

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
BYLAWS

QUEENSBOROUGH SQUARE
260 Manning Road SW
Marietta, Georgia
United States of America

Amended and Restated

19 May 2009

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

QUEENBOROUGH SQUARE

The undersigned hereby declare that all of the Property shall be held, used, sold, and conveyed subject to the following easements, restrictions, covenants, conditions, and charges, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Properties. These easements covenants, restrictions, conditions, and charges shall be appurtenant to, and shall pass with the title to the Properties and shall be binding on all parties having or acquiring any right, title, or interest in the Properties, or any part thereof, and shall inure to the benefit of each owner thereof and his or her successors, heirs, or assigns and the Queensborough Square Association, Inc.

Article I **DEFINITIONS**

Section 1 - "Association" shall mean and refer to Queensborough Square Association, Inc., a Georgia nonprofit corporation, its successors and assigns.

Section 2 - "Properties" or "Property" shall mean and refer to the real property described in Exhibit "A" attached hereto and incorporated herein by this reference.

Section 3 - "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4 - "Common Area" shall mean all personal and real property (including improvements thereto) now or hereinafter owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of recordation of this Restated Declaration is that tract or parcel of land shown on that certain plat recorded in Plat Book 72, Page 121, of the Cobb Count: Georgia Records, less and except the individual lots shown thereon.

Section 5 - "Lot" shall mean a portion of the Properties intended for independent ownership and use as may be set out in this Declaration, and as shall be shown on the plats of survey recorded in Plat Book 44 Page 90; Plat Book 63, Page 34; and Plat Book 72, Page 121; of the Cobb County, Georgia records with the: exception of the Common Area.

Section 6 - "Act" means the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, *et seq.* (Michie 1982), as may be amended.

THIS AMENDMENT SUBMITS THE PROPERTY TO THE PROVISIONS OF THE GEORGIA PROPERTY OWNERS ASSOCIATION ACT, O.C.G.A. § 44-3-220, ET SEQ (the "Act")

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Section 7 - “Association Legal Documents” means this Declaration and all exhibits hereto, the By-Laws, the Articles of Incorporation, the plats and all rules and regulations and architectural guidelines for the Association, all as may be supplemented or amended.

Section 8 – “Board or Board of Directors” means the body responsible for management and operation of the Association.

Section 9 – “Bylaws” means the Bylaws of Queensborough Square Association, Inc., incorporated herein by this reference.

Section 10 – “Common Expenses” means the expenses incurred or anticipated to be incurred for the general benefit of all Lots, including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Area.

Section 11 – “Director” means a member of the Association’s Board of Directors.

Section 12 – “Eligible Mortgage Holder” means a holder of a first Mortgage secured by a Lot who has submitted a request in writing to the Association to be deemed an Eligible Mortgage Holder. Such notice must include the mortgage holder’s name and address and the Lot number or address of the property in the Community secured by such mortgage.

Section 13 – “Occupant” means any person staying overnight in a dwelling on a Lot for a total of more than 30 days, either consecutive or nonconsecutive, in any calendar year.

Section 14 – “Officer” means an individual who is elected by the Board of Directors to serve as President, Vice President, Secretary, or Treasurer, or to hold such office as may be established by the Board of Directors.

Section 15 – “Townhome” means any building in Queensborough Square located on a Lot and designed and intended for use and occupancy as a single-family residential home.

Section 16 – “Violator” means any Owner who violates the Association Legal Documents and any Owner’s family member, guest or Occupant who violates such provisions; provided, however, if an Owner’s family member, guest or Occupant violated the Association Legal Documents, the Owner of the relevant Lot also shall be considered a Violator.

Article II **PROPERTY RIGHTS**

Section 1 - Owner's Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable admission and other fees for the use of any facility now or hereafter situated or constructed upon the Common Area and to impose reasonable limits on the number of guests who may use the facilities;

(b) The right of the Association to suspend the voting rights and right to use of the facilities of an Owner for any period during which any assessment of the Association against said Owner's

Lot remains unpaid, and for any infraction by an Owner of the Covenants herein contained or the Association's Rules and Regulations for the duration of the infraction and for an additional period thereafter not to exceed thirty (30) days.

(c) The right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, for acquiring additional Common Area, or for constructing, repairing or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a mortgage conveying all or any portion of the Common Area; provided, however, that the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, easements, and privileges herein reserved or established for the benefit of any Owner, or the holder of any mortgage, irrespective of when executed, given by any Owner encumbering any Lot or other property located within Queensborough Square.

(d) The right of the Association to dedicate or transfer all or any portion of the Common Area to any public agency, authority, or utility for such purposes and 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 signed by members having at least two-thirds (2/3) of the votes of the Association.

Section 2 - Delegation of Use. Any Owner may delegate, in accordance with the Bylaws of the Association, his or her right of enjoyment to the Common Area and facilities to the members of his or her family, tenants, and social invitees.

Section 3 - Owner's Right to Ingress Egress, and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Area necessary for access to his or her Lot and shall have the right to lateral support for his or her Lot, and such rights shall be appurtenant to and pass with the title to each Lot.

Section 4 - Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment as between each Lot and such portion or portions of the Common Area adjacent thereto or as between adjacent Lots due to the unwillful placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of the restrictions) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Area or as between said adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, that 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. There shall be reciprocal appurtenant easements for the maintenance and repair of a party wall or walls, if any.

Section 5 - Use of Lots. Except as provided herein below, each Lot shall be used for residential purposes only.

(A) **Residential Use.** Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Property, including business uses ancillary to a primary residential use, except that the Owner or occupant residing in a dwelling on a Lot may conduct such ancillary business activities within that dwelling 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 dwelling; (b) the business activity does not involve visitation of the Lot by employees, clients, customers, suppliers of other business invitees; provided, however, this provision shall not preclude delivery of materials or items by United States Postal delivery or by other customary parcel delivery services (U.P.S., Federal Express, etc.); (c) the business activity conforms to all zoning requirements for the Property; (d) the business activity does not increase traffic in the Property; (e) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (f) the business activity is consistent with the residential character of the Property and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the Board's sole discretion.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the use of a Lot by an onsite management company operating on behalf of the Association shall not be considered a trade or business within the meaning of this subparagraph.

(B) Number of Occupants. The maximum number of occupants in a dwelling on a Lot shall be limited to two (2) people per bedroom in the dwelling. "Occupancy," for purposes hereof, shall be defined as staying overnight in a dwelling for a total of more than thirty (30) days, either consecutive or nonconsecutive in any calendar year. This occupancy restriction shall not apply to require the removal of any person lawfully occupying a dwelling on the date of recording of this document. Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto. If an Owner of a Lot is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the names of the person(s) who will occupy the dwelling on the Lot. The designated person(s) to occupy the dwelling may not be changed more frequently than once every six (6) months.

(C) Leasing of Lots. To preserve the character of the Property and predominantly owner-occupied, the Leasing of Lots is prohibited, except as provided herein. "Leasing" means the occupancy of a Lot by any person(s) other than:

- (1) the Owner or a parent, child or spouse of an Owner (collectively referred to as "Authorized Occupant"); or
- (2) a roommate of an Authorized Occupant, when the Authorized Occupant occupies the Lot as his or her primary residence.

(a) Permitted leasing.

Leasing of Lots is allowed by: (1) a Type 1 Grandfathered Owner; (2) a Type 2 Grandfathered Owner; (3) a non-grandfathered Owner who has received a Leasing Permit as provided below; (4) a non-grandfathered Owner who has received a Hardship Permit as provided below; (5) the Association; or (6) any first Mortgagee who becomes the Owner of a Lot in satisfaction of its Mortgage through foreclosure or any other means. Leasing Permits and Hardship Permits shall be valid only as to a specific Owner and Lot and shall not be transferable between either Lots or Owners (including a subsequent Owner of a Lot where such permit was issued to the Owner's predecessor-in-title).

(1) Leasing Permits

The Board of Directors shall approve an Owner's request for a Leasing Permit if the total number of current, outstanding Leasing Permits plus Grandfathered Lots is less than 7; provided, however, a Leasing Permit shall not be issued to any Owner if the Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, if the Owner is in violation of the Association Legal Documents. A Leasing Permit shall be effective for twenty-four months. If an Owner decided to renew a leasing Permit, they may seek to do so by making application no sooner than one-hundred-eighty (180) days prior to the expiration of the then current permit. If there is a waiting list for Leasing Permits at the time of the application for renewal, the Owner will be placed on the end of the waiting list. Owners who have been denied a Leasing Permit shall be placed on a waiting list to be issued such a permit, if they so desire, when the above conditions have been satisfied. 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.

