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**DECLARATION OF CONDOMINIUM
FOR
STEVE REYNOLDS COMMONS CONDOMINIUM**

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**DECLARATION OF CONDOMINIUM
FOR
STEVE REYNOLDS COMMONS CONDOMINIUM**

This DECLARATION is made on the date set forth below by STEVE REYNOLDS COMMONS, LLC, (hereinafter collectively referred to as "Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of the real property which is located in Gwinnett County, Georgia and is described in Exhibit 'A' attached hereto and incorporated herein by this reference; and

WHEREAS, a plat related to the Condominium prepared by _____ dated _____, 2004, was filed in Condominium Plat Book 3, Page(s) 2004, Gwinnett County, Georgia Records; and

WHEREAS, floor plans relating to the Condominium were filed in Condominium File Cabinet No. 3241 - Folder No. 3245 Gwinnett County, Georgia Records; and

WHEREAS, Declarant desires to subject the real property described in Exhibit "A" hereto, including the improvements thereof, to the provisions of this Declaration and to the Georgia Condominium Act;

NOW THEREFORE, Declarant hereby declares that the real property described on Exhibit "A" of this Declaration, including the improvements located thereon, is hereby submitted and made subject to the form of ownership set forth in the Georgia Condominium Act, and is hereby subjected to the provisions of the Declaration. By virtue of the recording of this Declaration, said property shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to provisions of the Georgia Condominium Act and the covenants, conditions, restrictions, easements, assessments, and liens set forth in this Declaration, which are for the purpose of protecting the value and desirability of, and which shall run with, the title to, the real property subject to this Declaration, and shall be binding on all persons having any right, title or interest in all or any portion of the real property subject to this Declaration, their respective heirs, legal representatives, successors, successors-in-title and assigns, and shall be for the benefit of all owners of the property subject to this Declaration.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 8th day of December, 2004

DECLARANT:

STEVE REYNOLDS COMMONS, LLC, a Georgia limited liability company

By: [Signature] (SEAL)
Name: Charles G. Sechler
Its: Manager

Signed, sealed, and delivered in the presence of:

[Signature]
Witness
[Signature]
Notary Public
My Commission Expires
AUGUST 21, 2005
NOTARY PUBLIC
GWINNETT COUNTY
GEORGIA

DECLARATION OF CONDOMINIUMFOR
STEVE REYNOLDS COMMONS CONDOMINIUM

THIS DECLARATION OF CONDOMINIUM is made the day set forth on the signature page hereof by Steve Reynolds Commons, LLC, a Georgia limited liability company (the "Declarant").

1. NAME

The name of the condominium is STEVE REYNOLDS COMMONS CONDOMINIUM, a Condominium (hereinafter sometimes called "STEVE REYNOLDS COMMONS," as further defined herein), which condominium is an office condominium which hereby submits to the Georgia Condominium Act, O.C.G.A. § 44-3-70, et seq.

2. DEFINITIONS

Generally, terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall have their normal, generally accepted meaning or meanings given in the Act or the Georgia Nonprofit Corporation Code. Unless the context otherwise requires, certain terms used in this Declaration, the Bylaws, and the Articles of Organization shall be defined as follows:

- (a) Act means the Georgia Condominium Act, O.C.G. A. § 44-3-70, et seq., as may be amended.
- (b) Additional Property means all that property (in whole or in parts) described in Exhibit "D" attached hereto and made a part hereof, together with any improvements, now or hereafter constructed thereon, said all easements and other rights appurtenant thereto. From and after such time or times as any portion or portions of the Additional Property is submitted to the provisions hereof said portion or portions shall be included within the meaning of the term "Condominium."
- (c) Architectural Control Committee or ACC means the committee established to exercise the architectural review powers set forth in Paragraph 15 hereof,
- (d) Area of Common Responsibility means the Common Elements, together with those areas, if any, which by the terms of this Declaration or by the agreement with any other Person becomes the Association's responsibility. The office of any property manager employed by or contracting with the Association, if located on the Condominium or any public rights-of-way within or adjacent to the Condominium, may be part of the Area of Common Responsibility.
- (e) Articles or Articles of Incorporation mean the Articles of Incorporation of Steve Reynolds Commons Condominium Association, Inc., as filed with the Georgia Secretary of State.
- (f) Association means Steve Reynolds Commons Condominium Association, Inc., a Georgia nonprofit corporation, its successors and assigns.
- (g) Board or Board of Directors means the elected body responsible for management and operation of the Association.
- (h) Bylaws mean the Bylaws of Steve Reynolds Commons Condominium Association, Inc., attached hereto as Exhibit "C" and incorporated herein by this reference.
- (i) Common Elements mean those portions of the property subject to this Declaration, which are not included within the boundaries of a Unit as more particularly described herein.

- (j) Common Expenses mean the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium, including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements and the Area of Common Responsibility.
- (k) Community-Wide Standard means the standard of conduct, maintenance, or other activity generally prevailing within the Condominium. The Board and the ACC may more specifically determine such standard.
- (l) Condominium means all that property described in Exhibit "A" attached hereto and incorporated herein by this reference, submitted to the provisions of the Act by this Declaration.
- (m) Condominium Instruments mean this Declaration and all exhibits hereto, including the Bylaws and the plats and plans, all as may be supplemented or amended.
- (n) Declarant means Steve Reynolds Commons, LLC, its respective successors and assigns and any other Person or entity as further set forth in Section 44-3-71(13) of the Act.
- (o) Effective Date means the date that this Declaration is recorded in the Gwinnett County, Georgia land records.
- (p) Eligible Mortgage Holder means the holder of a first mortgage secured by a Unit who has requested notice of certain items set forth in Paragraph 21.
- (q) Floor Plans shall mean the floor plans for Steve Reynolds Commons Condominium filed in the condominium file cabinet of the Gwinnett County, Georgia records.
- (r) Limited Common Elements mean a portion of the Common Elements reserved for the exclusive use of those entitled to occupy one (1) or more, but less than all, Units, as more particularly set forth herein.
- (s) Majority means those eligible votes, Owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total eligible number.
- (t) Mortgage means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance of fee title for such purpose.
- (u) Mortgagee or Mortgage Holder means the holder of any Mortgage.
- (v) Owner or Owners means the record titleholder of a Unit, but shall not include a Mortgage Holder.
- (w) Person means any individual, corporation, firm, association, partnership, trust, or other legal entity.
- (x) Survey shall mean the plat of survey for Steve Reynolds Commons, filed in the condominium plat book of the Gwinnett County, Georgia records.
- (y) Unit means that portion of the Condominium intended for individual ownership and use as more particularly described herein and shall include the undivided ownership in the Common Elements assigned to the Unit hereunder.

3. LOCATION, PROPERTY DESCRIPTION, PLATS AND PLANS

The Condominium subject to this Declaration and the Act is located in Land Lot 202 of the 6th District of Gwinnett County, Georgia and being more particularly described in EXHIBIT "A". The Survey and Floor Plans are incorporated herein by reference as fully as if the same were set forth in their entirety herein. So long as Declarant owns a unit or retains the right to add Additional Property to the Condominium, as shown in Section 5, Declarant

reserves the right, but shall have no obligation, to make improvements and changes to all or part of the Common Elements and the Units owned by Declarant (other than changes to the location of Unit boundaries unless expressly permitted herein), including, without limitation, addition and realignment of parking spaces, renovation and installation of changes to utility systems and facilities, rearrangement and installation of security and refuse facilities, work relating to building exteriors, and extension of the drives and utility lines and pipes located on the Condominium.

