#### **NOTICE OF AMENDMENT**

This notice is provided to you because you are a member of Cambridge Grove Homeowners Association, Inc. (the "Association") and an Owner of a Lot in the Cambridge Grove Subdivision. The Board of Directors is proposing to amend and restate the Declaration of Protective Covenants for Cambridge Grove Subdivision and the Bylaws of Cambridge Grove Homeowners Association, Inc., (the "Amended and Restated Documents"). A copy of the proposed Amended and Restated Documents is enclosed for your review. The Amended and Restated Documents will be voted upon at a special meeting of the Association. The Association will be sending out a notice of the special meeting providing the date and time of the special meeting.

Also enclosed is a proxy. You may either attend the special meeting and vote in person, or, alternatively, you may return the executed proxy to the following address at any time prior to the meeting. If you return your proxy, you do not need to attend the special meeting in person. Please return your executed proxy to:

Cambridge Grove Homeowners Association, Inc. Attn: Melanie Mitchell P.O. Box 6040 Marietta, GA 30065

Thank you,

Board of Directors

#### PROXY FOR THE SPECIAL MEETING OF CAMBRIDGE GROVE HOMEOWNERS ASSOCIATION, INC.

The Board of Directors is proposing to amend and restate the Declaration of Protective Covenants for Cambridge Grove Subdivision and the Bylaws of Cambridge Grove Homeowners Association, Inc., (the "Amended and Restated Documents"). A copy of the proposed Amended and Restated Documents is enclosed for your review. The proposed Amended and Restated Documents may only become effective upon the affirmative vote or written consent, or any combination thereof, of Owners of at least two-thirds (2/3) of the Lots and members of the Association representing at least two-thirds (2/3) of the Total Association Vote.

The undersigned Owner of a Lot in Cambridge Grove and member of Cambridge Grove Homeowners Association, Inc., hereby appoints the Secretary of the Association or (fill in name of your choice if you do not want the Secretary to exercise your vote) as the true and lawful proxy of the undersigned (hereinafter the "proxy holder") to attend and represent the undersigned at the special meeting of the members of the Association to be held on a date to be determined by the Board of Directors or any adjournment thereof. This proxy may be used toward a quorum at the meeting or any adjournment thereof. This proxy shall be automatically revoked if the undersigned member attends the meeting or any adjournment thereof.

The undersigned directs the proxy holder to vote as follows:

[] Check here if you direct the proxy holder to vote **IN FAVOR OF** the Amended and Restated Documents; or

[] Check here if you direct the proxy holder to vote **AGAINST** the Amended and Restated Documents.

**Instructions:** Only one proxy per lot may be used. Only one Owner/Member is necessary to sign the proxy. The signature of each co-owner/co-member is not required. Please either have a friend or neighbor deliver your signed proxy to the Secretary of the Association before the start of the meeting, or you may mail your signed proxy to the following address so that it may be used at the meeting:

Cambridge Grove Homeowners Association, Inc. Attn: Melanie Mitchell P.O. Box 6040 Marietta, GA 30065

The undersigned has executed this proxy this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_.

Signature of Owner/Member

Address of Owner/Member

Print full name of Owner/Member

After Recording Return To: Lueder, Larkin & Hunter, LLC 5900 Windward Parkway, Suite 390 Alpharetta, Georgia 30005 Attn: Haley H. Bourret Cross Reference: Deed Book 9901, Page 90

#### STATE OF GEORGIA

#### **COUNTY OF COBB**

# AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS FOR CAMBRIGE GROVE SUBDIVISION

WHEREAS, JBC Development Group, Inc., a Georgia corporation (hereafter referred to as the "Declarant"), recorded that certain Declaration of Protective Covenants for Cambridge Grove Subdivision on October 2, 1996, in Deed Book 9901, Page 90 of the Cobb County, Georgia land records (hereafter referred to as the "Original Declaration");

WHEREAS, the Original Declaration was previously amended pursuant to that certain Amendment to the Declaration of Protective Covenants for Cambridge Grove Subdivision recorded on November 21, 1996 in Deed Book 10007, Page 231 of the Cobb County, Georgia land records, and that certain Supplementary Declaration to the Declaration of Protective Covenants for Cambridge Grove Subdivision recorded on March 17, 1997 in Deed Book 10230, Page 4 of the Cobb County, Georgia land records; WHEREAS, Cambridge Grove Homeowners Association, Inc. (hereafter referred to as the "Association") is the homeowners association identified in the Original Declaration and existing and operating in the Cambridge Grove subdivision;

WHEREAS, the Bylaws of Cambridge Grove Homeowners Association, Inc. (hereafter referred to as the "Original Bylaws") were recorded as Exhibit "C" to the Original Declaration and are the bylaws of the Association;

WHEREAS, pursuant to Paragraph 12 (d) of the Original Declaration, if the Declarant no longer owns any Property in the Community, and no longer has the right to annex additional property, the Original Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of the Owners of at least two-thirds (2/3) of the Lots;

WHEREAS, as of the date hereof, Declarant no longer owns any property for Property in the Community and no longer has the right to annex additional property to the Community;

WHEREAS, Article VI, Section 4 of the Original Bylaws provides that the Original Bylaws may be amended upon the affirmative vote or written consent, or any combination thereof, of at least two-thirds (2/3) of the Total Association Vote; provided, however, that the U.S. Department of Veterans Affairs ("VA") (if it is then guaranteeing any mortgage in the Community or has issued a project approval for the guaranteeing of such mortgages) and/or the U.S. Department of Housing and Urban Development ("HUD") (if it is then insuring any mortgage in the Community or has issued a project approval for the insuring of such mortgages) shall have the right to veto material amendments to the Original Bylaws for so long as the Declarant has the right to appoint and remove the directors and officers of the Association;