(2) Hardship Permits

If the inability to lease will result in an undue hardship to the Owner, then the owner may seek to lease on a hardship basis, for a period of twelve consecutive months, by applying to the Board of Directors for a Hardship Permit. Owners must reapply to the Board of Directors prior to the expiration of the initial twelve month period in order to have the Hardship Permit extended for an additional twelve month period. The Board may approve or deny an Owner's request for a Hardship Permit, or an extension of the Hardship Permit, in its discretion after considering the following factors: (1) the nature, degree, and likely duration of the hardship; (2) the harm, if any, which will result to the Property if such permit is issued; (3) the number of outstanding Hardship Permits; (4) the Owner's ability to cure the hardship; and (5) whether previous Hardship Permits have been issued to such Owner; provided, however, a Hardship Permit shall not be issued to any Owner if the Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, if the Owner is in violation of the Association Legal Documents.

A "hardship" as described herein shall include, but not be limited to, the following situations: (1) when the Board determines that an Owner must relocate his or her residence outside the

greater Atlanta metropolitan area and cannot, within six months from the date the Lot was placed on the market, sell the Lot, except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) when the Board determines that an Owner must temporarily relocate out of the metropolitan-Atlanta area for employment purposes and intends to return to reside in the Lot within one year; or (3) an Owner dies and the Lot is being administered by his or her estate.

(3) Expiration and Revocation of Permits

Leasing Permits and Hardship Permits are automatically revoked upon: (1) the sale or transfer of the Lot to a third party (excluding sales or transfers to an Owner's spouse); (2) the failure of an Owner to lease his or her Lot for 90 consecutive days at any time after the issuance of such permit; (3) the Lot is vacant for a period of 90 consecutive days; or (4) the occupancy of the Lot by the Owner. The Board shall have the power to revoke any Leasing Permit or Hardship Permit issued to any Owner if the Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, if the Owner is in violation of the Association Legal Documents.

A Hardship Permit shall be revoked automatically if, during the term of such permit, the Owner is approved for and receives a Leasing Permit.

(b) General Leasing Provisions

(1) Notice and Approval

All leases shall be in writing and in a form approved by the Board of Directors prior to the effective date of the lease. At least seven days before entering into a lease, the Owner shall provide the Board with: (1) a copy of the proposed lease; (2) the names, phone numbers, work locations and work phone numbers of all the proposed Occupants of the Lot; (3) the Owner's primary residence address and phone number, work location and work phone number; and (4) such other information required by the Board. If the form of a lease is disapproved, the Board shall notify the Owner what changes are required to bring the lease into compliance with the Association Legal Documents. Nothing herein gives the Board the right to approve or disapprove a proposed Occupant; the Board's approval or disapproval shall be limited to the form of the proposed Occupant. Within 10 days after executing a lease for a Lot, the Owner shall provide the Board with a copy of the executed lease.

(2) Lease Terms

Lots may be leased only in their entirety; no rooms or fractions of Lots may be leased without written Board approval. There shall be no subleasing of Lots or assignment of lease without written Board approval. All leases must be for an initial term of twelve consecutive months, except with written Board approval.

(3) Liability for Assessments; Compliance

The owner must provide the Occupant copies of the Association Legal Documents. The following provisions are incorporated into each lease of any Lot, whether or not expressly stated

therein, and into the terms of any tenancy of occupancy even if no written lease or agreement exists between the Owner and the Occupant:

a. Compliance with Association Legal Documents

All terms defined in the Declaration of Protective Covenants, Conditions and Restrictions for Queensborough Square are incorporated herein by this reference. The Owner and each Occupant shall comply with all provisions of the Association Legal Documents. The Owner and Occupants are responsible for violations by any guests of the Lot and may be sanctioned for any violation.

If a Lot is leased or occupied in violation of the Association Legal Documents, or if the Owner, Occupant or guest violates the Association Legal Documents, the Association's Board of Directors shall be authorized to take all enforcement actions against the Owner and/or Occupant authorized under the Association Legal Documents.

b. Use of Recreational Facilities

The Owner transfers and assign to the Occupant, for the term of the lease, all rights and privileges the Owner has to use any recreational facilities on the Common Area.

c. Liability for Assessments

When an Owner who is leasing his or her Lot fails to pay an assessment or any other charge to the Association when due, the delinquent Owner hereby consents to the assignment of any rent received from the Occupant during the period of the delinquency. In such case, upon request by the Board, the Occupant shall pay to the Association all unpaid assessments and other charges payable during and prior to the term of the lease and any other period of occupancy. However, the Occupant 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 the Occupant shall reduce, by the same amount, the Occupant's obligation to make monthly rental payments to the Owner. If the Occupant fails to comply with the Board's request to pay assessments or other charges, such failure shall be deemed a violation of the Declaration and, in addition to all other enforcement rights, the Occupant shall pay to the Association all amounts authorized under the Declaration as if the Occupant were the Owner of the Lot. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

(c) Enforcement

If a Lot is leased or occupied in violation of the Association Legal Documents, or if the Owner, Occupant or guest violates the Association Legal Documents, such violation is deemed to be a default under the terms of any lease or occupancy and the Association may require the Owner to evict the Occupants. In addition to all other remedies permitted by this Declaration, such default authorizes the Owner and/or the Association, as the Owner's delegate and attorney-in-fact, to terminate the lease and/or occupancy and to evict all Occupants, without liability, in accordance with Georgia law. In any such eviction action by the Association, the Association may terminate the Occupancy rights upon 15 days notice, notwithstanding any notice requirement in the lease or occupancy terms. Once the Association invokes its right to terminate the lease or occupancy and

evict the Occupant(s), the Owner no longer has the right to extend or revive the terminated occupancy in any way.

(d) Grandfathering Definitions

(1) Type 1 Grandfathered Owner

“Type 1 Grandfathered Owner” means an Owner who was lawfully leasing his or her Lot on January 5, 2001 who obtained Grandfather status at the time of the recording of the Declaration. The following four owners are Type 1 Grandfathered owners who own Grandfathered lots:

Lavoris Swain in Unit 108
Lamanzer Williams in Unit 063*

Chris Cox in Unit 145
Emily Thompson in Unit 021

*NOTE – terminated by sale.

Type 1 Grandfathered Owners are not required to obtain Leasing Permits. Type 1 Grandfathering shall automatically expire and any lease of the Lot shall automatically terminate on the date the Type 1 Grandfathered Owner conveys title to the Grandfathered Lot to any person (other than the Owner’s spouse).

(2) Type 2 Grandfathered Owner

“Type 2 Grandfathered Owner” means an Owner who is lawfully leasing his or her Lot on the date this amendment is recorded in the Cobb County, Georgia land records. To qualify as a Type 2 Grandfathered Owner, the Owner must, within 30 days of the date this amendment is recorded, provide the Board with a copy of the lease in effect on the date this amendment is recorded. Type 2 Grandfathering shall apply only to the Lot by such Type 2 Grandfathered Owner on the date this amendment is recorded. Type 2 Grandfathering shall automatically expire and any lease of the Lot shall automatically terminate on the earlier of: (1) the date the Type 2 Grandfathered Owner conveys title to the Grandfathered Lot to any person (other than the Owner’s spouse); (2) the date the Type 2 Grandfathered Owner of the Grandfathered Lot occupies the Lot as his or her primary residence; (3) the date the Type 2 Grandfathered Owner of the Grandfathered Lot ceases to lease his or her Lot for 90 consecutive days; (4) the date the Type 2 Grandfathered Owner violates any provision of the Association Legal Documents; (5) the date the Type 2 Grandfathered Owner is shown on the Association’s books and records to be more than 30 days past due in any assessment or charge; or (6) twenty-four months following the date this amendment is recorded in the Cobb County, Georgia land records.

Type 2 Grandfathered Owners are not required to obtain Leasing Permits for so long as they retain their Type 2 Grandfathered Owner status. Upon expiration of their Type 2 Grandfathered Owner status, these Owners will be required to obtain a Leasing Permit or Hardship Permit to lease their Lot.