4. UNITS AND BOUNDARIES

The Condominium is divided into nine (9) buildings (a "Building"), each of which Building shall constitute its own Unit unless subdivided as provided in Section 16(a)(iii) below, with Limited Common Elements and Common Elements. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Act and the Condominium Instruments. The Units are depicted on the Survey and the Floor Plans. Each Unit includes that part of the structure, which lies within the following boundaries:

- (a) Vertical Boundaries. The parametrical or vertical boundaries of each Unit shall be the exterior finished surfaces of the outside walls of the Unit. With respect to common walls between Units, the parametrical or vertical boundary of the Units served thereby shall be the center of such wall. Exterior doors and exterior glass surfaces, including, but not limited to, windows and sliding glass doors, serving the Unit shall be included within the boundaries of the Unit. Heating and air conditioning systems serving a single Unit (including any part of any such system located outside the boundaries of the Unit) and appliances and plumbing fixtures within a Unit shall be construed to be part of the Unit.
- (b) Horizontal Boundaries. There shall be no upper horizontal boundaries of the Units. The lower horizontal boundary of each Unit is the plane formed by the lower surface of the concrete slab or wood framing, as the case may be, on which the subflooring rests and on which the Unit is constructed. The lower boundaries of the Unit include the wood or other materials covering the subfloor and floor of the Unit.

If any chutes, flues, ducts, conduits, wires, pipes or other apparatus lie partially within and partially outside of the designated boundaries of the Unit, any portion thereof which serves only that Unit shall be deemed to be part of that Unit while any portions thereof which serve more than one Unit or any portion of the Common Elements shall be deemed apart of the Common Elements.

In interpreting deeds and plans, the existing physical boundaries of a Unit as originally constructed, or of a Unit reconstructed in substantial accordance with the original plans thereof, shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or plan, regardless of settling or lateral movement of the building in which the Unit is located, and regardless of minor variances between the boundaries shown on the plans or in a deed and those of the Unit.

The ownership of each Unit shall include, and there shall pass with each Unit, whether or not separately described in the conveyance thereof, that percentage of the right, title and interest in the Common Elements attributable to such Unit together with membership in the Association and an undivided interest in the funds and assets held by the Association.

5. EXPANDABLE CONDOMINIUM

- (a) The Declarant hereby reserves for a period commencing on the date this Declaration is recorded and ending on the seventh (7th) anniversary of said recording date, the right, but not the obligation, to expand the Condominium by amending this Declaration to submit all or part of the Additional Property to the Condominium. The right to expand the Condominium, by one or more additions or phases, shall terminate prior to the seventh (7th) anniversary of the date of recording this Declaration in the event Declarant files for record an amendment to this Declaration in which amendment Declarant sets forth that it shall not exercise its option to expand the Condominium to the Additional Property or remaining portions thereof.

Declarant's right and option to expand the Condominium after the seventh (7th) anniversary of the recording date may be extended, provided, the then Unit owners of units to which two-thirds of the votes in the Association appertain, exclusive of any vote or votes appurtenant to any unit or units then owned by the Declarant, may consent to the extension of any such option within one (1) year prior to the date upon which the option would otherwise have expired.

- (b) There are no other limitations on the option to expand the Condominium.
- (c) The Additional Property is described in detail in Exhibit "D". The location and dimensions of the expandable portion may not differ from the legal description in Exhibit "D", except that portions, and not necessarily all, of the Additional Property may be added at different times to the Condominium.
- (d) The Additional Property may be added to the Condominium at such times and in such parcels as Declarant, in its sole discretion shall elect. The maximum number of Units, which may be constructed on any portion of the Additional Property and added to the Condominium, is forty eight (48). The maximum average number of Units per acre, which may be constructed on any portion of the Additional Property and added to the Condominium, is eleven (11). There is no limitation on the location of any improvements that may be made on the Additional Property.
- (e) A maximum of forty eight (48) Units may be created within twelve (12) buildings on the Additional Property, having a maximum number of four (4) Units per building.
- (f) No assurances are made in regard to the compatibility of additional units with existing units in architectural style or principal materials to be used. The additional units shall be compatible in quality of construction.
- (g) No assurances are made in regard to the creation of any improvements on the Additional Property added to the condominium.
- (h) Declarant has the right to create Common Elements and Limited Common Elements within or consisting of the Additional Property added to the Condominium.
- (i) Upon the creation of additional units, there shall be a reallocation among the Units the undivided interest in Common Elements, votes in the Association, and liability for Common Expenses. The interest in the Common Elements, votes in the Association and liability for Common Expenses shall be allocated between the Unit Owners based upon square footage of Units then being part of the Condominium.

6. COMMON ELEMENTS

Common Elements consist of all portions of the Condominium not located within the boundaries of a Unit. The Common Elements include, without limitation, certain (but not all) utilities, landscaping, paving, detention facilities, dumpster pad area, gazebo, picnic area, entrance monuments, benches and parking areas.

Ownership of the Common Elements shall be by the Owners as tenants-in-common. The percentage of undivided interest in and to the Common Elements attributable to each Unit is set forth on Exhibit "B." Such percentages of undivided interest may be altered only by the consent of all Owners and Mortgagees (or such lesser number of Owners and Mortgagees as may hereafter be prescribed by the Act) expressed in a duly recorded amendment to this Declaration, except in the case of expansion of the Condominium, as provided in Paragraph 5 hereof, in which case the amendment may be approved and executed by Declarant without approval of the Owners or Mortgagees. Such percentages of undivided interest may be altered only by the consent of all Owners and Mortgagees (or such lesser number of Owners and Mortgagees as may hereafter be prescribed by the Act) expressed in a duly recorded amendment to this Declaration.

The Common Elements shall remain undivided, and no Owner or any other person shall bring any action for partition or division of the whole or any part thereof except as provided in the Act. Except as provided for Limited

Common Elements or as otherwise provided herein, each Owner and the Association may use the Common Elements for the purpose for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners.

7. LIMITED COMMON ELEMENTS

- (a) The Limited Common Elements located on the Condominium and the Unit(s) to which they are assigned are:
- (i) To the extent not within the boundaries of a Unit landings and steps, together with any enclosure thereof, appurtenant to and serving any Unit are assigned as Limited Common Elements to the Unit. From that of the adjacent Unit, the boundary shall be the center line of the common wall between the Units extended to the intersection with the front boundary of the landing.
 - (ii) The portion of the Common Elements on which there is located any portion of air conditioning or heating system exclusively serving a particular Unit or Units is assigned as Limited Common Element to the Unit or Units so served.
 - (iii) Any utility motor that serves only one Unit is assigned as a Limited Common Element to the Unit so served.
 - (iv) The mailbox or mail slot, and exterior signage if any when approved in accordance with the terms hereof, serving a Unit is assigned to the Unit.
 - (v) Each Unit is assigned one (1) or more parking spaces which are assigned on Exhibit "E" attached hereto and incorporated herein by this reference and shown on the Survey as a Limited Common Element assigned to the Unit. Parking spaces may be initially assigned or reassigned by amendment to this Declaration as provided in Subparagraphs (b) and (c) below;
- (b) The Association's Board of Directors, without need for a membership vote, is hereby authorized to assign and so reassign Limited Common Elements, provided that any such assignment or reassignment shall be made in accordance with the provisions of Section 44-3-82(b) and (c) of the Act. A Common Element not previously assigned as a Limited Common Element may be so assigned and a Limited Common Element may be reassigned by the Board, without the need for a vote of the Association, upon written application to the Association by the Unit Owner or Owners for whose exclusive use such Common Element is requested or whose use of the Limited Common Element previously assigned is directly affected. Upon such application the Association shall prepare and execute an amendment to the Declaration assigning the Common Element as a Limited Common Element or reassigning the Limited Common Element, which amendment shall be executed by the Owner or Owners making such application. Such amendment shall be delivered and become effective as provided in Section 44-3-82 of the Act. An amendment to assign a Common Element not previously assigned as a Limited Common Element shall not require the approval of the Association or the Board, if the Declarant or its affiliate makes the request. Such a request made by any other Person shall require the Board's consent.
- (c) For so long as Declarant owns any Unit primarily for the purpose of sale or owns any portion of the Additional Property, Declarant shall have the right to sell to Unit Owners three (3) parking spaces for each one thousand (1,000) square feet of space within the Unit to be assigned as Limited Common Elements pursuant to subparagraphs (a) and (b) above. The proceeds of the sale of parking spaces as Limited Common Elements shall belong to the Declarant.
- (d) In the event the Condominium is served by a common water, sewer, electric or other utility meter, the Board shall have the authority to install submeters and assess individual Unit utilities usage charges, including a right to add a charge for the cost of overhead and administration for such submetering, against individual Units and/or to install separate utility meters for the Units.