WHEREAS, as of the date hereof, Declarant no longer has the right to appoint and remove the directors and officers of the Association, such that the U.S. Department of Veterans Affairs ("VA") and the U.S. Department of Housing and Urban Development ("HUD") no longer have the right to veto material amendments to the Original Bylaws;

WHEREAS, Owners of at least two-thirds (2/3) of the Lots and members of the Association representing at least two-thirds (2/3) of the Total Association Vote have voted affirmatively for this Amended and Restated Declaration of Protective Covenants for Cambridge Grove and the Amended and Restated Bylaws of Cambridge Grove Homeowners Association, Inc., which are attached hereto as Exhibit "B," at a meeting of the association duly called for such purpose;

NOW, THEREFORE, the Original Declaration, the Original Bylaws, and all amendments thereto are hereby stricken in their entirety and the following is simultaneously substituted therefor:

### AMENDED AND RESTATED DECLARATION OF

#### PROTECTIVE COVENANTS FOR CAMBRIDGE GROVE



5900 Windward Parkway, Suite 390 Alpharetta, Georgia 30005 770-685-7000 www.luederlaw.com

# **Table of Contents**

ARTICLE I.	GEORGIA PROPERTY OWNERS' ASSOCIATION ACT	5
ARTICLE II.	DEFINITIONS	5
2.1.	Act	
2.2.	Association	
2.3.	Board or Board of Directors	
2.4.	Bylaws	
2.5.	Common Property	
2.6.	Community or Cambridge Grove Subdivision	
2.7.	Community-Wide Standard	
2.8.	Declaration	
2.9.	Effective Date of this Declaration	
2.10.	Eligible Mortgage Holder	
2.11.	Lot	
2.12.	Majority	
2.13.	Majority Vote	
2.14.	Mortgage	
2.15.	Mortgagee or Mortgage Holder	
2.16.	Occupant	
2.17.	Original Declaration	
2.18.	Owner	
2.19.	Person	
2.20.	Total Association Vote	
ARTICLE III.	PROPERTY SUBJECT TO DECLARATION	6
ARTICLE IV.	ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	7
4.1.	Membership	7
4.2.	Voting	7
4.3.	Entity Members.	7
ARTICLE V.	ASSOCIATION RIGHTS AND RESTRICTIONS	7
5.1.	Association Rights and Restrictions	7
ARTICLE VI.	ASSESSMENTS	8
6.1.	Purpose of Assessment	
6.2.	Creation of the Lien and Personal Obligation For Assessments	
6.3.	Uniform Rate of Assessment and Specific Assessments	
6.5.	Fiscal Year	
6.6.	Reserve Budget and Reserve Account.	
6.7.	Special Assessments	
6.8.	Capital Contribution Assessments	

6.9.	Delinquent Assessments	11
6.10.	Statement of Account.	
ARTICLE VII.	ARCHITECTURAL CONTROLS	10
7.1.	Architectural Standards.	
7.1. 7.2.	Architectural Review Committee.	
7.2. 7.3.		
7.3. <b>7.4.</b>	Appeal LIMITATION OF LIABILITY	
7. <b>4.</b> 7.5.	No Waiver of Future Approvals.	
7.5. 7.6.	Enforcement.	
7.0.	Commencement and Completion of Construction	
7.7.	-	
7.8.	Condition of Approval	
ARTICLE VIII.	USE RESTRICTIONS	15
8.1.	Residential Use	15
8.2.	Number of Occupants	16
8.3.	Vehicles and Parking	17
8.4.	Animals.	
8.5.	Fences	19
8.6.	Roofs	19
8.7.	Garage Doors	19
8.8.	Driveways, Parking Pads, and Walkways.	19
8.9.	Antennas and Satellite Dishes.	19
8.10.	Abandoned Personal Property.	
8.11.	Use of Common Property	
8.12.	Prohibition of Nuisance and Noise	
8.13.	Signs	
8.14.	Rubbish, Trash, and Garbage.	
8.15.	Unsightly or Unkempt Conditions	
8.16.	Impairment of Dwellings and Easements	
8.17.	Erosion Control	
8.18.	Subdivision of Lots.	
8.19.	Garage Sales.	
8.20.	Tree Removal.	
8.21.	Delivery Receptacles and Property Identification Markers	
8.22.	Clotheslines.	
8.23.	Recreational Equipment.	
8.24.	Window Air Conditioners.	
8.25.	Solar Equipment, Security Devices and Exterior Lighting	
8.26.	Outbuildings	
ARTICLE IX.	LEASING	24
		·····

ARTICLE X.	MAINTENANCE RESPONSIBILITY	30
10.1.	Association's Responsibility.	. 30
10.2.	Owner's Responsibility.	
10.3.	Failure to Maintain.	
10.4.	Maintenance Standards and Interpretation.	. 32
ARTICLE XI.	EASEMENTS	33
11.1.	Easements for Encroachment and Overhang	
11.2.	Easements for Use and Enjoyment	
11.3.	Easement for Entry.	
11.4.	Easement for Utilities	
11.5.	Easement for Entrance Sign and Landscaping	
11.6.	Easement for Maintenance.	
ARTICLE XII.	SALE OF LOTS	35
12.1.	Grantor's Obligation for Notice.	
12.2.	Grantee's Obligation for Notice	
ARTICLE XIII.	INSURANCE	35
13.1.	Hazard Insurance on Common Property.	
13.2.	Association Liability and Directors' and Officers' Liability Insurance.	
13.3.	Premiums and Deductible on Association Policies	
13.4.	Policy Terms	
13.5.	Individual Lot Owner Insurance	
ARTICLE XIV.	REPAIR AND RECONSTRUCTION	37
14.1.	Common Property.	
14.2.	Cost Estimates.	
14.3.	Source and Allocation of Proceeds.	
14.4.	Damage to or Destruction of Dwellings on Lots	
ARTICLE XV.	MORTGAGEE'S RIGHTS	37
15.1.	Foreclosure.	
15.2.	Eligible Mortgage Holder	
15.3.	Financial Statement.	
15.4.	Notice to the Association.	. 38
15.5.	Non-Impairment	. 38
ARTICLE XVI.	AMENDMENTS	38
ARTICLE XVII	. GENERAL PROVISIONS	39
17.1.	Enforcement	. 39
17.2.	Duration	. 41
17.3.	SECURITY.	. 41