(3) Grandfathered Lot

“Grandfathered Lot” means the Lot owned by a Type 1 Grandfathered Owner or a Type 2 Grandfathered Owner on the date this amendment is recorded in the Cobb County, Georgia land records.

Section 6 - Use of Common Area.

a. No planting or gardening shall be done, nor shall any fences, hedges, or walls be erected or maintained upon the Common Area or any Lot except as are installed in accordance with the initial construction of the improvements located thereon, or as approved by the Association's Board of Directors or their designated representatives. Except for the right of ingress and egress, the owners of the Lots are hereby prohibited and restricted from using any of the Property outside their respective Lots except as may be allowed by the Association's Board of Directors or as expressly provided herein it is expressly acknowledged and agreed by all parties concerned that this paragraph is for the mutual benefit of all Owners and is necessary for the protection of said Owners.

b. **Antennas and Satellite Dishes.** No transmission antenna, of any kind, may be erected anywhere on the Property without written approval of the Board of Directors or the Architectural Control Committee. No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) larger than one meter in diameter shall be placed, allowed, or maintained upon any portion of the Property, including a Lot. DBS and MMDS antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association authorized by the FCC, both as may be amended from time to time. Such items shall be installed in the least conspicuous location available on the Lot which permits reception of an acceptable signal. Except as provided by this Section, no antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained outdoors on any portion of the Property, whether attached to a home or structure or otherwise; provided, however, that the Association shall have the right to erect, construct and maintain such devices.

Section 7 Signs. No sign of any kind shall be displayed to the public view on any Lot or the Common Area without the prior written consent of the Board or its designate except for customary name and address signs and one professionally lettered "for sale" or "for rent" sign of not more than four (4) square feet in size advertising the Lot for sale or rent. The Board, on behalf of the Association, shall have the right to erect reasonable and appropriate signs on the Common Area.

Section 8 - Rules and Regulations. The Board of Directors may establish reasonable Rules and Regulations concerning the use of the Common Area, facilities located thereon, and individual Lots. Copies of such regulations and amendments thereto shall be furnished by the Association to all Members prior to the rule's effective date. Such regulations shall be binding upon the Members, their families, tenants, guests, invitees, and agents, until and unless such regulation, rule, or requirement be specifically overruled, cancelled, or modified by the Board or in a regular or special meeting by the vote of the members holding a majority of the total votes in the Association. The Board shall have the authority to impose reasonable monetary fines and other sanctions, and monetary fines may be collected by lien and foreclosure as provided in Article VIII.

Section 9 - Parking Rights. Each Owner shall be entitled to use the automobile parking spaces located in the Common Area, subject to such reasonable Rules and Regulations as may be adopted by the Board of Directors.

Section 10 - Easement for Utilities. Etc. There is hereby reserved to the Association blanket easements upon, across, over, and under all of the Properties for ingress, egress, installation, replacing, repairing, and maintaining master television antenna systems, security and similar systems, and all utilities, including, but not limited to, water, sewers, telephones and electricity. Additionally, subject to Article XII, Section 7, the Owner of the property affected or the Board, in the case of the Common Area, may upon written request grant such easements as may be reasonably necessary for the development of any property made subject to this Declaration. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Common Area or developed lots, except as may be approved by the Association's Board of Directors. Should any entity furnishing a service covered by the blanket easements herein provided request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement on said property without conflicting with the terms hereof. The easements provided for in this Article shall in no way adversely affect any other recorded easement on the Properties.

Section 11 - Lots. Each Lot shall for all purposes constitute real property which may be owned in fee simple and which may be conveyed, transferred and encumbered in the same manner as any other real property, subject to the provisions of this Declaration. Each Owner shall be entitled to the exclusive ownership and possession of his or her Lot, subject to the provisions of this Declaration. No more than one residence may exist on a Lot. Subject to the restrictions contained in this Declaration or amendments hereto, each residence shall include all improvements constructed on any Lot which were constructed in accordance with the terms of this Declaration and the design criteria established by the plans of the architect designing the initial residence or were approved by the Board of Directors or its designated representative. All conduits, pipes, ducts, plumbing, wiring, and other facilities for the furnishing of utility or other services to more than one Lot or to the Common Area are Common Area and are excluded from a Lot although located, in part, within the boundaries thereof: all conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utilities or other services to only one Lot are a part of the Lot so served, whether located within or without the physical boundaries thereof. The ownership of each Lot shall include, and there shall pass with each Lot as appurtenances thereto, whether or not separately described, all of the right, title, and interest of a Lot Owner in the Common Area, which shall include, but not be limited to, in the case of a Lot on which a townhouse has been constructed, membership in the Association.

Section 12 - Storage and Parking of Vehicles. There shall be no outside storage upon any Lot or the Common Area of any automobile, commercial vehicle, truck, tractor, mobile home or trailer (with or without wheels), camper, camper trailer, boat or other water craft, boat trailer, or any other transportation device of any kind except within the areas, if any, as may be designated by and in the discretion of the Board of Directors; provided, however, on that part of the property depicted on that plat recorded in Plat Book 63, Page 34, of the Cobb County, Georgia Records, Provcor Properties, Inc., or its successor in interest who takes such property for the purpose of development of residential townhouses may temporarily park or store vehicles or trailers as is necessary to facilitate the initial development of residential townhouses thereon. No owners, tenants, or occupants shall repair or restore any vehicle of any kind upon any Lot or Common Area except for emergency repairs and then only to the extent necessary to enable movement thereof to a proper repair facility.

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Section 13 – Pets. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on the Properties except that no more than a total of two (2) dogs, cats, or other normal household pets may be kept in residences, subject to Rules and Regulations adopted by the Association, through its Board of Directors provided that such pets are not kept, bred, or maintained for any commercial purpose.

Section 14 - Temporary Structures. No structure of a temporary nature, trailer, tent, shack, garage, barn, or other out-building shall be used on any Lot at any time as a residence, either temporarily or permanently.

Section 15 - Additional Common Area.

a. Provcor Properties, Inc., the present owner of the open space as shown on the plat recorded in Plat Book 63, Page 34 at the time of the recording of the Amended and Restated Declaration of Covenants, Conditions and Restrictions on January 23, 1981 ("1981 Declaration"), such open space being labeled thereon as "common area" has covenanted and agreed on behalf of itself, its successors, and assigns to convey such open space to the Association, without charge and free and clear of debt or encumbrances, other than encumbrances established by this Declaration, no later than January 1, 1990. At the date of recording of this Declaration, the final location of improvements to be constructed on the Lots depicted on the plat recorded in Plat Book 63, Page 34, has not been finally determined. In the event that the final, as built, location of such improvements is not within the boundaries of the Lots shown on said plat, the Owner of the open space herein referred to was given the right, power, and authority to file a corrective plat modifying or clarifying the boundaries of the Lots depicted on said plat to reflect the actual location of said improvements, and to the extent required by such corrective plat, the open space shall likewise be modified; provided, however, that no boundary of any such lot shall be modified in each instance by more than five (5) feet and no such modification shall increase the number of lots above that number of lots depicted on the plat recorded in Plat Book 63, Page 34. Moreover, the Owner of the open space herein referred to was given the right, power, and authority to reduce the number of improved lots on that property depicted in Plat Book 63, Page 34, below that number of lots shown thereon, so long as such reduction has the prior approval of the Board of Directors of the Association, whose approval shall not be unreasonably withheld, and so long as each and every lot thereof remains the same size as or larger than the lots depicted on Plat Book 63, Page 34, and is developed in accordance with the terms of this Declaration, Article II, Section 15 as shown in the 1981 Declaration is specifically preserved herein.

b. Notwithstanding anything herein to the contrary, the Association shall not be obligated to accept a conveyance nor be responsible for the maintenance, repair, or replacement of any of the open space referred to in subparagraph (a) above (or any improvements thereon or thereto, including, but not limited to utility lines and sanitary sewer lines) until the Owner of such open space certifies and warrants that the improvements thereto and therein are (1) constructed in accordance with applicable law, according to sound engineering and construction standards and in workmanlike manner, (2) fit for the purposes for which they are intended, and (3) free of faulty or defective condition or materials. The limitations period applicable to such warranty and certification shall be one (1) year from the date of the recording of the conveyance in the Cobb County, Georgia Records. The giving of such certification and warranty shall in no way be interpreted to affect nor shall it affect in any way whatsoever claims, if any, which the Association or homeowners might have pertaining to such conveyed open space in the absence of such warranty and certification.