8. DECLARANT'S CONTROL

Each Unit Owner by the acceptance of its deed to the Unit, agrees that Declarant is authorized to appoint and remove any member or members of the Board Directors until the first of the following occurs: (a) the seventh anniversary of the date this Declaration is recorded; or (b) unless the Declarant has an unexpired option to add Additional Property, 120 days after the date as of which Condominium Units (including Condominium Units initially shown on plats of the Condominium plus any Units within the Additional Property remaining to be added) to which four fifths (4/5ths) of the undivided interest in the Common Elements appertain, have been conveyed by Declarant to Unit Owners other than Declarant; or (c) at such earlier time as Declarant in its sole discretion, shall deem appropriate, such decision to be evidenced by an express amendment to this Declaration, executed and recorded by Declarant. During Declarant's control as set forth above, the Board shall be limited to three members. Upon termination of Declarant's control of the Board, Declarant shall assist in the organization of the Association and the transfer of responsibility of administration to the Association.

9. ASSOCIATION MEMBERSHIP AND ALLOCATION OF VOTES

All Unit Owners, by virtue of their ownership of a fee or undivided fee interest in any Unit in the Condominium, excluding Persons holding such interest pursuant to a Mortgage, are members of Association and, except as otherwise provided herein or in the Bylaws, shall be entitled to vote on all matters upon which members of the Association are entitled to vote pursuant to the Declaration and in accordance with the Bylaws. Subject to the provisions of the Condominium Instruments, each Owner shall be entitled to a vote equal to its percentage of undivided interest in the Common Elements as set forth on Exhibit "B" hereto for each Unit so owned.

10. ALLOCATION OF LIABILITY FOR COMMON EXPENSES

- (a) Except as provided below or elsewhere in the Act or Condominium Instruments, the amount of all Common Expenses shall be assessed against all the Units in accordance with the percentage of undivided interest in the Common Elements appurtenant to the Unit as shown on Exhibit "B."
- (b) The Board Directors shall have the power to assess specially pursuant to this Paragraph and to Section 44-3-80(b) of the Act as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Paragraph shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Paragraph in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Paragraph.
 - (i) Any Common Expenses benefiting less than all of the Units or significantly disproportionately benefiting all Units may be specially assessed equitably among all of the Units which are benefited according to the benefit received. However, expenses incurred for the maintenance, repair, or replacement of the Area of Common Responsibility, except for expenses for maintenance, repair or replacement of Limited Common Elements (which maybe specially assessed), shall not be specially assessed.
 - (ii) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the Occupant(s), licensees, or invitees of any such Unit or Units may be specially assessed against such Unit or Units.
- (c) A separate sprinkler system services each building within the Condominium. One Unit in each building is charged for that building's system. Said Unit will be entitled to reimbursement for a portion of those charges. The Association shall determine the amount of reimbursement for each Unit based on the actual charges incurred by the Unit.

11. ASSOCIATION RIGHTS AND RESTRICTIONS

In addition to and not in limitation of all other rights it may have, the Association, acting through the Board, shall have the right and authority:

- (a) to enter any portion of the Condominium for maintenance, emergency or safety purposes, or otherwise to discharge its responsibilities, in accordance with Section 44-3-105 of the Act, which right may be exercised by the Association's Board, officers, agents, employees or managers. Except in an emergency situation, entry into Units shall be only during reasonable hours and after reasonable notice to the Unit Owner or Occupant;
- (b) to make and to enforce reasonable rules and regulations governing the use of the Condominium, including the Units, Limited Common Elements, and Common Elements;
- (c) to enforce use restrictions, other Declaration and By-Laws provisions, and rules and regulations by the imposition of reasonable monetary fines and suspension of use and voting privileges as provided in Section 44-3-76 of the Act, as amended;
- (d) to grant permits, licenses, utility easements, drainage easements, access easements and other easements;
- (e) to control, manage, operate, maintain, improve and replace all portions of the Area of Common Responsibility;
- (f) to deal with the Condominium in the event of damage or destruction as a result of casualty loss, condemnation, or eminent domain, in accordance with the provisions of the Act and this Declaration;
- (g) to acquire, hold and dispose of tangible and intangible personal property and real property.

12. ASSESSMENTS

- (a) 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 as may be more specifically authorized by the Board. Assessments may include amounts due under any declaration of covenants, conditions and/or restrictions or similar instrument imposing assessments on the owner of real property which is part of the Condominium.
- (b) Creation of the Lien and Personal Obligation For Assessments. Each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments, such assessments to be established and collected as hereinafter provided; and (iii) specific assessments against any particular Unit which are established pursuant to the terms of this Declaration, including but not limited to reasonable fines imposed hereunder.

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 by the Act shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Unit at the time when the assessment fell due. Each Owner and his or her grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board; 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 for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, nonuse of the Common Elements, the Association's failure to 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 to the Act.

(c) 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.

- (i) If any monthly installment of annual assessments or any part thereof is not paid in full by the tenth (10th) day of the month or if any other charge is not paid within ten (10) 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 or such higher rate as may be permitted by the Act shall accrue from the due date.
- (ii) If partial payment of assessments and related charges is made the amount received may be applied first to costs and attorney's fees, then to (1) in order, late charges, interest, delinquent assessments, current assessments, which are not the subject matter of a lawsuit, and then (2) in order, to late charges, interest, delinquent assessments, and current assessments, which are the subject matter of a lawsuit.
- (iii) If assessments, fines or other charges or any part thereof due from an Owner remain delinquent and unpaid for more than fifteen (15) days from the date due, then the Board may accelerate and declare immediately due all of that Owner's or Unit's unpaid installments of the annual assessment and of any special assessment not less than ten (10) days after the date of written notice to the Owner. Upon acceleration, that Owner shall lose the privilege of paying the annual assessment in monthly installments for that fiscal year and to the extent permitted by the Act, shall lose the right to vote on any matter requiring Unit Owner vote, consent or approval.
- (iv) If assessments and other charges or any part thereof remain unpaid more than thirty (30) days after they 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 and suspend the Owner's and/or Occupant's right to use the Common Elements, including the right to bring or park vehicles on the Common Elements or have guests bring or park vehicles on the Common Elements (provided, however, the Board may not limit pedestrian, medical, fire, police or other health, safety, service or emergency vehicle ingress or egress to or from the Unit). Prior to suspending parking privileges, the Association shall provide the delinquent Owner or Occupant written notice of its intention to do so, sent by certified mail not less than ten (10) days prior to the date of such suspension.

(d) Computation of Operating Budget and Assessment. At least thirty (30) days prior to the beginning of the Association's fiscal year, the Board shall prepare a budget covering the estimated costs of operating the Condominium during the coming year. The Board shall cause the budget and notice of the assessments to be levied against each Unit for the following year to be delivered to each member at least twenty-one (21) days prior to the Association's annual meeting. The budget and the assessment shall become effective unless disapproved at a duly called and constituted annual Association 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. In such case, the Board may propose a new budget at any time during the year at a special Association meeting. The proposed budget and assessment shall be delivered to the members at least thirty (30) days prior to the proposed effective date thereof and at least seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings.

(e) Special Assessments. In addition to the annual assessment provided for in subparagraph (a) above, the

Board may at any time levy a special assessment against all Owners, notice of which shall be sent to all Owners. Any special assessment which would cause the average total of special assessments levied in one fiscal year to exceed one thousand (\$1,000.00) dollars per Unit shall be approved by a Majority of the Owners prior to becoming effective (except as provided in Paragraph 10(b) regarding the power to assess specially pursuant to Section 44-3-80(b) of the Act and Paragraph 14(b) herein, regarding repair or reconstruction of casualty damage to or destruction of all or part of the Condominium).