17.4.	Dispute Resolution.	
17.5.	No Discrimination.	
17.6.	Indemnification.	
17.7.	Eminent Domain	
17.8.	Implied Rights	
17.9.	Severability	
17.10.	Conflicts.	
17.11.	Preparer.	
	-	

# LIST OF EXHIBITS

EXHIBIT "A" - DESCRIPTION OF SUBMITTED PROPERTY EXHIBIT "B" - BYLAWS

-4-

# AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS AND ESTRICTIONS FOR CAMBRIDGE GROVE

#### ARTICLE I. GEORGIA PROPERTY OWNERS' ASSOCIATION ACT

Cambridge Grove is a residential property owners' development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, <u>et seq</u>., as may be amended or supplemented.

#### ARTICLE II. DEFINITIONS

2.1. <u>Act</u> means the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, <u>et seq</u>., as may be amended or supplemented.

2.2. <u>Association</u> means Cambridge Grove Homeowners Association, Inc., a Georgia nonprofit corporation, its successors or assigns.

2.3. <u>Board or Board of Directors</u> means the elected body responsible for the management and operation of the Association.

2.4. <u>Bylaws</u> mean the Bylaws of Cambridge Grove Homeowners Association, Inc., attached to this Declaration as Exhibit "B" and incorporated herein by this reference.

2.5. <u>Common Property</u> means any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners. Common Property shall additionally mean any entrance monument and sign for the Community, as well as any associated improvements and landscaping.

2.6. <u>Community</u> or <u>Cambridge Grove Subdivision</u> means all property subjected and annexed to this Declaration and the Original Declaration and all amendments thereto.

2.7. <u>Community-Wide Standard</u> means the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board.

2.8. <u>Declaration</u> means this Amended and Restated Declaration of Protective Covenants for Cambridge Grove.

2.9. <u>Effective Date of this Declaration</u> means the date that this Amended and Restated Declaration of Protective Covenants for Cambridge Grove is recorded in the Cobb County, Georgia land records.

2.10. <u>Eligible Mortgage Holder</u> means a holder of a first mortgage secured by a Lot who has requested notice of certain items under Article XV of this Declaration.

2.11. Lot means a portion of the Community intended for ownership and use as a single-family dwelling site and as shown on the plats for the Community recorded in the Cobb County, Georgia land records.

2.12. <u>Majority</u> means those votes, Owners, members, or other group as the context may indicate totaling more than fifty percent (50%) of the total number of eligible votes, Owners, members, or other group, respectively.

2.13. <u>Majority Vote</u> means more than fifty percent (50%) of those voting in person or by proxy.

2.14. <u>Mortgage</u> means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation against a Lot.

2.15. <u>Mortgagee</u> or <u>Mortgage Holder</u> means the holder of any Mortgage.

2.16. <u>Occupant</u> means any Person occupying all or any portion of a dwelling or other property located within the Community for any period of time, regardless of whether such Person is a tenant or the Owner of such property.

2.17. <u>Original Declaration</u> means the original Declaration of Protective Covenants for Cambridge Grove on October 17, 1994, in Deed Book 8536, Page 189 of the Cobb County, Georgia land records, which has been amended and restated by this Declaration.

2.18. <u>Owner</u> means the record title holder of a Lot, whether one or more Persons, but shall not include a Mortgage Holder.

2.19. <u>Person</u> means any individual, corporation, firm, association, partnership, trust, or other legal entity.

2.20. <u>Total Association Vote</u> means all of the eligible votes attributed to members of the Association.

#### ARTICLE III. PROPERTY SUBJECT TO DECLARATION

The property subject to this Declaration is all that property subjected to the Original Declaration and including all property subjected to such Original Declaration via a recorded

amendment or supplemental declaration, and as further described in Exhibit "A" attached hereto and incorporated herein by this reference.

#### ARTICLE IV. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

4.1. <u>Membership</u>. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be a member of the Association. This is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

4.2. <u>Voting.</u> Members shall be entitled to one (1) equal vote for each Lot owned. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves. In the absence of such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it. A member's right to vote shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge.

No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, if that member is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or if the member has had his or her voting rights suspended for any reason. If a member's voting rights have been suspended, that member shall not be counted as an eligible vote for purposes of establishing a quorum or for any other purpose.

4.3. <u>Entity Members.</u> In the event a member is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary, or other designated agent of such trust, or manager of such other legal entity shall be eligible to represent such entity in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity which is the member of the Lot. The membership rights of an Owner which is a corporation, partnership, or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

#### ARTICLE V. ASSOCIATION RIGHTS AND RESTRICTIONS.

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

(a) make and to enforce reasonable rules and regulations governing the use of the Lots and of the Common Property;

(b) enforce the Declaration, Bylaws, and rules and regulations of the Association by imposing reasonable monetary fines and suspending use and voting privileges. These powers, however, shall not limit any other legal means of enforcing such documents or provisions by either the Association or, in an appropriate case, by an aggrieved Owner;

(c) grant permits, licenses, utility easements, and other easements, permits or licenses under, through or over the Common Property;

(d) convey all or a portion of the Common Property to any Person upon the written approval of at least two-thirds (2/3) of the Total Association Vote;

(e) control, manage, operate, maintain, replace and, in the Board's discretion, alter or improve all portions of the Community for which the Association is assigned maintenance responsibility under this Declaration;

(f) deal with the Common Property in the event of damage or destruction as a result of casualty loss, condemnation, or eminent domain, in accordance with the provisions of this Declaration; and

(g) represent the Owners in dealing with governmental entities on matters related to the Common Property.