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Section 16 – Prohibition of Damage, Nuisance and Noise. Without prior written Board consent, nothing shall be done or kept on the Property 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 Expense.

Noxious, destructive, offensive or unsanitary activity shall not be carried on upon the Property. No Owner or Occupant may use or allow the use of the Lot or any portion of the Property at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Property. In this regard, specific unauthorized and unreasonable annoyances or disturbances shall include, but not limited to, the following:

- (a) Any screaming, shouting, excessive loud talking, whistling, or playing music or television either outside of a Lot at any time or within a Lot if such conduct can be heard in the normal course of activities in a Townhome on any other Lot;
- (i) Any fighting, raucous behavior or insobriety either outside of a Lot at any time or within a Lot if such conduct can be heard in the normal course of activities in a Townhome on any other Lot.
- (ii) The use of any alarm, equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations either outside of a Lot at any time or within a Lot if such sounds can be heard or vibrations felt in the normal course of activities in a Townhome on any other Lot;
- (iii) Speakers, horns, sirens, whistles, bells, amplifiers or other sound devices, except as such devices may be used exclusively for security purposes;
- (iv) Any threatening or intimidating conduct towards and resident, guest or pet at the Property;
- (v) Any conduct which, in the Board's reasonable discretion, creates any danger or risk of injury to others or damage to property at the property or which creates any threat to health or safety of any other resident or pet;
- (vi) Any excessively loud play or playground activities either outside of a Lot at any time or within a Lot if such conduct can be heard in the normal course of activities in a Townhome on any other Lot;
- (vii) Any conduct which created any noxious or offensive odor either outside of a Lot at any time or within a Lot if such odors can be detected in the normal course of activities in a Townhome on any other Lot;
- (viii) Any similar action or activity outside of a Lot on the Property, or which occurs inside a Lot but which interferes with the peaceful use and enjoyment of other Lots or the

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Common Area by any other Owner, members of his or her family, guests, invitees, or Occupants of his or her Lot;

- (ix) Any construction or similar activities in a Lot in which can be heard in other Lots between the hours of 9:00 p.m. and 7:30 a.m.; or
- (x) Any use of motorcycles, ATVs, and other gasoline powered recreational vehicles in the power easement areas.

However, nothing herein shall be construed to affect the rights of an aggrieved Owner or Occupant to proceed individually against a Violator hereof for relief from interference with his or her property or personal rights, and the Board may, in its discretion, require aggrieved individuals to seek redress personally for interference with their personal property rights before the Association intervenes and commences enforcement action hereunder. No claim for any loss, damage or otherwise shall exist by an aggrieved owner of Occupancy against the Association for failure to enforce the provisions hereof if the aggrieved Owner or Occupant has not personally pursued all available remedies against the violator for redress provided under Georgia Law.

No Lot Owner or Occupant may use or allow the use of the Lot or the Common Areas in any manner which creates noises between the hours of 11:00 p.m. and 7:30 a.m. which can be heard by persons in another Lot that will, in the Board's sole discretion, unreasonably interfere with the rights, comfort or convenience or any other Owner, members of his or her family, guest, invitees, or Occupants of his or her Lot.

No Owner, Occupant or agent of such Owner or Occupant shall do any work which, in the Board's reasonable opinion, would jeopardize the soundness or safety of the Property or any structure thereon, would reduce the value thereof, or would impair any easement or other interest in the Property, without prior written consent of all Association members and their Mortgagees.

No damage to or waste of the Common Areas, or any part thereof, shall be permitted by any Owner or any Occupant, guest or invitee of any Owner. Each Owner and Occupant shall indemnify and hold the Association and other Owners harmless against all loss to the Association or other Owners resulting from any damage or waste caused by such Owner or Occupant, or the Owner's or Occupant's guest or invitee.

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 Lot subject to assessment shall be deemed to have a membership in the Association and all such persons shall be members of 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 membership. No person,

whether one or more persons, shall have more than one membership per Lot. In the event of multiple persons owning a Lot, membership votes and rights of use and enjoyment shall be as provided herein. Membership shall be appurtenant to and may not be separated from ownership of any Lot subject to assessment and ownership of such a Lot shall be the sole qualification for membership and mandate and require such membership. The rights and privileges of membership, including the right to vote and to hold office may be exercised by a member, who is the record title holder. A spouse or Occupant, who resides in the Property, shall not have membership privileges entitling him/her to vote on Association matters, unless, he/she is acting as proxy holder for the record title Owner. Further, an individual that is not a record title holder shall not be eligible to serve on the Board. In no event shall more than one vote be cast nor office held for each Lot in cases of co-Ownership.

Section 2 - Voting. The Association shall have one class of membership being comprised of the record owners of Lots subject to assessment.

Article IV MAINTENANCE

Section 1 - Owner's Responsibility

(a) All maintenance of the Lot, whether a townhouse has been constructed or not and whether developed or undeveloped, and all parts of the residence thereon, if any, unless specifically identified as being the responsibility of the Association, shall be the responsibility of the Owner thereof. After the initial construction of a residence on a Lot is completed, no Owner shall (i) decorate or change the appearance of any portion of the exterior of a residence or the exterior appearance of a Lot unless such decoration or change is first approved, in writing, by the Association's Board of Directors or its designated representative, as is more fully provided for herein; or (ii) do any work which, in the reasonable opinion of said Board of Directors or its designated representative, would jeopardize the soundness and safety of the Properties, reduce the value thereof or impair any easement or hereditament thereto, without, in every such case, the unanimous, prior written consent of all the other Owners.

(b) Until the conveyance contemplated by Article II, Section 15, is consummated and seventy-five percent (75%) of the lots depicted on that plat recorded in Plat Book 63, Page 34, become subject to assessment, the open space area depicted on the plat recorded in Plat Book 63, Page 34, and thereon referred to as "common area" (excluding the improved portion thereof heretofore conveyed to the Association) shall be maintained by Provcor Properties, Inc., or its successor in interest who takes such property for the purpose of development.

Section 2 - Association's Responsibility.

(a) Subject to Section 1 (b) of this Article and Article II, Section 15(b), the Association shall maintain and keep in good repair the Common Area which responsibility shall include the maintenance and repair of utility lines, pipes, wires, conduits, and systems which are a part of the Common Area if and only if such facilities are not the responsibility of some municipal authority and if the facilities serve more than one Lot. Further, in addition to maintenance of the Common Area, the Association shall provide exterior maintenance upon each Lot subject to assessment and the original residential improvements (or

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replacements approved by the Board) erected thereon, as follows: paint gutters, downspouts, and exterior wall surfaces, and care for trees, shrubs, grass, and walks; provided, however, that any such maintenance shall not include any roofs, glass surfaces or surfaces or areas within the interior portions of the atria (other than exterior door painting done as part of the overall painting of the development) or courtyards. Except as provided in this Section 2, the Association shall have no responsibility for the maintenance of any Lot or the residence thereon.

(b) In the event that the Board of Directors of the Association determines that: (i) any Owner has failed or refused to discharge properly his obligations with regard to the maintenance, repair, or replacement of items for which he is responsible hereunder; (ii) or that the need for maintenance, repair, or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his or her family, guests, lessees, or invitees, and is not covered or paid for by insurance in whole or in part; then, in that event, the Association, except in the event of an emergency situation, shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement, at Owner's sole cost and expense; the notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have fifteen (15) days within which to complete said maintenance, repair, or replacement, or in the event that such maintenance, repair, or replacement is not capable of completion within said fifteen (15) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at Owner's sole cost and expense; and said cost shall be and become an assessment to be paid by the Owner of such Lot and further shall become a lien against the Lot, in the same manner as liens for assessment provided for hereunder.

(c) If an Owner disturbs the exterior paint surface of his/her Townhome while maintaining, repairing or replacing the lot and/or Townhome pursuant the Section 1(a) above, that Owner shall be fully responsible to repaint the exterior building surface simultaneously with the ongoing maintenance, repair or replacement notwithstanding the Associations' obligation to paint exterior building surfaces as set forth in Section 2.