- (f) Capital Budget and Contribution. The Board may prepare an annual capital budget or evaluation that takes 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 Association's projected capital needs both as to amount and timing by equal annual assessments over the period of the budget. Any required capital contribution shall be included within the budget and assessment as provided in subparagraph (d) of this Paragraph.
- (g) Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association setting forth, the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Unit. The Association shall respond in writing within five (5) days of receipt of such request. However, the Association may require the payment of a fee, not exceeding ten (\$10.00) dollars or such higher amount authorized by 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 Unit as of the date specified therein.
- (h) Surplus Funds and Common Profits. Pursuant to Section 44-3-108 of the Act, common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining thereafter shall, at the Board's option, either be distributed to the Owners or credited to the Owners' next chargeable assessment in proportion to the liability for Common Expenses attributable to each Unit or added to the Association's reserve account.

13. INSURANCE

The Association shall obtain and maintain at all times, as a Common Expense, insurance as required by Section 44-3-107 of the Act, as amended, and as required herein. To the extent reasonably available at reasonable cost, the Association's insurance policy shall cover any of the following types of property contained within a Unit, regardless of ownership: (a) fixtures, improvements and alterations that are a part of the building or structure; and (b) appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping. If such insurance is not reasonably available, the Association's insurance policy may exclude improvements made by the Unit Owner and may exclude the finished surfaces of perimeter and partition walls, floors, and ceilings within the Units (i.e., paint, wallpaper paneling, other wall covering, tile, carpet and any floor covering; provided, however, floor covering does not mean unfinished hardwood or unfinished parquet flooring).

All insurance purchased by the Association pursuant to this Paragraph shall run to the benefit of the Association, the Board of Directors, officers, all agents and employees of the Association, the Unit Owners, and their respective Mortgagees and all other persons entitled to occupy any Unit, as their interests may appear. The Association's insurance policy may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance equals at least the replacement cost of the insured property. The Association's insurance shall not include the Unit Owners' personal property unless the Association advises the Unit Owners of such coverage in writing.

The Board shall make available for review by Owners a copy of the Association's insurance policy to allow Owners to assess their, personal insurance needs and each Owner shall have the right to obtain additional coverage at his or her own expense.

All insurance coverage for the Association shall be written in the name of the Association as trustee for itself, each of the Owners and the Mortgagees of Owners, if any. At least every two (2) years, the Board shall conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association and

to satisfy the requirements of Section 44-3-107 of the Act, as amended, which may be performed by the Board requesting the Associations insurance agent to so verify.

- (a) The Board shall utilize reasonable efforts to secure a blanket hazard insurance policy providing "all risk" coverage in an amount equal to full replacement costs, before application of deductibles, of all improvements located on the Condominium property. If "all risk" coverage is not reasonably available at reasonable cost, the Board shall obtain, at a minimum, fire and extended coverage, including coverage for vandalism and malicious mischief, in like amounts. The Board shall use reasonable efforts to obtain policies that will provide the following:
 - (i) the insurer waives its rights of subrogation of any claims against directors, officers, the managing agent, the individual Owners and Occupants;
 - (ii) any "other insurance" clause contained in the master policy shall exclude individual Unit Owners' policies from its operation.
 - (iii) the master policy may not be canceled, substantially modified, or subjected to non renewal without at least thirty (30) days prior notice in writing to the Board of Directors and all Mortgagees of the Units;
 - (iv) an agreed value endorsement and an inflation guard endorsement; and
 - (v) the deductible amount per occurrence for coverage required by the Act shall not exceed five thousand (\$5,000.00) dollars.
- (b) All policies of insurance shall be written with a company licensed to do business in the State of Georgia. The company shall provide insurance certificates to each Owner and each Mortgagee upon request.
- (c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (d) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees. Each Unit Owner shall notify the Board of Directors of all structural improvements made by the Unit Owner to his or her Unit. Any Unit Owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements made by such Owner at his or her expense and personal property belonging to such Owner, shall file copy of such individual policy or policies with the Board of Directors within thirty (30) days after the purchase of such insurance. Such Owner shall also promptly notify, in writing, the Board of Directors in the event such policy is canceled.
- (e) In addition to the insurance required hereinabove, the Board shall obtain as a Common Expense:
 - (i) worker's compensation insurance if and to the extent necessary to meet the requirements of law;
 - (ii) public liability insurance in amounts no less than required by Section 44-3-107 of the Act, as amended, and officers' and directors' liability insurance in such amounts as the Board may determine. The public liability insurance shall contain a cross liability endorsement;
 - (iii) fidelity bonds or dishonesty coverage insurance, if reasonably available, covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds. Such bonds, if reasonably available, shall be in an amount consonant with the best business judgment of the Board of Directors, but in no event less than three (3) month's assessments plus a reasonable amount to cover all or a reasonable portion of reserve

funds in the custody of the Association at any time during the term of the bond; provided, however, fidelity coverage herein required may be reduced based on the implementation of financial contents which take one or more of the following forms: (a) the Association or management company, if any, maintains a separate bank account for the working account and the reserve account, each with appropriate access controls and the bank in which funds are deposited sends copies of the monthly bank statements directly to the Association; (b) the management company, if any, maintains separate records and bank accounts for each association that uses its services and the management company does not have the authority to draw checks on, or to transfer funds from, the Association's reserve account; or (c) two members of the Board must sign any checks written on the reserve account; and

- (iv) such other insurance as the Board may determine necessary.
- (f) Insurance carried by the Association as a Common Expense shall not be required to include any part of a Unit which is not depicted on the original plats and plans or included in the original mortgage, nor shall the Association include public liability insurance for individual Owners for liability arising within the Unit.
- (g) Nothing contained herein gives any Owner or other party a priority over any rights of first Mortgagees as to distribution of insurance proceeds. Any insurance proceeds payable to the Owner of a Unit, which there is a Mortgagee endorsement shall be disbursed jointly to such Owner and the Mortgagee. This is a covenant for the benefit of any such Mortgagee and may be enforce by any such Mortgagee.
- (h) Every Unit Owner shall be obligated to obtain and maintain at all times insurance covering those portions of his or her Unit to the extent not insured by policies maintained by the Association. Upon request by the Board, the Owner shall furnish a copy of such insurance policy or policies to the Association. In the event that any such Unit Owner fails to obtain insurance as required by this subparagraph, the Association may purchase such insurance on behalf of the Unit Owner and assess the cost thereof to the Unit Owner, to be collected in the manner provided for collection of assessments under Paragraph 10 hereof.
- (i) In the event of an insured loss, any required deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one Unit or a Unit and the Common Elements, the proportion to each affected owner's portion of the total cost of repair or otherwise as the Board determines equitable. Notwithstanding this, if the insurance policy provided that the deductible will apply to each Unit separately or to each occurrence, each Unit Owner shall be responsible for paying any deductible pertaining to his or her Unit. If any Owner fails to pay the deductible when required hereunder, then the Association may pay the deductible and assess the cost to the Owner pursuant to Paragraph 10(b) hereof; provided, however, where the deductible is for insurance required under the Act no Owner shall be assigned more than one thousand (\$1,000) dollars, or such higher amount as authorized by the Act, as the cost of the deductible for any one occurrence.