#### ARTICLE VI. ASSESSMENTS

6.1. <u>Purpose of Assessment.</u> The Association shall have the power to levy assessments as provided herein. Assessments shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Association and the membership, and for expenses of the Association as provided within the Declaration, and as otherwise authorized by the Board.

6.2. <u>Creation of the Lien and Personal Obligation For Assessments.</u> Each Owner of any Lot, 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 and charges; (ii) special assessments; (iii) specific assessments; and (iv) capital contribution assessments.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred (including post-judgment attorney fees from any prior judgment, if any), shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment fell due. Each Owner and the Owner's grantee shall be jointly and severally liable for all assessments and charges due and payable at

the time of any conveyance. Assessments shall be paid in such manner and on such dates as may be fixed by the Board. The Board of Directors may, but is not obligated to, permit assessments to be paid in monthly, quarterly, or semi-annual installments. No Owner may be exempted from liability, or otherwise withhold payment of assessments, for any reason whatsoever.

The lien provided for herein shall have priority as provided in the Act. The Association, in the Board's discretion, may, but shall not be obligated to, record a notice of such lien in the Cobb County, Georgia land records evidencing the lien created under the Act and this Declaration.

6.3. <u>Uniform Rate of Assessment and Specific Assessments.</u> Annual assessments and special assessments shall be fixed at a uniform rate for all Lots. Notwithstanding the above, the Board of Directors shall have the power to levy specific assessments against Lots pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. The Board of Directors shall have the power to levy specific assessments as follows:

(a) Except for expenses incurred for maintenance and repair of items which are the Association's maintenance responsibility hereunder, any common expenses benefiting less than all of the Lots or significantly disproportionately benefiting all Lots may be specifically specially assessed equitably among all of the Lots which are benefited according to the benefit received.

(b) Any common expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any Lot may be specifically specially assessed against such Lot; such common expenses shall include, but shall not be limited to, attorney's fees actually incurred by the Association in enforcing the Declaration, Bylaws or Association rules and regulations, regardless of whether or not an enforcement lawsuit has been filed.

(c) Fines imposed against an Owner or Occupant, or an Owner's Lot.

6.4. <u>Computation of Operating Budget and Assessments</u>. Prior to the beginning of each new fiscal year, the Board of Directors shall (1) prepare a budget covering the estimated expenses of the Association for the upcoming new fiscal year and shall fix in the budget the amount of the annual assessment for the upcoming new fiscal year, and (2) deliver a copy of the budget to each Owner at least thirty (30) days prior to the beginning of the new fiscal year. The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of expenses on which the Board may base the annual assessment. The Board may, but is not obligated to, permit the annual assessment to be paid in monthly, quarterly, or

semi-annual installments. The budget and the assessment shall become effective unless disapproved by the Majority of the Total Association Vote at a meeting of the membership held prior to the beginning of the new fiscal year.

If either (1) the membership disapproves the budget prior to the beginning of the new fiscal year as provided herein, or (2) the Board fails for any reason to either (a) prepare a budget and fix the amount of the annual assessment for the new fiscal year or (b) deliver the budget to the members, as provided herein, then the budget and annual assessment in effect for the current fiscal year shall continue for the upcoming new fiscal year. In such event, or in the event the annual assessment is insufficient to cover the actual common expenses of the Association during any fiscal year, the Board of Directors may propose a new budget at any time during the year at a duly called special meeting of the Association. The proposed budget and assessment shall be delivered to the members at least twenty-one (21) days prior to the proposed effective date thereof and at least ten (10) days prior to the special meeting. The proposed budget and association Vote at such special meeting.

6.5. <u>Fiscal Year.</u> The fiscal year of the Association may be set by Board resolution or, in the absence thereof, shall be the calendar year.

6.6. <u>Reserve Budget and Reserve Account.</u> The Board may prepare an annual or multi-year reserve budget which shall take into account the number and nature of replaceable assets, the expected life of such assets, and the expected repair or replacement costs of the assets. The Board may establish a reserve account for such expected repair or replacement costs, and may fund the reserve account from collected assessments. The reserve budget shall not operate as a limitation on the expenditures of funds in the reserve account, but, rather, the Board may spend funds in the reserve account as deemed reasonable by the Board.

6.7. <u>Special Assessments.</u> The Board may levy a special assessment against all Lots to pay the costs of any improvement or repair on the Common Property, or for any other purpose as determined by the Board; provided, however, prior to becoming effective, any special assessment which would cause the total of special assessments levied in one fiscal year to exceed two hundred, fifty dollars (\$250.00) must be approved by a Majority of the Association members present in person or by proxy at a duly called meeting of the members of the Association at which a quorum is obtained. Special assessments may be required to be paid during the fiscal year, or alternatively, in the discretion of the Board of Directors, may be paid over a set number of years.

6.8. <u>Capital Contribution Assessments.</u> Upon the conveyance of ownership of a Lot, including all resales, a capital contribution assessment shall become due and payable to the Association by each new Owner. The amount of the capital contribution assessment shall be set by the Board of Directors at any time during the year in which this Declaration is recorded. Thereafter, prior to the beginning of each new fiscal year, the Board of Directors may determine

the amount of the capital contribution assessment for the upcoming new fiscal year. The amount of the capital contribution assessment shall not exceed the amount of the annual assessment in effect for the fiscal year in which the conveyance of ownership occurs. In the event the Board does not determine the amount of the capital contribution assessment prior to the beginning of the next fiscal year, then the capital contribution assessment amount in effect at such time shall, by default, continue for the next fiscal year. The capital contribution assessment shall not be deemed to be an advance payment of any assessment and may not be paid in lieu of any assessment. The capital contribution assessment shall be the personal obligation of the new Owner and shall constitute a lien against the Lot. Notwithstanding anything to the contrary herein, no capital contribution assessment shall be due as a result of a conveyance of a Lot to an Owner's spouse, child, or a corporation, partnership, company, or legal entity in which the Owner is a principal.