Article V 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 on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief in an amount sufficient to cover the full replacement cost, less ordinary deductibles, of any repair or reconstruction in the event of damage or destruction from any such hazard, and shall also obtain a public liability policy covering all the Common Area and all damage or injury caused by the negligence of the Association or any of its agents, which public liability policy shall have at least a Five Hundred Thousand (\$500,000.00) Dollar any one person/One Million (\$1,000,000.00) Dollar limit (per occurrence) as respects bodily injury and a Fifty Thousand (\$50,000.00) Dollar minimum property damage limit. Premiums for all such insurance shall be common expenses of the Association. The policy may contain a reasonable

deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance equals at least the full replacement cost.

In addition to casualty insurance on the Common Area, the Association may obtain and continue in effect adequate blanket all-risk casualty insurance in such form as the Board of Directors deems appropriate for the full replacement cost, less ordinary deductibles, of all structures on all Lots subject to assessment. If such insurance is obtained, all Lots subject to assessment shall be similarly insured. Costs of such coverage shall be a common expense to the Association. In the event such insurance is obtained, the provisions of this Article V, Sections 1, 3, 4, and 5, shall apply. All such insurance shall be for the full replacement cost less ordinary deductibles. All such policies shall provide for a certificate of insurance for each member to be furnished to the Association and shall further provide that the policy may not be canceled or terminated except upon thirty (30) days written notice to the Association, except ten (10) days written notice for nonpayment of policy premium.

By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other owners and with the Association that in the event such Association does not carry blanket all risk casualty insurance on the Lots and residences constructed thereon as provided for in Section I of this Article V, each individual Owner shall carry such insurance for the improvements located thereon. Each individual Owner further covenants and agrees that in the event of loss to or damage and destruction of the improvements located on a Lot, the individual Lot Owner shall proceed promptly to repair or reconstruct the damaged structure in a manner consistent with the original construction. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association as Trustee for each of the Owners. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company licensed to do business in the State of Georgia and holding a rating of XI or better in the financial category as established by Best's Insurance Report if such company is available and, if not available, the best rating possible or its equivalent rating.

(b) All policies shall be for the benefit of the Lot owners and their mortgages as their interest may appear.

(c) Provision shall be made if reasonably available for the issuance of a certificate of insurance to each Owner and his or her mortgage, if any, which shall specify the amount of such insurance attributable to the particular owner's Lot.

(d) Exclusive authority to adjust losses under policies hereafter in force on the Property obtained by the Association shall be vested in the Association's Board of Directors; provided, however, that no mortgage having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(e) 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 or their mortgages.

(f) Each Owner may obtain additional insurance at his or her own expense; provided however, that no Owner shall be entitled to exercise his or her right to maintain insurance coverage in such

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a way as to decrease the amount which the Association, on behalf of all of the Owners and their mortgages, may realize under any insurance policy which the Association's Board of Directors may have in force on the property at any particular time.

(g) It shall be the individual responsibility of each Owner at his or her own expense to provide, as he or she sees fit, title insurance on his or her individual Lot and such other insurance as is not provided by the Association pursuant to the provisions of this Article.

(h) The Association's Board of Directors shall conduct at least once every two (2) years an insurance review which shall include a replacement cost appraisal, without respect to depreciation, of all insurable improvements on the Common Area and, if insured, upon the Lots, by one or more qualified persons, at least one of whom must be in the real estate industry and familiar with housing construction in the Cobb County, Georgia, area.

(i) 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, (if any), the Owners and their respective servants, agents; and guests;

(ii) A waiver by the insurer of its right to repair and reconstruct instead of paying cash;

(iii) That no policy may be canceled, invalidated, or suspended on account of anyone or more individual owners;

(iv) That no policy may be canceled, invalidated, or suspended on account of 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 and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, its Manager, any Owner, or mortgage;

(v) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration.

Section 2 No Partition. There shall be no judicial partition of the Property or any part thereof, nor shall any person acquiring any interest in the Property or any part thereof seek any such judicial partition until and unless the Properties have been removed from the provisions of this Declaration.

Section 3 - Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

(a) If the damage or destruction to the Common Area for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvement account

(b) If it is determined, as provided for in paragraph 4 of this, Article, that the damage or destruction to the Common Area for which the proceeds are paid shall not be repaired or

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reconstructed, such proceeds shall be disbursed in the manner as provided for excess proceeds in Section 3(a) hereof.

(c) In the event the Association obtains casualty insurance covering the Lots, then the damage or destruction to Lots for which proceeds are paid shall be repaired. Any proceeds remaining after defraying such costs of repairs or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvement account.

Section 4 - Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty to all or any part of the Property 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 paragraph, means repairing or Restoring the Property to substantially the same condition in which it existed prior to the fire or other casualty with each structure on each Lot and the Common Area having the same location as before; construction or reconstruction shall be in substantial conformity with that which existed prior to the damage or destruction.

(b) Any such damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy-five (75%) percent of the total vote of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within said period, then the period shall be extended until such information shall be made available; provided, however, that such extension shall not exceed sixty (60) days. No mortgage shall have any right to participate in the determination of whether the damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined by the Association in the manner described above that the damage or destruction to the common area shall not be repaired or reconstructed, then and in that event the property shall be restored to its natural state and maintained as an undeveloped portion of the Common Area by the Association in a neat and attractive condition.

Section 5 - Repair and Reconstruction. If the damage or destruction for which Association insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the members levy a special assessment against all owners in sufficient amounts to provide funds to pay such excess cost of repair or reconstruction. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

Article VI CONDEMNATION

Whenever all or any part of the Properties shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting on the written direction of all owners) by any authority having the power of condemnation or eminent domain, each owner shall be entitled to notice thereof and to participate in the proceedings incident thereto, unless otherwise prohibited

by law. The award for such taking shall be payable to the Association as Trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking at least seventy-five (75%) percent of the members of the Association otherwise agree, the Association shall replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore, in accordance with plans approved by the Board of Directors of the Association. If such improvements are to be replaced, the above provisions in Article V hereof regarding the disbursement of funds in respect to casualty damage or destruction, which is to be repaired, shall apply. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to replace, or if there are funds remaining after any such replacement is completed then such award or funds shall be disbursed to the association and used for such purposes as the Board of Directors of the Association shall determine. If the taking includes one or more residences, or all y part or parts thereof, whether or not there is included in the taking any part of the Common Area, then the award shall be disbursed and all related matters shall be handled pursuant to and in accordance with the consent of no less than fifty(50%) percent of all Members expressed in a duly recorded amendment to this Declaration, provided that the consent of the Owner or Owners of the Lot or Lots so taken must first be obtained. If the consent cannot be obtained, the funds shall be disbursed as the Court may determine.

Article VII

RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1 – The Common Area: The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including furnishings and equipment related thereto, if any), and shall keep the same in good, clean, attractive, and sanitary condition, order and repair, pursuant to the terms and conditions hereof.

Section 2 - Services. The Association may obtain and pay for the services of any person or entity to manage its affairs or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Properties, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or with which it contracts. If the Association enters into a management agreement, it shall be by written contract cancelable upon no more than ninety (90) days written notice. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Properties or the enforcement of this Declaration. The Association may, but shall not be required to, arrange as an Association expense with others to furnish water, trash collection, sewer service, and other common services to each Lot. It is the intent of the development scheme that such contracts are entered into when economically feasible and acceptable to the Board.

Section 3 - Personal Property and Real Property Common Use. The Association through action of its Board of Directors may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise

Section 4 - Rules and Regulations. The Association, through its Board of Directors, may make and enforce reasonable Rules and Regulations governing the use of the Lots and of the Common

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Area which Rules and Regulations shall be consistent with the rights and duties established by this Declaration. Enforcement may include the imposition of reasonable monetary fines, which if not paid when due shall constitute a lien as provided in Article VIII hereunder. Rules and Regulations shall only be applicable to members, provided, however, all other provisions of this Declaration shall be binding on all owners and their successors in interest.

Section 5 - Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

Article VIII ASSESSMENTS

Section 1 - Purpose of Assessment. The Association shall have the power to levy assessments as provided herein and in the Act. The assessments for common expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of Lots, as may be authorized by the Board.

Section 2 - Creation of the Lien and Personal Obligation For Assessments. Each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments, to be established and collected as hereinafter provided; and (iii) specific special assessments levied by the Board hereunder against any particular Lot, including, but not limited to, reasonable fines imposed hereunder and assessments levied under Section 225(a) of the Act.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred, and if the Board so elects, rents, in the maximum amount permitted under the Act, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment fell due. Each Owner and his or her grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance. The Association, in the Board's discretion, may, but shall not be obligated to, record a notice of such lien in the Cobb County, Georgia records evidencing the lien created under the Act and this Declaration.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board; unless otherwise provided, the annual assessments shall be paid in equal monthly installments due on the first day of each calendar month. No Owner may exempt himself or herself from liability, or otherwise withhold payment of assessments, for any reason whatsoever, including, but not limited to, nonuse of the Common Area, the Association's failure to provide services or perform its obligations required hereunder, or inconvenience or discomfort; arising from the Association's performance of its duties.