14. REPAIR AND RECONSTRUCTION.

In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless eighty (80%) percent of the Unit Owners, including the Owner or Owners of any damaged Unit or Units, vote not to proceed with the reconstruction and repair of the structure, the Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure. In the event of substantial damage or destruction, each institutional holder of a first Mortgage shall be entitled to written notice of the damage, and nothing in these documents shall be construed to afford a priority to any Unit Owner with respect to the distribution of proceeds to an such Unit,

- (a) Cost Estimates. Immediately after a fire or other casualty causing damage to the Condominium, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Unit) to substantially the condition which existed before such

casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

- (b) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the additional costs shall be assessed against the Owners of the Unit(s) damaged in proportion to the damage to the Units or against all Owners, in the case of insufficient funds to cover damage to the Common Elements. This assessment shall not be considered a special assessment as provided in Paragraph 12(e). If after repair and reconstruction are completed there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board.
- (c) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the original plans and specifications (if available) under which the Condominium was originally constructed, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original plans and specifications are approved by the Board of Directors. To the extent insurance proceeds are available, the Association may reconstruct or repair Owner improvements damaged as a result of fire or other casualty.
- (d) Encroachments. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.
- (e) Construction Fund. The net proceeds of the insurance collected on account of a casualty and the finds collected by the Association from assessments against Unit Owners on account of such casualty shall constitute a construction fund which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Paragraph to be disbursed by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

15. ARCHITECTURAL CONTROLS.

- (a) Architectural Standards. Except as provided herein, no Owner, Occupant, or any other person may make any encroachment onto the Common Elements, or make any exterior change, alteration, or construction (including painting and landscaping), nor erect, place or post any object, sign, antenna, light, storm door or window, door knob or knocker, fountains, flags, or things on the exterior of the buildings, windows, on any Limited Common Elements, or on any other Common Elements, without first obtaining the written approval of the ACC. The standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, Units and structures, and the location in relation to surrounding structures and topography.

Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ACC may reasonably require. The ACC or its designated representative shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction which is not in conformance with approved plans. The Board or the ACC may publish written architectural standards for exterior and Common Element alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing buildings and Units and the location in relation to

surrounding structures and topography of the vicinity. The ACC or the Board may allow such encroachments on the Common Elements and Limited Common Elements, as it deems acceptable.

In the event that the ACC or its designated representative fails to approve or to disapprove such application within forty-five (45) days after the application and all information as the ACC may reasonably require have been submitted, its approval will not be required and this subparagraph (a) will be deemed complied with; provided, however, even if the requirements of this subparagraph are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the rules and regulations.

- (b) Architectural Control Committee. The ACC shall constitute a standing committee of the Association and shall consist of the Board unless the Board delegates to other Owners the authority to serve on the ACC. The Board may do so by resolution, or the Board may call for a special Association election to select the Owners to serve on the ACC. At all times, however, the chairperson of the ACC shall be a Board member.
- (c) Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration. In the discretion of the Board, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.
- (d) Limitation of Liability. Review and approval of any application hereunder may be made on any basis, including solely the basis of aesthetic considerations only, and neither the Board nor the ACC shall bear any responsibility for ensuring the design quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations and other governmental requirements. Neither the Association, the Board, the ACC, or member thereof shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Unit.
- (e) No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board and ACC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. The approval of either the Board or ACC, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or content.
- (f) Enforcement. Any construction, alteration, or other work done in violation of this Paragraph shall be deemed to be nonconforming. Upon written request from the Board or ACC, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or its designees shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof, including reasonable attorney's fees, may be assessed against the benefited Unit and collected as an assessment pursuant to this Declaration.

In addition to the foregoing, the Board shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Paragraph and its decisions.

If any Owner or Occupant makes any exterior change, alteration, or construction (including landscaping) upon the Common Elements in violation of this Paragraph, he or she does so at his or her sole risk and expense. The Board may require that the change, alteration or construction remains on the Common Elements without reimbursement to the Owner or Occupant for any expense

he or she may have incurred in making the change, alteration or construction.

16. USE RESTRICTIONS

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

In addition to the following use restrictions, the Board may adopt rules and regulations in accordance with the terms hereof and as specified in the Bylaws.

- (a) Alterations of Units. Subject to the provisions below, Unit Owners may make alterations to the interiors of their Units and relocate the boundaries between adjoining Units; Units may only be subdivided in accordance with the terms hereof.
- (i) Alterations of the Interiors of the Units. If any Owner acquires an adjoining Unit, such Owner shall have the right (subject to the prior written approval of the Mortgagees of the Units involved) to remove all or any part of any intervening partition or to create doorways or other apertures therein, notwithstanding the fact that such partition may, in whole or part, be part of the Common Elements, so long as no portion of any load bearing wall or column is materially weakened or removed and no portion of any Common Elements is damaged, destroyed or endangered, other than that partition chutes, tines, ducts, conduits, wires or other apparatus contained therein which shall be relocated by such Owner if such facilities serve any other part of the Condominium. The alterations permitted by this subparagraph shall not be deemed an alteration or relocation of boundaries between adjoining Units.
- (ii) Relocation of Boundaries. Boundaries between adjoining Units shall not be relocated, except by Declarant during the period in which the Declarant has the right to appoint the Directors and officers of the Association under the Bylaws by recording revised Floor Plans.
- (iii) Subdivision of Units. Each Building may be subdivided into not more than four (4) Units by Declarant during the period of Declarant has the right to appoint the Directors and officers of the Association under the Bylaws (and thereafter by the Association) in accordance with Section 44-3-92 of the Act.
- (b) Outbuilding and Fences. No structure of a temporary character, trailer, tent, shack, carport, garage, barn or other outbuilding and no fences shall be erected by any Owner or Occupant on any portion of the Condominium, other than by Declarant, at any time, either temporarily or permanently, without the prior written approval of the Board.
- (c) Use of Commons Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept on, parked on, stored on or removed from any part of the Common Elements without the prior written consent of the Board, except as specifically provided herein. In addition, there shall be no gardening or landscaping on the Common Elements without prior written consent of the Board.
- (d) Use of Limited Common Elements. Use of the Limited Common Elements is restricted exclusively to the Owners of the Unit as to which such Limited Common Elements are assigned, and said Owner's guests, tenants and invitees. The Limited Common Elements are reserved for exclusive use, but shall not be construed or interpreted to be separate and apart from the Common Elements in general, and the restrictions applicable to the Common Elements as provided in subparagraph (e) of this Paragraph shall also apply to the Limited Common Elements.

- (e) Prohibition of Damage, Nuisance and Noise. Without prior written Board consent, nothing shall be done or kept on the Condominium, or any part thereof which would increase the rate of insurance on the Condominium or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses.

Noxious, destructive or offensive activity shall not be carried on upon the Condominium. No Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Condominium at any time, in any way or for any purpose which may endanger the health, unreasonably annoy or disturb or cause embarrassment, or discomfort to other Owners or Occupants, or in such a way as to constitute, in the Board's sole opinion, a nuisance. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his or her property or personal rights.

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 Condominium or any structure created thereon, would reduce the value thereof, or would impair any easement or other interest in real property thereto, without the prior written consent of all members of the Association and their Mortgagees.

No damage to or waste of the Common Elements, or any part thereof, shall be permitted by any Owner or any invitee of any Owner. Each Owner shall indemnify and hold the Association and the other Owners harmless against any loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, guests, invitees, or Occupants of his or her Unit.

- (f) Parking. Vehicles must be parked within the designated spaces in the parking lot of the Condominium.

Disabled and stored vehicles are prohibited from being parked on the Condominium. Notwithstanding the above, trucks shall be allowed temporarily on the Common Elements during normal business hours for the purpose of delivery of materials, supplies, furniture or equipment, or as needed to accommodate move-ins and move-outs. Boats and other trailers, golf carts, All Terrain Vehicles (ATVs) of less than 100 horsepower, panel trucks, trucks with a load capacity of one (1) ton or more, recreational vehicles (RVs and motor homes), commercial vans and eighteen wheel trucks or the cabs of those trucks are also prohibited from being parked on the Condominium, except in areas, if any, designated by the Board as parking areas for particular types of vehicles, serving any Unit or Common Elements; provided, that no such vehicle shall be authorized to remain on the Common Elements overnight or for any purpose except serving a Unit or the Common Elements, without written Board consent.

For purposes of this subparagraph, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Condominium for fourteen (14) days or longer without prior written Board permission.