6.9. <u>Delinquent Assessments</u>. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(a) If any assessment, fine, or charge is not paid in full within thirty (30) days of the due date, a late charge equal to the greater of ten dollars (\$10.00) or ten percent (10%) of the amount not paid, or such higher 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 percent (10%) per annum, or such higher rate as permitted by the Act, shall accrue from the due date.

(b) If partial payment of an assessment, fine, or charge is made, the amount received may be applied by the Board, in respective order, to post-judgment attorney's fee from any prior judgment, if any, then to costs and attorney's fees not reduced to a judgment, then to interest, then to late charges, then to delinquent assessments and then to current assessments.

(c) If an assessment, fine, or charge due from an Owner remains delinquent for more than thirty (30) days from the date due, and if the Board of Directors has permitted the assessment to be paid in monthly, quarterly, or semi-annual installments, then a notice of delinquency may be given to that Owner stating that if the unpaid assessment or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board may accelerate and declare immediately due all of that owner's unpaid installments of the assessment. If the Owner fails to pay all amounts currently due within ten (10) days of the date of the notice of delinquency, the Board may then accelerate and declare immediately due all installments of the assessment without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the assessment in installments, unless reinstated in the Board's discretion. The notice of acceleration provided herein may be included in a collection litigation complaint filed against an owner for unpaid assessments and charges.

(d) If an assessment, fine, or charge remains unpaid more than sixty (60) days after the due date, the Association, acting through the Board, may institute suit to collect all

amounts due pursuant to the provisions of the Act, the Declaration, the Bylaws, and Georgia law, including reasonable attorney's fees actually incurred (and including post-judgment attorney's fees from any prior judgment, if any).

(e) A member's right to vote and right to use the Common Property shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge, and the member shall be ineligible to vote on any matter or use the Common Property until the member's account balance has been paid in full.

6.10. <u>Statement of Account</u>. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against such Lot. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein.

#### ARTICLE VII. ARCHITECTURAL CONTROLS

7.1. <u>Architectural Standards.</u> No Owner, Occupant, or any other Person may make any exterior change, alteration, modification (including exterior painting), landscaping, or construction on a Lot or the Common Property, nor erect, place or post any thing or object which may affect the appearance of a Lot or the Common Property (including, but not limited to, any fence, playground equipment, light (except for reasonable seasonal decorative lights displayed on the Owner's Lot between October 1 and January 15)), nor place any object in any window which is visible from the exterior of a dwelling, without first obtaining the written approval of the Architectural Review Committee ("ARC").

The standard for approval of all improvements hereunder shall include, but not be limited to: (1) aesthetic consideration; (2) materials to be used; (3) compliance with the Community-Wide Standard, this Declaration, or design standards which may be adopted by the ARC; (4) harmony with the external design of the existing dwellings, Lots and structures, and the location in relation to surrounding dwellings, structures and topography; and (5) any other matter deemed to be relevant or appropriate by the ARC.

Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ARC may reasonably require. If the ARC fails to approve, conditionally approve, or to disapprove such application within forty-five (45) days after the application and such information as the ARC may reasonably require shall have been submitted, its approval will not be required and this Article shall be deemed complied with, unless such construction, modification or improvement otherwise is in violation of the Declaration, the Bylaws, the design standards, the Association's rules and regulations, or applicable zoning ordinances. The ARC shall be the sole arbiter of the application and may withhold approval for purely aesthetic considerations. The Association, acting through the Board, shall be entitled to stop any construction or modification which is not in conformance with approved plans. The ARC may publish design standards for exterior alterations or additions, and any request in compliance therewith shall be approved.

7.2. <u>Architectural Review Committee.</u> The Board of Directors shall appoint the members of the ARC. The ARC shall constitute a standing committee of the Association, and the ARC shall consist of the Board unless the Board delegates to other Persons the authority to serve on the ARC. The ARC shall have the authority to select and employ professional consultants to assist it in discharging its duties, the cost of such consultants to be paid by the Owner of any Lot for which an application has been submitted for approval. The Owner of any such Lot shall be responsible for paying the full costs of each review, whether or not the submitted application is approved by the ARC, and the ARC may require payment of all such costs prior to review of the application. The ARC also may charge reasonable fees and/or deposits to cover the cost of review or inspections performed hereunder or the ARC may establish a flat fee for reviewing a submitted application.

7.3. <u>Appeal.</u> In the event the ARC disapproves any application or part thereof, an Owner shall have the right to appeal the ARC's decision to the Board of Directors. Such appeal must be in writing, contain all information the Owner would like the Board to consider, and be mailed to the Association by certified mail, return receipt requested. The Board shall rule on the appeal within forty-five (45) days of receiving written notice requesting an appeal from the Owner. If the Board fails to render a decision on such appeal within forty-five (45) days after the appeal and such information as the Board may reasonably require shall have been received, the ARC's decision shall be deemed overturned and this Article shall be deemed complied with, unless such construction, modification or improvement otherwise is in violation of the Declaration, the Bylaws, the design standards, the Association's rules and regulations, or applicable zoning ordinances.