The lien provided for herein shall have priority as provided in the Act.

Section 3 – Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(a) If any monthly installment of annual assessments or any part thereof is not paid in full by the fourteenth (14th) day of the month or if any other charge is not paid within fourteen (14) days of the due date, a late charge equal to the greater of ten (\$10.00) dollars or ten (10%) percent of the amount not paid, or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner, and interest at the rate of ten (10%) percent per annum, or such higher rate as permitted by the Act, shall accrue from the due date.

(b) If part payment of assessments and related charges is made, the amount received may be applied by the Board, in respective order, to costs and attorney's fees, late charges, interest, delinquent assessments, and current assessments. Late charges may be assessed on delinquencies which are created by the application of current payments to outstanding delinquent assessments or charges.

(c) If assessments, fines or other charges, or any part thereof, due from an Owner remain delinquent and unpaid for more than forty-five (45) days from the date due, a notice of delinquency may be given to that Owner stating that if the assessment or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board may accelerate and declare immediately due all of the Owner's unpaid installments of the annual assessment. If the Owner fails to pay all amounts currently due within ten (10) days of the date of the notice of delinquency, the Board may then accelerate and declare immediately due all installments of the annual assessment and of any special assessment, without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the annual assessment in monthly installments for the fiscal year, unless reinstated in the Board's discretion.

(d) If assessments, fines or other charges, or any part thereof, remain unpaid more than forty-five (45) days after the assessment payments first become delinquent, the Association, acting through the Board, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, the Act and Georgia law, including reasonable attorney's fees actual incurred, and suspend the Owner's and Occupant's right to use the Common Area (provided, however, the Board may not deny ingress or egress to or from the Lot).

(e) **Computation of Operating Budget and Assessment.** Prior to the beginning of each fiscal year, the Board shall prepare a budget covering the estimated costs of operating the Property during the coming year and the Board shall establish the annual assessment or installments for the coming year. The Board shall cause the budget and notice of the assessment(s) to be delivered to each member at least thirty (30) days prior to the due date for such assessment, or the first installment thereof. The budget and the assessment shall become effective unless disapproved at a duly called Association annual meeting by a vote of a majority of the total Association membership, provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at this meeting.

If the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for the succeeding year, then, until a budget is determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. However,

the Board may propose a new or adjusted budget at any time during the year by causing the proposed budget and assessment to be delivered to the members at least thirty (30) days prior to the proposed effective date thereof. Unless a special meeting is requested the members, as provided in the Bylaws for special meetings, the new or adjusted budget and assessment shall take effect without a meeting of the members.

The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of common expenses on which the Board may base the annual assessments.

(f) Special Assessments. In addition to the annual assessment provided for in subparagraph (b) above and assessments authorized herein, the Board may at any time levy a special assessment against all Owners with notice thereof sent to all Owners. However, any special assessment which would cause the total of special assessments levied against any Lot in one calendar year to exceed two hundred (\$200.00) dollars first must be approved by at least two-thirds (2/3) of those Owners either voting by ballot or written consent, or present or represented by proxy at a duly called special or annual meeting of the members, notice of which shall specify that purpose.

(g) Capital Budget and Contribution. The Board may prepare an annual or multi-year capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within the budget and assessment as provided in subparagraph (d) above.

(h) Statement of Account. Any Owner, mortgagee, or a person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges interest, fines, or other charges against such Lot. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee not exceeding ten (\$10.00) dollars or such higher amount as may be authorized under the Act, as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein. The Association may require an additional fee not to exceed twenty five (\$25.00) dollars if the Association provides a copy of the Declaration and Bylaws to any such Person in connection with a closing or otherwise upon request.

Surplus Funds and Common Profits. Common profits from whatever source shall be applied to the payment of common expenses. Any surplus funds remaining after the application of such common profits to the payment of common expenses shall, at the Board's option, either be distributed equally to the Owners or credited to the next assessment chargeable to the Owners, retained in the Association's general operating account for the purpose of defraying projected future expenses in an amount not to exceed the sum of two months assessments for all Lots, or transferred to the Association's Facility Reserve Account.

Section 3 - Date of Commencement of Annual Assessments.

a. The Annual assessments provided for herein shall commence as to each Lot on the earlier to occur of the following:

(i) One hundred twenty (120) days after the initial construction of a residence on the Lot commences; or

(ii) Issuance of a certificate of occupancy for a residence located on the Lot.

b. No special assessment shall be levied against or be applicable to a particular Lot until the annual assessment commences on such Lot.

Section 4 – Capital Contribution Assessment Upon Transfer of Lots. In addition to all other assessments and charges provided for herein, upon any conveyance or transfer of a Lot, other than to the spouse or heir of the Owner, the purchaser or grantee thereof shall be assessed and be subject to a non-refundable, non-prorated capital contribution assessment (“Capital Contribution Assessment”).

The Capital Contribution Assessment shall be an amount equal to two (2) months assessment applicable to such Lot at the time of such conveyance or transfer. The Capital Contribution Assessment shall not constitute an advance payment of annual assessment. The Capital Contribution Assessment shall constitute a specific special assessment against such Lot, a continuing lien against such Lot and a personal obligation of the Owner of such Lot.

Article IX ARCHITECTURAL STANDARDS

Section 1 - Approval Required for Changes. No construction alterations additions or erection of any nature whatsoever shall be commenced or maintained upon any part of the Properties except such as in installed or approved as part of and in connection with the initial constitution of buildings on the Properties or as approved in accordance with this Article. Other than construction of an initial residence on a Lot, no construction, addition, change, or exterior alteration shall be made unless and until the plans and specifications showing the nature, kind, shape, height, materials, and location shall have been submitted to and approved as to harmony of external design and location in relation to surrounding structures and topography and for compliance with this Section in writing by the Board of Directors of the Association or by an Architectural Standards Committee composed of three or more representatives appointed by the Board, which shall promulgate written standards and guidelines for the exercise of this review. The Board or the architectural Standards Committee shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. Any member of the Architectural Standards Committee, the Board, or its representatives shall have the right during reasonable hours to enter upon any Lot to inspect any Lot, residence, and any improvements thereon, 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 or by reason of remedying or correcting any such breach of these covenants. In the event said Board, or its designated committee, fails to approve or to disapprove such design and

location within forty-five (45) days after said plans and specifications shall have been submitted to it, approval will not be required and this Article IX will be deemed to have been fully complied with. If no application for approval has been made to the Board or its representatives, suit to enjoin or to remove such additions, alterations, or improvements may be instituted at any time.

The initial construction and erection of a residence on a Lot and all replacements, modifications alterations, or changes therein shall, at least, meet the following design standards:

(a) **Building Type.** No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family residence which shall be of a design suitable for attached townhouses and which shall be either two (2) stories or three (3) stories in height, provided, however, two (2) storage buildings shall not be attached to three (3) story buildings, and three (3) story buildings shall not be attached to two (2) story buildings. Each such dwelling placed on Lots 1 through 22 (other than Lots 1, 2, and 19, which because of either a planning error or architectural change have no garage) shall have a garage adequate for at least two (2) standard automobiles. Each such dwelling placed on Lots 23 through 42 shall have either a garage or an enclosed carport adequate for at least two (2) standard automobiles. Each garage or enclosed carport shall be connected to the residence proper, either directly or by a completely enclosed atrium or courtyard.

(b) **Architectural Control.** No building shall be erected, altered, placed, or permitted to remain on any Lot unless the quality of workmanship and materials therein and the external design and materials thereof are at least comparable and equal to, and in harmony with existing residences heretofore constructed on Lots 13 through 22. The minimum enclosed and roofed area within each residence, excluding garage and atrium or courtyard, shall be fourteen hundred (1400) square feet.

(c) **Building Location.** Each residence, including the garage therefore shall be constructed within the building line and lot boundaries of the Lot on which it is located, as shown on the plats of the Properties. The sides of each residence shall be co-extensive with the lateral lot boundaries.