If any vehicle is parked on any portion of the Condominium in violation of this subparagraph (f) or in violation of the Association's rules and regulations, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of the person or entity that will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the Owner or user of the vehicle.

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

activity. The Association's right to tow is in addition to, and not in limitation of all other rights of the Association including the right to assess fines. The Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

- (g) Abandoned Personal Property. Personal property, other than an automobile as provided for above, is prohibited from being stored, kept, or allowed to remain for more than, twenty-four (24) hours upon any portion of the Common Elements, other than on a Limited Common Element, without prior written Board permission. If the Board determines that a violation exists, then, not less than two (2) days after written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Board may remove and either discard or store the personal property in a location which the Board may determine. The notice shall include the name and telephone number of a person to contact regarding the alleged violation.

The Board, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the location of the property within three (3) days after the property is removed. Neither the Association nor any officer or agent thereof shall be liable to any person for any claim or damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

- (h) Heating of Units in Colder Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to any portion of the Condominium, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five (55°) degrees Fahrenheit (except during power failures or periods when heating equipment is broken) whenever the temperature is forecasted to or does reach thirty-two (32°) degrees Fahrenheit or below. Owners and Occupants of Units shall take all steps possible on a timely basis to keep heating equipment including but not limited to, the thermostat, in good working order and repair. The Board of Directors may fine any Owner or Occupant and/or may cause the water service to the violator's Unit to be discontinued for violation of this subparagraph, in addition to any other remedies of the Association.
- (i) Signs. Except as may be required by legal proceedings, and except for signs which may be erected by Declarant related to the development and sale of Units, no signs, political signs, advertising posters or billboards of any kind shall be erected, placed, or permitted to remain on the Condominium without the prior written consent of the Board or its designee, except that one (1) professional security sign not to exceed six (6") inches by six (6") inches in size may be displayed from within a Unit, and one (1) professionally lettered "FOR RENT" or "FOR SALE" sign not to exceed two (2') feet by two (2') feet in size may be displayed from within a Unit being offered for sale or for lease. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association. Signs related to business activities in Units may be erected only with list approval of the Board.
- (j) Rubbish Trash and Garbage. All rubbish, trash, and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Elements or Limited Common Elements outside the Unit temporarily or otherwise, except as provided herein. Rubbish, trash, and garbage shall be disposed of in sealed bags and either placed in proper receptacles designated by the Board for collection or removed from the Condominium.
- (k) Antennas. Other than any antenna installed by the Declarant, no exterior radio antenna or aerial, television antenna, aerial dish or similar facility of any transmission antenna, of any kind, may be erected anywhere on the Condominium unless first approved in writing by the Declarant or Architectural Control Committee as required under Paragraph 15. No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) antennas larger than one (1) meter in diameter may be placed, allowed or maintained upon any portion of the Condominium, including a Unit. DBS and MMDS antennas one (1) meter or less in diameter and television broadcast service

antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and regulations of the Association authorized by the FCC, both as may be amended from time to time.

- (l) Sale Period. Notwithstanding any provisions contained in this Declaration to the contrary, during the period of the sale of the Condominium Unit it shall be expressly permissible for Declarant, its contractors, agents, employees, assigns and representatives, to maintain and carry out, upon such portion of the Property as Declarant may deem necessary, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the completion and sale of the Condominium Units, including, but without limitation, business offices, signs, model units and sales offices. The right to maintain and carry on such facilities and activities shall include specifically the right to use the parking facilities on the Condominium for such purposes and to use the Units owned by Declarant as model Units and as offices for the sale of the Condominium Units and related activities.

17. LEASING

The Board shall have the power to make and enforce reasonable rules and regulations and to fine, in accordance with the Declaration and Bylaws, in order to enforce the provisions of this Paragraph.

- (a) Definition. "Leasing", for purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any person or persons other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument.
- (b) Leasing Provisions. Leasing of Units shall be governed by the following provisions:
- (i) General. Units may be leased only in fractions not less than 200 square feet in the aggregate and no smaller fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board may maintain and, upon request, provide a form that is deemed acceptable. There shall be no subleasing of Units or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than six (6) months, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other people occupying the Unit. The Owner must provide the lessee copies of the Declaration, Bylaws, and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease and the proposed use of the Unit.
- (ii) Liability for Assessments, Use of Common Elements and Compliance with Declaration, Bylaws and Rules and Regulations. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(a) Compliance with Declaration, Bylaws, and Rules and Regulations. The lessee shall comply with all provisions of the Declaration, Bylaws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other Occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all Occupants of his or her Unit to comply with the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Unit are fully liable and may be sanctioned for any such violation. If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule or regulation for which a fine is imposed, notice of the violation shall be given to the Owner and the lessee, and such fine may be assessed against the lessee in accordance with the Bylaws. If

the fine is not paid by the lessee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Unit.

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Unit.

(b) Use of Common Elements. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Condominium Common Elements.

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

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

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee, as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs including

attorney's fees and court costs, associated with the eviction shall be an assessment and lien against the Unit.

- (d) Liability for Assessments. When a Unit Owner who is leasing his or her Unit fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, the lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by the lessee. However, the lessee need not make such payments to the Association in excess of, or prior to the due dates from monthly rental payments unpaid at the time of the Board's request. All such payments made by the lessee shall reduce, by the same amount, the lessee's obligation to make monthly rental payments to the lessor. If the lessee fails to comply with the Board's request to pay assessments or other charges, the lessee shall pay to the Association all amounts authorized under the Declaration as if the lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.
- (e) Applicability to Declarant and Holders of First Mortgages. This Paragraph 17 shall not apply to any leasing transaction entered into by (i) the Declarant, or (ii) by the holder of any first Mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage.

18. SALE OF UNITS

Within ten (10) days after receiving title to a Unit, the purchaser of the Unit shall give the Board written notice of his or her ownership of the Unit. Upon failure of an Owner to give the required notice within the ten (10) day time period provided herein, the Board may levy fines against the Unit and Owner and assess the Owner for all costs incurred by the Association in determining his or her identity.

19. MAINTENANCE RESPONSIBILITY.

- (a) By the Owner. Except as expressly provided below, each Owner shall have the obligation to maintain, keep in good repair and replace all portions of his or her Unit and all Limited Common Elements assigned to his or her Unit, except those assigned to the Association in subsection (b) below. This maintenance responsibility shall include, but not be limited to, the following: all glass surfaces, windows, window frames, casings and locks (including caulking of windows, but excepting painting); all doors, doorways, door frames, and hardware that are part of the entry system of the Unit (except painting); all portions of the heating and air conditioning system, including the air conditioning compressor serving the Unit and the fan coil; all pipes, lines, ducts, conduits, or other apparatus which serve only the Unit whether located within or without a Unit's boundaries (including all gas, electricity, water, sewer, or air conditioning pipes, lines, ducts, conduits or other apparatus serving only the Unit); the appliances and fixtures within the Unit; and the walls, floors, and ceilings of the Unit.

In addition, each Unit Owner shall have the responsibility:

- (i) To keep in a neat, clean and sanitary condition the Unit and any Limited Common Elements serving his or her Unit.
- (ii) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Units.
- (iii) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible.
- (iv) To pay for the cost of repairing, replacing or cleaning up any item which is the responsibility

of the Unit Owner but which responsibility such Owner fails or refuses to discharge (which the Association shall have the right but not the obligation, to do), or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Unit Owner, his or her tenants or guests, with the cost thereof to be added to and become part of the Unit Owner's next chargeable assessment.

- (b) By the Association. The Association shall maintain, keep in good repair, replace, and, in the Board's discretion, improve, as a Common Expense the "Area of Common Responsibility," which includes the following:
- (i) All Common Elements and landings, stairways, and parking spaces assigned as Limited Common Elements;
 - (ii) Maintenance and repair of the exterior on the buildings housing the Units;
 - (iii) Painting of exterior surfaces of doors, door frames and window frames; and
 - (iv) Roofs, including the roof joints and trusses, crossbeams, roof decking and underlaying, shingles or other covering and surface materials, flashing, and vents.

