window treatments.

7.17 Storm and Screen Doors and Windows: Pet Doors. Owners shall not add storm and screen doors and storm windows on any Unit without prior approval in accordance with the provisions of Article 6 hereof. No animal door and/or pet door of any type shall be installed on any Unit unless approved in accordance with the provisions of Article 6 hereof.

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

7.19 Garbage Cans, Firewood, Etc. All garbage cans, recycling bins, firewood and other similar items shall be stored within the garage serving the Unit or otherwise stored in a location so as to be concealed from view from the private Community streets and neighboring streets and property. All rubbish, trash, garbage, recycling materials and yard waste shall be regularly removed and shall not be allowed to accumulate. Trash, recycling and yard waste 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 removal, recycling and yard waste pick-up shall also be subject to such reasonable rules and regulations as the Board of Directors may adopt from time to time in its sole discretion.

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

7.21 Heating of Units in Colder Months. In order to prevent the breakage of water pipes during colder months of the year resulting in damage to Units, increased common expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within all Units shall be maintained with the heating operating and at a minimum of fifty degrees (50°) Fahrenheit when the temperature is forecasted to or does reach thirty-two degrees (32°) Fahrenheit or below. Owners shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working

order and repair. If the heating equipment is not working, the Owner shall: (a) immediately inform the Association and the Owners of the other Units of such equipment failure and of the time needed in order to repair the equipment; and (b) take reasonable steps to keep the Unit heated sufficiently to prevent the breakage of water pipes.

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

7.23 Traffic Regulations. All vehicular traffic on the private Community streets shall be subject to the provisions of state and local laws concerning the operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including imposing reasonable safety measures and speed limits. The Association shall be entitled to enforce the same by establishing such enforcement procedures as it deems appropriate, including levying and collecting fines for the violations thereof. 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 private Community streets shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.

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

7.25 Decks, Patios, Porches and Balconies. No laundry, garments, towels or objects other than potted plants, grills, umbrellas and patio furniture, shall be placed on a deck, patio, porch or balcony, except as may be authorized by the Board of Directors. The use of grills and other like equipment, including, without limitation, smokers, shall only be permitted in accordance with applicable municipal, county and state ordinances and laws and fire codes, as well as the requirements of the Association's insurance policies. No outdoor grills are permitted indoors or inside any garage area. Grills shall be covered with grill covers when not in use. Grill and outdoor furniture covers shall be removable and of a type and color consistent with the Community-Wide Standard. Objects shall not be permitted to hang over or be attached to any deck, patio, porch or balcony or to otherwise protrude outside of the vertical plane formed by the

exterior surface of any deck, patio, porch or balcony located on or appurtenant to a Unit. No deck, patio, balcony or porch shall be enclosed without prior approval in accordance with the provisions of Article 6 hereof. No awnings, tents or canopies shall be placed on or affixed to a Unit.

7.26 Exterior Drapery. No exterior drapery shall be permitted unless approved in accordance with Article 6 hereof.

7.27 Exterior Speakers. No exterior speakers or other sound devices, except security devices used exclusively for security purposes, shall be permitted on any Unit unless approved in accordance with Article 6 hereof. In the event exterior speakers or sound devices are approved in accordance with Article 6 hereof, when in use, sounds shall be kept at audible levels which do not disturb other Owners or Occupants.

7.28 Impairment of Units and Easements. An Owner shall take no action that will impair the structural soundness or integrity of any Unit or impair any easement or other interest in real property, nor allow any condition to exist which will materially adversely affect the other Units or their Owners or Occupants.

7.29 Abandoned Personal Property. Personal property, other than vehicles as provided for in Section 7.4 hereof, is prohibited from being stored, kept, or allowed to remain unattended upon any portion of the Common Property, without prior written Board permission. If the Board determines that a violation exists, then, not less than twenty-four (24) hours after written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Board may remove the personal property and either discard or store the personal property in a location determined by the Board, and the Board shall have no obligation to return or replace such property or reimburse the owner of the property. The notice shall include the name and telephone number of the Person which will remove the property and the name and telephone number of an individual to contact regarding the alleged violation. In the event that the Board removes personal property as provided herein, the Owner shall be responsible for all costs associated therewith, including, without limitation, any reasonable attorneys' fees actually incurred and such costs shall be a specific assessment against the Unit.

The Board, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the location of the property within three (3) days after the property is removed.

The Association and any director, officer, employee or agent thereof shall not be liable to any Person for any claim of damage resulting from the removal of any personal property in accordance with the procedures set forth herein. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

7.30 Use of Trail System. Each Owner and Occupant acknowledges that the members of the general public will have the right to enjoy the Trail System located within the Community. Owners and Occupants, as well as their invitees and guests, shall refrain from any actions which deter from the enjoyment of the Trail System by other Owners and Occupants and the members of the general public. The Board of Directors shall have the right to adopt rules and regulations governing the use of the Trail System. The Declarant, without a vote of the members, Approved Developer, without a vote of the members, and the Association, acting through the Board, without a vote of the members, but with the consent of the Declarant and Approved Developer, shall each have the right to enter into agreements with the City of Alpharetta, Fulton County, Georgia, or such other Persons to establish certain easements, covenants and obligations with respect to the use, operation and maintenance of the Trail System, including, without limitation: (a) easements in favor of the general public across the Trail System; (b) covenants setting forth certain rules and regulations governing the use of the Trail System; and (c) agreements to establish maintenance and cost-sharing obligations with respect to the Trail System. Owners and Occupants agree to comply with any rules and regulations governing the use of the Trail System. The Association, the Declarant, Approved Developer and their respective officers, directors, members, employees, representatives or agents shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the Trail System.