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

# 7.4. <u>LIMITATION OF LIABILITY.</u> REVIEW AND APPROVAL OF ANY APPLICATION PURSUANT TO THIS ARTICLE MAY BE MADE ON ANY BASIS, INCLUDING SOLELY THE BASIS OF AESTHETIC CONSIDERATIONS, AND NEITHER THE BOARD NOR THE ARC SHALL BEAR ANY RESPONSIBILITY FOR ENSURING THE DESIGN,

STRUCTURAL INTEGRITY OR **SOUNDNESS** QUALITY, OF APPROVED CONSTRUCTION OR MODIFICATIONS, NOR FOR ENSURING COMPLIANCE WITH BUILDING CODES. ZONING **REGULATIONS AND OTHER GOVERNMENTAL REQUIREMENTS.** NEITHER THE ASSOCIATION, THE BOARD, THE ARC, OR MEMBER OF ANY OF THE FOREGOING SHALL BE HELD LIABLE FOR ANY INJURY, DAMAGES OR LOSS ARISING OUT OF THE MANNER, DESIGN, OR QUALITY OF APPROVED CONSTRUCTION ON OR MODIFICATIONS TO ANY LOT, NOR MAY ANY ACTION BE **BROUGHT AGAINST THE ASSOCIATION, THE BOARD, THE ARC, OR** ANY MEMBER THEREOF, FOR ANY SUCH INJURY, DAMAGE, OR LOSS. NEITHER THE ASSOCIATION, THE BOARD, THE ARC, NOR ANY MEMBER THEREOF, SHALL BE LIABLE TO ANY PERSON FOR ANY REASON WHATSOEVER FOR ANY INJURIES OR DAMAGES WHATSOEVER RELATING IN ANY WAY TO THE APPROVAL, APPROVAL, **DISAPPROVAL**, CONDITIONAL OR FAILURE TO APPROVE OR DENY ANY APPLICATION SUBMITTED TO IT PURSUANT TO THE TERMS OF THIS ARTICLE.

7.5. <u>No Waiver of Future Approvals.</u> Each Owner acknowledges that the members of the Board and the ARC will change from time to time and that interpretation, application, and enforcement of the architectural standards may vary accordingly. The approval of either the Board or the ARC of any proposals, plans and specifications, drawings, or other matters for any work done or proposed, or in connection with any other matter requiring the approval of the Board or the ARC, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

7.6. <u>Enforcement.</u> Any construction, alteration, or other work done in violation of this Article, the Declaration, the Bylaws, the design standards or any applicable zoning regulations shall be deemed to be nonconforming. Upon written request from the Board, a violating Owner shall, at the Owner's sole cost and expense, remove such nonconforming construction, alteration, or other work and restore the property to substantially the same condition as existed prior to such construction, alteration or other work. Should the Owner fail to do so, the Board or its designees shall have the right, in addition to all other available remedies, to enter the property, remove the violation and restore the property, or obtain a court order compelling the violating Owner to do so. All costs thereof, including reasonable attorney's fees actually incurred, may be assessed against such Lot, regardless of whether or not litigation is filed.

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

7.7. <u>Commencement and Completion of Construction.</u> All improvements approved by the ARC hereunder must be commenced within thirty (30) days from the date of approval. If not commenced within such time, then such approval shall be deemed revoked by the ARC, unless the ARC gives a written extension for commencing the work. Additionally, except with written ARC approval otherwise, and except for delays caused by strikes, fires, national emergencies, critical materials shortages or other intervening forces beyond the control of the Owner, all work approved by the ARC hereunder shall be completed within thirty (30) of commencement; provided, however, the ARC may increase or decrease such time for completion based upon the scope of work to be completed. If the work is not completed within such time, then such approval shall be deemed revoked by the ARC, unless the ARC gives a written extension for commencing the work.

7.8. <u>Condition of Approval.</u> 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, unless otherwise agreed to in writing by the Board. It is the responsibility of every Owner of a Lot to determine for himself or herself what architectural modifications have been made to his or her Lot by any predecessor-in-interest. 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 himself or herself and all successors-in-interest.

#### ARTICLE VIII. USE RESTRICTIONS

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

8.1. <u>Residential Use.</u> Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Community, including business uses ancillary to a primary residential use, except that the Owner or Occupant

residing in a dwelling on a Lot may conduct such ancillary business activities within that dwelling so long as: (1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the dwelling; (2) the business activity does not involve visitation of the Lot by employees, clients, customers, suppliers, or other business invitees; provided, however, this provision shall not preclude delivery of materials or items by United States Postal delivery or by other customary parcel delivery services (U.P.S., Federal Express, etc.); (3) the business activity conforms to all zoning requirements for the Community; (4) the business activity does not increase traffic in the Community; (5) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (6) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Community, as may be determined in the Board's sole discretion.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. Short-term rentals, transient tenants, and any other service utilized to temporarily rent Lots and/or dwellings or any portion thereof as accommodations to guests or tenants (for example, Airbnb, HomeAway, VRBO, or other similar services) are expressly prohibited. Such rental arrangements shall be considered a business activity regardless if the Owner resides at the Lot.

#### 8.2. Number of Occupants.

(a) The maximum number of occupants in a dwelling on a Lot shall be limited to two (2) people per bedroom in the dwelling as originally constructed. "Occupancy," for purposes hereof, shall be defined as staying overnight in a dwelling for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

(b) If an Owner of a Lot is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the natural person(s) who will occupy the dwelling on the Lot who must have a significant relationship with the entity; provided, however, in the event the corporation, partnership, trust or other legal entity not being a natural person, or any officer, director, member, employee, trustee, beneficiary, partner or agent of such legal entity, receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument from or on behalf of the designated person(s), then such arrangement shall be considered leasing for purposes of this Declaration and the Owner shall be required to comply with Article IX of this Declaration. The designated person(s) to occupy the dwelling may not be changed, added to, or modified more frequently than once every two (2) years without the written approval of the Board of Directors, who may deny such request in its sole discretion.