Except to the extent that insurance required to be maintained or maintained by the Association covers any damage or loss and except as otherwise provided herein, the Association shall not be responsible for any maintenance or repair to any Unit.

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

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner or any Unit, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder. The Association shall not be liable to the Owner of any Unit or such Owner's Occupant or guest, for loss or damage, by theft or otherwise, of any property that may be stored in or upon any of the Common Elements. The Association shall not be liable to any Owner, or any Owner's Occupant or guest for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Paragraph where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

The Association shall repair incidental damage to any Unit resulting from performance of work which is the responsibility of the Association. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

- (c) Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair,

or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided, then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become apart of the assessment to which such Owner is subject, shall become and be a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

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

(d) Measures Related to Insurance Coverage

- (i) The Board of Directors, upon resolution, shall have the authority to require all or any Unit Owner(s) to do any actor perform any work involving portions of the Condominium which are the maintenance responsibility of the Unit Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring all Owners to turn off cut-off valves, which may now or hereafter be installed, during winter months for outside water spigots; requiring Owners to insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; requiring Owners to install smoke detectors; requiring Owners to make improvements to the Owner's Unit; and such other measures as the Board may reasonably require so long as the cost of such work does not exceed three hundred (\$300) dollars per Unit in any twelve (12) month period.
- (ii) In addition to, and not in limitation of, any other rights the Association may have, if any Unit Owner does not comply with any requirement made by the Board pursuant to subparagraph (d)(i) above, the Association upon fifteen (15) days written notice (during which period the Unit Owner may perform the required act or work without further liability), may perform such required act or work at the Unit Owner's sole cost. Such cost shall be an assessment and a lien against the Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subparagraph (d)(i) of this Paragraph, including, but not limited to, the right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that access may be had at any time without notice in an emergency situation.

20. PARTYWALLS

- (a) General Rules of Law to Apply. Each wall built as a part of the original construction of the Units shall serve and separate any two (2) adjoining Units 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.
- (b) 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.
- (c) 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 shall contribute to the cost of restoration thereof in equal proportions, without prejudice, however, to the right of any such Owner to call for larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

- (d) Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Paragraph shall be appurtenant to the land and shall pass to such Owner's successors-in-title.
- (e) Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of this Paragraph, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefore by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties. Compliance with this subparagraph shall be a condition precedent to any right of legal action that either party may have against the other in a dispute arising under the provisions of this Paragraph.

21. MORTGAGEE'S RIGHTS

- (a) Unless at least two-thirds (2/3) of the first Mortgagees or Unit Owners give their consent, the Association or the membership shall not:
- (i) by act or omission seek to abandon or terminate the Condominium;
 - (ii) change the pro rata interest or obligations of any individual Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (2) determining the pro rata share of ownership of each Unit in the Common Elements;
 - (iii) partition or subdivide any Unit;
 - (iv) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements (the granting of easements or licenses, as authorized herein, shall not be deemed a transfer within the meaning of this clause); or
 - (v) use hazard insurance proceeds for losses to any portion of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement, or reconstruction of such portion of the Condominium.

The provisions of this subparagraph shall not be construed to reduce the percentage vote that must be obtained from Mortgagees or Unit Owners where a large percentage vote is otherwise required by the Act or the Condominium Instruments for any of the actions contained in this Paragraph.

- (b) Where the Mortgagee holding a first Mortgage of record or other purchaser of a Unit obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns.

Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

- (c) Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Unit number or address, any Eligible Mortgage Holder or insurer or guarantor of a First Mortgage will be entitled to timely written notice of.

- (i) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held, insured, or guaranteed by such Eligible Mortgage Holder;
 - (ii) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Unit Owner of any other obligation under the Condominium Instruments which is not cured within sixty (60) days;
 - (iii) any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or
 - (iv) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.
- (d) Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.
- (e) Notwithstanding anything to the contrary herein contained, the provisions of Paragraph 17 and 18 governing sales and leases shall not apply to impair the right of any first Mortgagee to:
- (i) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or
 - (ii) take a deed assignment in lieu of foreclosure; or
 - (iii) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

22. GENERAL PROVISIONS

- (a) Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the Condominium; however, each Owner, for himself or herself and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security and shall have no duty to provide security on the Condominium. It shall be the responsibility of each Owner to protect his or her person and property and all responsibility to provide such security shall lie solely with each Unit Owner. Neither Declarant nor the Association shall be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of safety measures undertaken.
- (b) Dispute Resolution. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, a Unit Owner or Occupant must request and attend a hearing with the Board of Directors. Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or any property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) or more than twenty-one (21) days from the date of receipt of the request.
- (c) Right of Action. Each Owner hereby acknowledges and agrees that the Association shall not be entitled to institute any legal action against anyone on behalf of any or all of the Owners which is based on any alleged defect in any Unit or the Common Elements, or any damage allegedly sustained by any Owner by reason thereof, but rather, that all such actions shall be instituted by the Owners

owning such Units or served by such Common Elements or allegedly sustaining such damage.

- (d) No Discrimination. No action shall be taken by the Association or the Board which would unlawfully discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or handicap.
- (e) Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.
- (f) Contracts Executed During Declarant Control. All contracts or leases executed by or on behalf of the Association during the period in which the Declarant has the right to appoint the Directors and officers of the Association under the Bylaws are subject to cancellation and termination at any time during the twelve (12) months following the expiration of such control period by the affirmative vote of the Owners holding a majority of the votes of the Association, unless the Owners by a like majority shall have, following the expiration of such control period, expressly ratified and approved the same.

23. EMINENT DOMAIN

In the event of a taking by condemnation or by eminent domain, the provisions of the Act shall prevail and govern: provided, however, that any proceeds received for a taking of the Common Elements (other than Limited Common Elements) by condemnation or eminent domain shall, at the option of the Board, either be allocated to the Owners pursuant to O.C.G.A. Section 44-3-97(a), as amended, or be deposited into the Association's operating account or reserve account to be applied to Common Expenses. Each institutional holder of a first Mortgage shall be entitled to written notice of any such condemnation proceedings, and nothing in the Condominium Instruments shall be construed to give a priority to any Unit Owner in the distribution of proceeds to such Unit.

24. EASEMENTS

- (a) Use and Enjoyment. Each Unit Owner and Occupant shall have a right and easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from his or her Unit over those portions of the Condominium designated for such purpose), and such easement shall be appurtenant to and shall pass with the title so such Unit subject to the rights of the Unit Owners to the exclusive time of the Limited Common Elements assigned to their respective Units and to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein.
- (h) Support. Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit.
- (c) Encroachments. The Unit and Common Elements shall be subject to easements of encroachment as set forth in the Act.
- (d) Utilities. To the extent that any utility pipe, line, wire, or conduit serving any Unit, Units or the Common Elements shall lie wholly or partially within the boundaries of another Unit or the Common Elements, such other Unit, Units or the Common Elements shall be burdened with an easement for the use, maintenance, repair and replacement of such utility pipe, line, wire, or conduit, such easement to be in favor of the Unit, Units, or Common Elements served by same and the Association
- (e) Declarant Easements. So long as Declarant owns any Unit primarily for the purpose of sale, Declarant and its duly authorized contractors, representatives, agents, and employees shall have: (1) an easement for the maintenance of signs, a sales office, a business office, promotional facilities and model Units on the Condominium, together with such other facilities as in the opinion of Declarant may be

reasonably required, convenient or incidental to the completion, renovation, improvement, development or sale of the Unit, and (2) a transferable easement on, over, through, under and across the Common Elements for the purpose of making improvements on the Condominium or any portion thereof, for the purpose of installing, replacing, repairing and maintaining all utilities serving the Condominium, and for the purpose of doing all things reasonably necessary and proper in connection therewith. Declarant shall not be charged with any fees or costs for the exercise of these easement rights.