7.31 Storm Water Detention/Retention Ponds, Creeks and Streams. Except as herein provided, all storm water retention/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, Approved Developer 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 the any storm water detention/retention pond, creek or stream 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 body of water located within the Community. Applicable governmental agencies, the Declarant, Approved Developer, and the Association, shall have the sole right to control the water level of all 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 storm water detention/retention pond, creek and stream within the Community. Owners shall have no riparian or littoral rights with respect to the waters in any creek or stream within the Community and shall not be permitted to withdraw water from any creek or stream as may exist in the Community without the prior written consent of the Board of Directors.

## Article 8 Restriction on Leasing

8.1 General. In order to protect the equity of the individual Owners, to carry out the purpose for which the Association was formed by preserving the character of the Community as a homogenous residential community of predominantly owner-occupied homes and by

preventing the Community from assuming the character of a renter-occupied neighborhood, to comply with site specific zoning conditions for the Community, and to comply with the eligibility requirements for financing in the secondary mortgage market insofar as such criteria provide that the project be substantially owner-occupied, leasing of Units shall be governed by the restrictions imposed by this Article.

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

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

**8.2 Leasing Permits.** Any Owner desiring to lease a Unit shall submit a written request regarding the same to the Board of Directors. The Board of Directors shall automatically approve an Owner's application for a leasing permit and shall issue the same if less than ten percent (10%) of the Units in the Community are leased. If ten percent (10%) or more of the Units in the Community are leased, no additional leasing permits shall be issued, except for hardship leasing permits as provided below, until that number falls below ten percent (10%). Owners who have been denied a leasing permit shall be placed on a waiting list to be issued such a permit. When the number of leased Units falls below ten percent (10%), the Owner at the top of the waiting list shall be issued a leasing permit and shall have ninety (90) days to lease such Unit at which time if the Unit is not leased, the leasing permit shall be revoked and the Owner shall automatically be placed at the bottom of the waiting list. Notwithstanding anything to the contrary herein, the issuance of a hardship leasing permit to an Owner shall not cause such Owner to be removed from the waiting list for a leasing permit.

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

**8.3 Hardship Leasing Permits.** If an Owner must lease such Owner's Unit to avoid an undue hardship, the Owner shall apply to the Board in writing for a hardship leasing permit. The Board may issue or deny requests for hardship leasing permits in its discretion after considering the

following factors, which include, but are not limited to: (a) the nature, degree and likely duration of the hardship; (b) the harm, if any, which will result to the Community if the hardship leasing permit is approved; (c) the number of hardship leasing permits which have been issued to other Owners; (d) the Owner's role in causing the hardship or ability to cure the hardship; and (e) whether previous hardship leasing permits have been issued to the Owner.

A hardship hereunder shall include, but not be limited to, the following situations: (a) an Owner dies and the Unit is being administered by such Owner's estate; (b) an Owner must relocate outside metropolitan Atlanta and cannot, within six (6) months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value, after making reasonable efforts to do so; or (c) an Owner takes a leave of absence or temporarily relocates out of the metropolitan Atlanta area and intends to return to reside in the Unit within one (1) year.

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

8.4 Transient Rentals. Notwithstanding anything herein to the contrary, under no circumstance shall a Unit be leased, rented or used for short-term transient or hotel purposes or rented through short-term internet rental services, including, without limitation, VRBO, Airbnb, HomeAway, or such other similar rental services.

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

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

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

(c) Compliance; Liability for Assessments. If a Unit is leased or occupied in violation of this Article, then the Board of Directors shall be authorized, in addition to all other available

remedies, to terminate the lease and occupancy, and to suspend all voting rights and the right to use and enjoy the Common Property of the Owner and any unauthorized tenants(s) or Occupant(s). Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

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

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

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

(ii) Liability for Assessments; Assignment of Rent. If an Owner who is leasing such Owner's Unit fails to pay any general, special or specific assessment or any other charge owed to the Association for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board of Directors, lessee shall pay to the Association all unpaid general, special and specific assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board of Director's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board of Director's request to pay assessments or other charges, lessee shall pay to the Association all amounts authorized under the Declaration as if lessee were an Owner. The above provision shall not be construed to

release the Owner from any obligation, including the obligation for assessments, for which such Owner would otherwise be responsible.

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

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

## Article 9 Insurance and Casualty Losses

9.1 Insurance Obtained by the Association. The Board of Directors 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 5 hereof; however, insurance carried by the Association hereunder shall not cover or include: (a) any part of a Unit; (b) an Owner's or Occupant's personal property; or (c) public liability insurance for individual Owners for liability arising within the Unit. Insurance obtained and maintained by the Association shall cover loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief and shall be in the amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all risk" or comparable coverage in like amounts. The Association's insurance policy 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 equals at least the replacement cost of the insured property. The Board shall make available for review by Owners a copy of the Association's insurance policy to allow Owners to assess their personal insurance needs, and each Owner shall have the right to obtain additional coverage at such Owner's own expense.

The Board of Directors shall obtain a commercial general liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, directors' and officers' liability insurance. The commercial general liability policy shall have a combined single limit of at least One Million and No/100 Dollars (\$1,000,000.00). Policies may contain a reasonable deductible as determined by the Board of Directors.

Premiums for all insurance obtained by the Association hereunder shall be a common expense of the Association. All insurance purchased by the Association pursuant to this Section shall run to the benefit of the Association, the Board, the officers, all agents and employees of the Association, the Owners, and their respective Mortgagees, and all other Persons entitled to occupy any Unit, as their interests may appear.