(d) **Pavements.** All walkways, drives, streets, and parking areas shown on the Plat of the Properties shall be paved with all-weather materials, such as concrete or asphalt.

Article X PARTY WALLS

Section 1 - General Rules of Law to Apply. Each wall which is built as a part of the original construction of the Townhomes which shall serve and separate any two (2) adjoining Townhomes shall constitute a party wall and, to the extent not inconsistent with the provisions of this Paragraph, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2 - Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in equal proportions. Due to the staggering of Townhomes, there exists portions of walls that are under the exclusive use and control of one owner. Portions of the walls that are under the exclusive use of one Owner shall be repaired by that owner that has such exclusive use and control. In determining which Owner has exclusive use and control of a particular portion of the wall, the Association may, in its sole discretion, consider various factors including, but not limited to, the

following: What exterior façade exists, what color is the exterior painted, and if the Townhouse was destroyed would the wall still exist.

Owner(s) shall be responsible to paint the exterior of the wall to match the existing wall color during maintenance, repair or restoration of the wall in question. This obligation to paint shall be an exception to the Association's maintenance obligations set forth in Article IV.

Section 3 – Damage and destruction. If a party wall 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 benefited by the wall may restore it, and the other Owner or Owners thereafter who are benefited by the wall or fence 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.

Section 4 - Weatherproofing. Notwithstanding any other provisions of this Article, an Owner who by his or her negligence or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5 - Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Article XI USE RESTRICTIONS AND RULE MAKING

Section 1 - Authority and Enforcement. The Properties shall be used only for those uses and purposes set out in this Declaration as previously provided, the Board of Directors shall have the authority to make and to enforce reasonable Rules and Regulations applicable to members governing the conduct, use, and enjoyment of lots and the common areas, provided that copies of all such Rules and Regulations be furnished to all members. Violations of this Declaration, the Bylaws, or any Rules and Regulations duly adopted hereunder, the Board shall have the power to impose reasonable fines which shall be a personal assessment against and the personal responsibility of the violator and lot Owner found not in compliance with such Declaration, Bylaws, or Rules and Regulations. Such fine shall further constitute a lien upon the Lot occupied or owned by such violator. The Board shall, additionally, have the right to suspend an owner's right to use the common areas and a member's right to vote in the event an Owner or member violates this Declaration, the Bylaws, or Association rules or regulations. Such suspension may be for the duration of the infraction and for an additional period thereafter not to exceed thirty (30) days. The Board shall be authorized and empowered to begin any action in any court on behalf of the Association and all, owners to abate any nuisance.

Section 2 - Procedure. Except as provided below, before imposing fines or suspending right to use the Common Area or the right to vote, the Association shall give a written violation notice to the Violator as provided below.

(a) **Violation Notice.** The written violation notice to the violator shall:

- (i) Identify the violation, suspension(s) and/or fine(s) being imposed; and

- (ii) Advise the Violator of the right to request a violation hearing before the Board of Directors to contest the violation or request reconsideration suspension(s) or the fine(s).

Notwithstanding the Violator's right to request a violation hearing, suspension(s) and/or fine(s) shall commence on the date of the written violation notice, unless a later date is specified in such notice.

- (b) **Violation hearing.** If the Violator submits a written request for a violation hearing within ten (10) days of the date of the violation notice described above, then the Board of Directors shall schedule and hold, in executive session, a violation hearing. If a Violator fails to timely request a violation hearing, such Violator loses the right to contest the violation and request reconsideration to the suspension(s) and/or fine(s). If a Violator timely requests a violation hearing, the Violator shall have a reasonable opportunity to address the Board regarding the violation; provided, however, the Board may establish rules of conduct for the violation hearing, including but not limited to, limits on the amount of time one person can speak and limits on the number of participants who may be present at one time. The minutes of the violation hearing shall contain a written statement of the results of such hearing.
- (c) **No Violation Notice and Hearing Required.** No violation notice or violation hearing shall be required to:
 - (i) Impose late charges on delinquent assessments;
 - (ii) Suspend a violating Owner's voting rights if the Violator's Lot is shown on the Association's books and records to be more than 30 days past due in any assessment charge, in which case suspension of violating Owner's right to vote shall be automatic and shall continue until the violation no longer exists or the Board of Directors otherwise reinstated such rights in writing;
 - (iii) Suspend a Violator's right to use the Common Property if the Violator's Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, in which case suspension of the Violator's right to use Common Property shall be automatic;
 - (iv) Engage in self-help in an emergency;
 - (v) Impose fines for each day of a continuing violation, in which case, each day the violation continues or occurs again constituted a separate violation and fine(s) may be imposed on a per diem basis without further notice to the Violator; or
 - (vi) Impose fines if the same violation occurs again on the same Lot, in such case fine(s) may be imposed on a per diem basis without any further notice to the Violator.

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Article XII
GENERAL PROVISIONS

Section 1 - Enforcement. Each Member shall comply strictly with the Bylaws and with the Rules and Regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and each Owner shall comply strictly with the covenants, conditions, and restrictions set forth in this Declaration and in the deed to his or her Lot, if any. The Board of Directors may impose fines or other sanctions, collection of which shall be as provided for in Article VIII hereof. Failure to comply 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.

In any action taken by the Association to enforce the Association Legal Documents, the Association shall be entitled to recover from the Violator, any and all costs incurred by the Association, including but not limited to attorney's fees actually incurred, all of which shall constitute a lien against the violating Owner's Lot.

Section 2 - Severability. Invalidation of anyone of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 3 - Duration. The covenants and restrictions of this Declaration shall run with and bind the Property perpetually to the extent provided in the Act.

Section 4 - Notice of Sale or Lease. In the event an Owner sells or leases the Owner's Lot, the Owner is required to give to the Association in writing the name of the purchaser or lessee no later than the time of closing or, in the case of a lease, taking of occupancy by a tenant.

Section 5 - Amendments.

Except where a higher vote is required for action under any other provisions of this Declaration in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding sixty-six and two-thirds (66-2/3%) percent of the total eligible vote thereof; provided, however, notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment; provided, further, in the event such an amendment materially affects the rights of Provcor Properties, Inc., or its successor in interest who has taken the property depicted in Plat Book 63, Page 34, Cobb County, Georgia Records, for the purpose of the initial development of residential townhouses, then such amendment shall not be approved until consented to in writing by Provcor Properties, Inc., or such successor. No amendment shall be effective until certified by the President and Secretary of the Association and filed in the Cobb County, Georgia land records.

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the owners, may amend this Declaration to comply with the Act, any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National

Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

If legal action is not instituted to challenge the validity of this Declaration or any amendment hereto within one (1) year of the recording thereof in the Cobb County, Georgia land records, then such amendment or document shall be presumed to be validly adopted.

Section 6 - Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligence, or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such, officers or directors may also be members of the Association) and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other's rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation.

Section 7 - Mortgage Provision. It is the Owners' intention that Queensborough Square qualify for the possible sale of first mortgages on residences in the development to the Federal Home Loan Mortgage Corporation (The Mortgage Corporation). The requirements contained in this Section are to effectuate that purpose. Should the Mortgage Corporation subsequently delete any or all of the provisions of this Section or make any provision less stringent, this Section shall automatically be amended to reflect that change. Unless the holders of at least two-thirds (2/3) of the first mortgages or Owners at Queensborough Square have consented in writing, the Association shall not do any of the following:

(a) Seek to abandon, partition, subdivide, encumber, sell, or transfer the Association's property (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this clause);

(b) Change the method of determining financial obligations of members;

(c) Change, waive, or abandon the process for regulation and enforcement contained in this Declaration for architectural standards, design, and maintenance of Lots and Common Area;

(d) Fail to maintain fire and extended coverage on the Common Area on a current replacement cost basis in an amount sufficient to cover the full replacement cost of any repair or reconstruction to the Common Area in the event of damage or destruction from any such hazard;

(e) Use the proceeds of casualty insurance on any Common area for any purpose other than repair, replacement, or reconstruction, except as may be provided in this Declaration for the use of excess proceeds and for dissolution.

Upon written request, the Association shall provide notice in a reasonable manner to any first mortgage holder of any default under this Declaration or the Bylaws by the mortgage holder's mortgagor if the default is not cured within sixty (60) days from the time it occurs.