25. AMENDMENTS

Except where a higher vote is required for action under any other provision of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding two-thirds (2/3) of the total Association vote. As long as Declarant has the right to appoint the directors and officers of the Association, any amendment to this Declaration or the Bylaws shall require written consent of Declarant. Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in Gwinnett County, Georgia land records.

*See P
4 B 1st*

In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage holders who represent at least fifty-one (51%) percent of the votes of Units that are subject to Mortgages held by Eligible Mortgage Holders. Notwithstanding the above, the approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder receives notice of the proposed amendment sent by certified or registered mail, return receipt requested.

Notwithstanding the foregoing, Declarant or the Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to comply with any applicable state, city or federal law, and/or to bring the Condominium into 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").

Any action to challenge the validity of an amendment adopted under this Paragraph must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

26. SEVERABILITY

Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provisions to other circumstances or affect any other provision(s), which shall remain in full force and effect.

27. DECLARANT RIGHTS AND OBLIGATIONS

- (a) Sales and Marketing. Notwithstanding anything to site contrary herein, and in addition to Declarant's right to appoint and remove officers and directors under the Bylaws and other rights set forth herein, Declarant shall have the right, as long as Declarant owns at least one Unit to conduct such sales and marketing activities at the Condominium as Declarant deems appropriate for the sale or marketing of any Unit and Declarant shall have easement rights across the Common Elements to erect reasonable signs and to conduct such other sales and marketing activity as provided herein.
- (b) Working Capital Fund The Declarant shall not use the working capital funds provided by purchasers of Units upon the initial sale of Units to defray its expenses, reserve contribution, or construction costs, or to make up any budget deficits while it has the right to appoint officers and directors of the

Association. However, when unsold Units are sold, the Declarant may reimburse itself for funds it paid to the Association for the unsold Unit's share of the working capital fund by using the working capital funds collected at closing when the Unit is sold.

28. PREPARERS

David A. Weissmann of Weissmann & Zucker, P.C., 3490 Piedmont Road, Suite 650, Atlanta, Georgia 30305, prepared this Declaration,

(SIGNATURES FOLLOW ON NEXT PAGE)

BK40937PG0097

IN WITNESS WHEREOF, Declarant has executed this Declaration as of the 8th day of December, 2004.

DECLARANT:

STEVE REYNOLDS COMMONS, LLC

By:  (SEAL)
Charles G. Sechler, Manager

Signed, sealed and delivered
in the presence of:


Witness


Notary Public

MY COMMISSION EXPIRES



EXHIBIT "A"
STEVE REYNOLDS COMMONS
SUBMITTED PROPERTY

ALL THAT TRACT OR PARCEL OF LAND LYING OR BEING IN LAND LOT 202 OF THE 6th LAND DISTRICT, GWINNETT COUNTY, GEORGIA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE FROM THE POINT OF INTERSECTION OF THE NORTHEASTERLY RIGHT-OF-WAY LINE OF INTERNATIONAL BOULEVARD (HAVING A 60 FOOT WIDE RIGHT-OF-WAY) AND THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STEVE REYNOLDS BOULEVARD (HAVING A VARIABLE WIDTH RIGHT-OF-WAY) IF THE RIGHT-OF-WAY LINES WERE EXTENDED TO FORM A POINT OF INTERSECTION RATHER THAN A MITER; THENCE ALONG THE SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF STEVE REYNOLDS BOULEVARD THE FOLLOWING THREE COURSES AND DISTANCES: ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 3149.67 FEET, AN ARC LENGTH OF 36.36 FEET, BEING SUBTENDED BY A CHORD BEARING NORTH 59 DEGREES 37 MINUTES 36 SECONDS EAST AND A CHORD DISTANCE OF 36.36 FEET TO A POINT; THENCE ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 3,149.67 FEET, AN ARC LENGTH OF 449.25 FEET, BEING SUBTENDED BY A CHORD BEARING OF NORTH 55 DEGREES 12 MINUTES 35 SECONDS EAST AND A CHORD DISTANCE OF 448.87 FEET TO A POINT; THENCE NORTH 51 DEGREES 07 MINUTES 24 SECONDS EAST A DISTANCE OF 213.26 FEET TO A IRON PIN FOUND (ONE INCH METAL ROD) AT THE TRUE POINT OF BEGINNING; THENCE FROM THE TRUE POINT OF BEGINNING AS THUS ESTABLISHED AND DEPARTING THE SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF STEVE REYNOLDS BOULEVARD NORTH 38 DEGREES 52 MINUTES 38 SECONDS WEST A DISTANCE OF 530.78 FEET TO A IRON PIN FOUND (ONE HALF INCH REBAR); THENCE NORTH 08 DEGREES 33 MINUTES 29 SECONDS EAST A DISTANCE OF 32.99 FEET TO A POINT IN THE CENTERLINE OF A BRANCH; THENCE ALONG THE SAID CENTERLINE OF A BRANCH THE FOLLOWING TEN COURSES AND DISTANCES: NORTH 86 DEGREES 25 MINUTES 53 SECONDS EAST A DISTANCE OF 34.68 FEET TO A POINT; THENCE SOUTH 30 DEGREES 15 MINUTES 09 SECONDS EAST A DISTANCE OF 33.57 FEET TO A POINT; THENCE NORTH 88 DEGREES 39 MINUTES 57 SECONDS EAST A DISTANCE OF 19.95 FEET TO A POINT; THENCE NORTH 27 DEGREES 44 MINUTES 04 SECONDS EAST A DISTANCE OF 29.63 FEET TO A POINT; THENCE NORTH 25 DEGREES 48 MINUTES 39 SECONDS EAST A DISTANCE OF 12.28 FEET TO A POINT; THENCE NORTH 43 DEGREES 36 MINUTES 09 SECONDS EAST A DISTANCE OF 36.89 FEET TO A POINT; THENCE NORTH 60 DEGREES 00 MINUTES 37 SECONDS EAST A DISTANCE OF 79.66 FEET TO A POINT; THENCE NORTH 43 DEGREES 19 MINUTES 44 SECONDS EAST A DISTANCE OF 25.39 FEET TO A POINT; THENCE NORTH 26 DEGREES 38 MINUTES 36 SECONDS EAST A DISTANCE OF 20.91 FEET TO A POINT; THENCE NORTH 64 DEGREES 33 MINUTES 01 SECONDS EAST A DISTANCE OF 19.53 FEET TO A POINT; THENCE DEPARTING THE SAID CENTERLINE OF A BRANCH SOUTH 38 DEGREES 52 MINUTES 36 SECONDS EAST A DISTANCE OF 493.22 FEET TO A IRON PIN SET (ONE HALF INCH REBAR) ON THE SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF STEVE REYNOLDS BOULEVARD; THENCE ALONG THE SAID NORTHEASTERLY RIGHT-OF-WAY LINE OF STEVE REYNOLDS BOULEVARD THE FOLLOWING FOUR COURSES AND DISTANCES: SOUTH 58 DEGREES 49 MINUTES 09 SECONDS WEST A DISTANCE OF 12.49 FEET TO A POINT; THENCE SOUTH 50 DEGREES 50 MINUTES 19 SECONDS WEST A DISTANCE OF 180.84 FEET TO A IRON PIN SET (ONE HALF INCH REBAR); THENCE SOUTH 21 DEGREES 47 MINUTES 20 SECONDS WEST A DISTANCE OF 25.23 FEET TO A IRON PIN SET (ONE HALF INCH REBAR); THENCE SOUTH 51 DEGREES 07 MINUTES 24 SECONDS WEST A DISTANCE OF 64.91 FEET TO THE IRON PIN FOUND (ONE INCH METAL ROD) AT THE TRUE POINT OF BEGINNING.

SAID TRACT OR PARCEL OF LAND CONTAINS 3.216 ACRES (BEING 140,089 SQUARE FEET) INCLUDING ALL EASEMENTS.

BK40937PG0099

EXHIBIT "B"

Office A	37.53%	2417
Office B	<u>62.47%</u>	<u>4024</u>
TOTAL	100.00%	6441