8.3. <u>Vehicles and Parking.</u> No Owner or Occupant may keep more than a reasonable number of vehicles per Lot at any time as determined by the Board of Directors. The Board may adopt reasonable rules limiting the number of vehicles which may be parked on a Lot. Vehicles may only be parked in garages, driveways or other areas authorized in writing by the Board. Vehicles shall not be parked on any lawn, yard, or street; provided, however, the Board is authorized to adopt rules and regulations permitting temporary parking of vehicles on the street.

Garage doors shall remain closed at all times, except for necessary use, ingress, and egress. Each garage should be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible. Owners and Occupants shall first utilize the garage for parking of vehicles. Once all of the garage spaces are used for the parking of a vehicle, Owners and Occupants may park their vehicles in the driveway or other areas authorized in writing by the Board.

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

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

If any vehicle is parked on any portion of the Community in violation of this Section or in violation of the Association's rules and regulations, the Board may send a notice to the vehicle owner or user, or place a notice on the vehicle, specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of a person to contact regarding the alleged violation and shall include the name and telephone number of the person or entity which will do the towing. In addition, the notice shall include the cost of recovery and information as to the form of payment. If twenty-four (24) hours after such notice is placed on the vehicle, or three (3) days after the notice has been sent to the owner, the violation continues or thereafter occurs again within twelve (12) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Lot or dwelling, is obstructing the flow of traffic, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed in accordance with this Section, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of damage 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. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

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

Feces left by any animal on the Common Property, on any Lot, or in any dwelling, including the pet owner's Lot or dwelling, or anywhere in the Community must be removed promptly by the owner of the animal or the person responsible for the animal. Fines may be imposed to enforce this provision.

No potbellied pigs, chickens, livestock and other traditional type farm animals may be brought into or kept in the Community at any time. No animal determined in the sole discretion of the Board to be a dangerous animal may be brought into or kept in the Community at any time by any Lot Owner, Occupant, or guest of an Owner or Occupant. Any animal that endangers the health of any Owner or Occupant of any Lot or that creates a nuisance or unreasonable disturbance, as may be determined in the Board's sole discretion, must be permanently removed from the Community upon seven (7) days written notice by the Board. If the Owner or Occupant fails to comply with such notice, the Board may remove the animal and/or obtain a court order requiring the Owner or Occupant to do so. Any animal which, in the Board's sole discretion, presents an immediate danger to the health, safety or property of any member of the community may be removed by the Board without prior notice to the animal's owner. All costs, including reasonable attorney's fees, associated with the removal of any animal which endangers the health of any Owner or Occupant of any Lot or which creates a nuisance or unreasonable disturbance or presents an immediate danger to the health, safety or property of any member of the Community, as may be determined in the Board's sole discretion, may be assessed against the Owner or Occupant as provided in Article VI, Section 6.3 of this Declaration.

# ANY OWNER OR OCCUPANT WHO KEEPS OR MAINTAINS ANY ANIMAL ON ANY PORTION OF THE COMMUNITY SHALL BE DEEMED TO HAVE INDEMNIFIED AND AGREED TO HOLD THE ASSOCIATION, ITS DIRECTORS, OFFICERS, AND AGENTS FREE AND HARMLESS FROM ANY LOSS, CLAIM OR LIABILITY OF ANY KIND OR CHARACTER WHATEVER ARISING BY REASON OF KEEPING OR MAINTAINING SUCH ANIMAL WITHIN THE COMMUNITY.

8.5. <u>Fences.</u> No fence or fencing type barrier of any kind shall be placed, erected, allowed, or maintained upon any Lot without the prior written consent of the ARC. Under no circumstances shall any fence be placed, erected, allowed or maintained upon any Lot closer to the street than the rear one-third (1/3) of the residence located on the Lot. Only a six (6) foot shadow box style privacy fence, constructed of dog-eared unpainted pine or cedar shall be approved by the ARC. Notwithstanding the foregoing, the Board of Directors shall have the right to erect fencing of any type considered appropriate or desirable by the Board at any location on the Common Property.

8.6. <u>Roofs.</u> All roof replacements must first be approved by the ARC before the commencement of the roof replacement. A list of approved shingle colors is available upon request to the ARC.

8.7. <u>Garage Doors.</u> All garage door replacements must first be approved by the ARC before the commencement of the garage door replacement. All garage door replacements must be white and consistent with other garage doors in the Community.

8.8. <u>Driveways, Parking Pads, and Walkways.</u> All driveway, parking pad, and walkway installations and replacements must first be approved by the ARC before the commencement of installation or replacement. All driveways, parking pads, and walkways shall be poured concrete unless otherwise approved in writing by the ARC.

8.9. <u>Antennas and Satellite Dishes.</u>

(a) No transmission antenna of any kind may be erected anywhere in the Community without written approval of the ARC.

(b) No satellite dish, direct broadcast satellite (DBS) antenna, or multichannel multi-point distribution service (MMDS) larger than one meter in diameter shall be placed, allowed, or maintained upon any portion of the Community, including a Lot. (c) Satellite dishes and DBS and MMDS antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association authorized by the FCC, both as may be amended from time to time. In such event, to the extent permissible under FCC rules and regulations: (A) such satellite dishes and antennae shall be installed in the least conspicuous location available which permits reception of an acceptable signal; (B) such satellite dishes and antennae shall be in a uniform color designated by the ARC; and (C) the ARC may designate and restrict the specific location and color of such satellite dishes and antennae. To the extent that any of the foregoing subsections (A) through (C) is not permitted under the FCC rules and regulations, the remaining portion of this Section shall survive independently to the extent permissible under the FCC rules and regulations.