Section 8 – Dispute Resolution. Before filing any lawsuit or administrative proceeding against the Association, the Board of Directors, any Officer or Director, or the Association's property manager, an Owner or Occupant shall request in writing and attend a meeting with the Board of Directors to discuss an amicable resolution of any dispute. The Owner or Occupant shall, in such request and at the meeting, make a good faith effort to explain the grievance and resolve the dispute. Upon receiving a request for a meeting, the Board shall give notice of the date, time and place of the meeting to the person requesting the meeting. The Board shall schedule this meeting for a date not less than seven (7) or more than thirty (30) days from the date of receipt of the meeting request, except with the approval of the Owner or Occupant. After the meeting, the Board shall have a reasonable opportunity to address the Owner's or Occupant's grievance before a suit is filed.

BYLAWS

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BYLAWS

Article I

NAME, MEMBERSHIP, APPLICABILITY, AND DEFINITIONS

Section 1 - Name. The name of the, Association shall be Queensborough Square Association, Inc., (hereinafter sometimes referred to as the "Association").

Section 2 - Membership. The Association shall have one class of membership as set forth in the Declaration of Covenants, Conditions and Restrictions for Queensborough Square, (said 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 and owners are specifically incorporated by reference herein.

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

Article II

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.

Section 2 - Annual Meetings. The Association shall meet annually at least thirty (30) days prior to the close of the fiscal year as herein provided or initially set by the Board of Directors upon adoption of these Bylaws. After the first annual meeting, the succeeding meetings shall be held on the anniversary date or within ten (10) days thereof in each year on such day as may be formally set by the Board.

Section 3 - Special Meetings. It shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board of Directors or upon a petition signed by at least twenty five (25%) percent of the votes of the members of the Association. The notice of any special meeting shall state the 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 to mail or to cause to be delivered to each member a notice of each annual or special meeting of the Association stating the purpose of the special meeting as well as the time and place where it is to be held; if a member wishes notice to be given at an address other than his or her Lot, the member shall have designated by notice in writing to the Secretary such other address. The mailing or delivering 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 - 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 forty-eight (48) hours 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 6 - Voting. The voting rights of the members shall be as set forth in the Declaration and such voting rights provisions are specifically incorporated here.

Section 7 - Proxies. A vote may person or by proxy. Proxies may be given to any person and shall be valid only for the particular meeting designated therein and must be filed in a signed writing with the Secretary before the appointed time of the meeting.

Section 6 - Majority. As used in these-Laws, the term "majority" shall mean those members , or other group as the context may indicate totaling more than fifty (50%) percent Of the whole.

Section 9 - Quorum. The presence, in person or by proxy at the beginning of the meeting, of Owners entitled to cast one-third (1/3) of the eligible vote of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. In establishing the total number of eligible votes for a quorum, if a Lot is shown on the Association's books and records to be more than forty-five (45) days past due in any assessment or charge, or if the voting rights for a Lot have been suspended, that Lot shall not be counted as a eligible vote. If a quorum is not reached at the meeting, there shall be no obligation for the Board to recall the meeting.

Section 10 - Conduct of Meetings. The President or Vice President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted by the meeting as well as a record of all transactions occurring thereat. Robert's Rules of Order (current edition) shall govern the conduct of all meetings of the Association when not in conflict with the Declaration or Bylaws.

Article III

BOARD OF DIRECTORS, NUMBER, POWERS, MEETINGS

Section 1 - Governing Body. The affairs of the Association shall be governed by a Board of Directors.

Section 2 - Number of Directors. The number of Directors of the Association shall be seven (7), all of whom shall be members or the spouse of a member of the Association.

Section 3 - Nomination of Directors. Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the members to serve from the close of such annual meeting

until the close of the next annual meeting, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor.

Section 4 - Election and Term of Office. Those Directors serving at the time of adoption of these Bylaws shall continue to serve until their terms as existing prior to the adoption of these Bylaws expire. Upon expiration of a term for a director, a successor shall be elected as provided herein. Terms of all directors, after expiration of the term of an existing director, shall be two (2) years. A director may succeed him or herself.

Section 5 - Removal by the Board of Directors. Any Director may be removed by the vote of the other Association Directors if; (1) he or she is absent from 3 or more meetings of the Board of Directors in any fiscal year; (2) his or her Lot is shown on the association's books and records to be more than 30 days past due in any assessment or charge; (3) the voting rights for his or her Lot have been suspended; (4) he or she was appointed by the other Directors to fill a vacancy; or (5) he or she files any legal action, counterclaim or administrative action against the Association, any Director or Officer, in his or her capacity as such, or the Association's managing agent.

Section 6 - Vacancies. Vacancies in the Board of directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by a vote of a majority of the remaining Directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy, even though the Directors present at such meeting may constitute less than a quorum; and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the annual meeting of the Association, at which time such Director's position would be filled in accordance with Section 4 of this Article III.

Section 7 - Organization Meeting. 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, and no formal notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 8 - Regular meeting. 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 one such meeting shall be held during each fiscal quarter.

Section 9 - Special Meetings. Special meetings of the board of Directors may be called by the President upon five (5) days notice to each Director, given personally or by mail or telegraph or telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner, and on like notice upon the written request of at least two (2) Directors.

Section 10 - Waiver of Notice. Any Director may, at any time, in writing, waive notice of the meeting of the Board of Directors and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board of Directors shall constitute a waiver of notice by her or him of the time, place, and purpose of such meeting. If all Directors ate

present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11 - Quorum of Board 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. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. 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 12 - Compensation. No Director shall receive any compensation from the Association for acting as such unless approved by the affirmative vote of a majority of the members of the Association.

Section 13 - Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Robert's Rules of Order (current edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration or these Bylaws.

Section 14 - 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, and may do all acts and things as are not by the Declaration, Articles of Incorporation, or these Bylaws directed to be done and exercised exclusively by the members. The Board shall have the power to adopt rules and regulations deemed necessary and to impose sanctions for violation thereof, including, without limitation; fines which may be collected as provided in the Declaration for assessments.

Section 15 - 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.

Section 16 - Director Conflicts of Interest. Nothing herein shall prohibit a Director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as Director, provided that the Director's interest is disclosed to the Board of Directors and the non-interested voting Directors approve such contract. The interested Director shall not count for purposes of establishing a quorum for the Board and, if present at a meeting (if any), must leave the room during the discussion of such matter.

Article IV OFFICERS

Section 1 - Officers. The officers of the Association shall be a President, one Vice President, a Secretary, and a Treasurer. "The Board of Directors may elect such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers as it shall deem desirable such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two or more offices may be held by the same person, excepting the offices of

President and Secretary. At least the President and Treasurer shall be elected from among the members of the Board of Directors

Section 2 - Election, Term of Office, and Vacancies. 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 as herein set forth in Article III. 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 - Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time be specifically conferred or imposed by the Board of Directors. The President shall be chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5 - 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 resolution adopted by a majority of the Directors present at a meeting at which a quorum is present are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as may be required by law 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 initial fiscal year of the Association shall be set by resolution of the Board of Directors; unless otherwise provided by such resolution the fiscal year shall be the calendar year.

Section 2 - Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Georgia law, the Articles of Incorporation, the Declaration, or these Bylaws.

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

Section 4 - Books and Records. To the extent provided in O.C.G.A. section 14-3-1602, and upon written request received at least five (5) business days before the date requested for an inspection, all Association Owners and any Eligible Mortgage Holder shall be entitled to inspect the Association's books and records at a reasonable time and location specified by the Association. The Association can limit the length of time of each inspection, but such time limit shall not be less than two (2) hours per inspection. The Association may impose a reasonable charge, covering the cost of labor, materials and copies of any documents, including but not limited to the customary copy charge and hourly fee of the Association's agent supervising such inspection. To prevent abuse of an Owner's inspection rights, records previously inspected by an Owner are not subject to inspection again by the same Owner more than once per year.

Notwithstanding anything to the contrary, the Board may limit or preclude the inspection of confidential or privileged documents, including but not limited to, attorney/client privileged communication, executive session meeting minutes, and financial records or accounts of other Owners. Minutes of all meetings of the membership and Board become official Association records when approved by the membership or the Board, as applicable.

Section 5 - Amendment. Except when a higher vote is required for action under any other provisions of the declaration, these Bylaws or by the Act, these Bylaws may be amended with the approval of Owners holding two-thirds (2/3) of the total Association vote. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter to the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Cobb County, Georgia land records.