(d) Satellite dishes and DBS and MMDS antennas one meter or less in diameter and television broadcast service antennas may not be installed on the Common Property without the prior written approval of the ARC and the Board of Directors

8.10. <u>Abandoned Personal Property.</u> Personal property is prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Property without prior written Board permission. Neither the Association nor any director, officer or agent thereof shall be liable to any Person for any claim of damage resulting from the removal and/or discard of the personal property after such twenty-four (24) hour period.

8.11. <u>Use of Common Property.</u> There shall be no obstruction of the Common Property, nor shall any vehicle or anything else be kept, parked overnight or stored on any part of the Common Property without prior approval of the Board.

With prior written Board approval, and subject to any restrictions imposed by the Board, an Owner or Owners may reserve portions of the Common Property for use for a period of time as set by the Board. Any such Owner or Owners who reserve a portion of the Common Property hereunder shall assume, on behalf of himself/herself/themselves and his/her/their guests, Occupants and family, all risks associated with the use of the Common Property and all liability for any damage or injury to any person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use, unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

8.12. <u>Prohibition of Nuisance and Noise.</u> Noxious, destructive, offensive, or unsanitary activity shall not be carried on within the Community. No Lot Owner or Occupant may use or allow the use of the Lot or any portion of the Community at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Community. In this regard, specific

unauthorized and unreasonable annoyances or disturbances shall include, but not be limited to, the following:

(a) Any fighting, raucous behavior, or insobriety if such conduct can be heard in a dwelling on any other Lot;

(b) The use of any alarm (except security, fire, or carbon monoxide detection), equipment, television, or devise which produces excessively loud sound if such sound can be heard in a dwelling on any other Lot;

(c) Any threatening or intimidating conduct towards any resident, guest, or pet in the Community;

Lot:

(d)

Any consistent dog barking that can be heard in a dwelling on any other

(e) Any conduct which creates any noxious or offensive odor at any time if such odor can be detected in a dwelling on any other Lot;

(f) The burning of any debris, including but not limited to yard waste, outside of a dwelling within the Community; or

(g) Any construction or similar activities which can be heard in a dwelling on any other Lot between the hours of 7:00 p.m. and 7:00 a.m.

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

8.13. <u>Signs.</u> Except as may be required by legal proceedings, no signs, advertising posters or billboards of any kind, including political and campaign signs, shall be erected, placed, or permitted to remain in the Community without the prior approval of the Board, except that two (2) professional security signs not to exceed ten inches (10") by ten inches (10") each in size may be displayed on a Lot or from within a dwelling on a Lot and one (1) professionally lettered "For Sale" sign that conforms to ARC guidelines may be displayed in the front yard of a Lot. The Board shall have the right to erect reasonable and appropriate signs on the Common Property on behalf of the Association. The Board also shall have the authority to adopt regulations permitting temporary signs on Lots. No "For Sale" signs or directional signs shall be permitted on any portion of the Community other than the Owner's Lot without the written approval of the Board.

8.14. <u>Rubbish, Trash, and Garbage.</u> All rubbish, trash, and garbage shall be regularly removed from the Lot, dwelling, and Common Property, and shall not be allowed to accumulate on a Lot, the Common Property, or in a dwelling. Rubbish, trash, and garbage shall be disposed of in appropriate sealed bags and placed in proper receptacles for collection. Trash cans shall only be brought to the end of the Owner's driveway the night prior to day for trash collection, and shall be removed from the Owner's driveway no later than the night of trash collection. Trash cans shall not be placed in the street. At all other times, trash cans shall be stored in the garage or such other areas that are not visible from any street or any other Lot. The Board may establish additional rules and regulations regarding the storage location of trash bags, trash cans, and receptacles and the placement of same for pick-up. No organic material shall be buried anywhere in the Community. With the prior written approval of the ARC, a wood or plastic enclosure may be constructed to store trash cans and receptacles on non-collection days.

8.15. <u>Unsightly or Unkempt Conditions.</u> The pursuit of hobbies or other activities, including, but not limited to, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community, except in a dwelling or garage with the garage door shut. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the dwelling. Only appropriate outdoor items, such as neatly stacked firewood, patio furniture, grills, and similar items may be kept outside of a dwelling in accordance with the rules and regulations of the Association.

8.16. <u>Impairment of Dwellings and Easements.</u> An Owner shall not undertake any act or work that will impair the structural soundness or integrity of another dwelling or impair any easement, nor do any act nor allow any condition to exist which will adversely affect other Lots or their Owners or Occupants.

8.17. <u>Erosion Control.</u> No activity which may create erosion or siltation problems anywhere in the Community shall be undertaken.

8.18. <u>Subdivision of Lots.</u> No Lot may be subdivided into a smaller Lot.

8.19. <u>Garage Sales.</u> No garage sale, yard sale, or similar activity shall be conducted in the Community without prior approval of the Board. The Board may additionally permit Community garage sale or yard sale days.

8.20. <u>Tree Removal.</u> No tree that is more than eight (8) inches in diameter at a point two (2) feet above the ground shall be removed without prior approval of the ARC except for diseased or dead trees. Notwithstanding any language contained herein to the contrary, prior to the removal of a tree that is diseased or dead, the Owner must notify the Board of Directors of his or her intention to remove the diseased or dead tree and the reason for such removal. The Owner must also provide the Board a reasonable opportunity to inspect the diseased or dead tree prior to its removal. In the event the tree poses an immediate threat to person or property and must be removed without being able to provide such notice and/or opportunity to inspect prior to

removal, the Owner shall, after cutting the tree down, notify the Board of Directors and provide the Board with an opportunity to inspect the tree prior to removing the tree from the Lot. Further, all tree removal must comply with all state, county, city and municipal laws and ordinances. Following the removal of any tree, any remaining portions of the tree, including stumps, must be ground, and adequate ground cover must be installed. Adequate ground cover for purposes of this Section shall include grass or a landscaped bed with pine straw, mulch and, if desired, flowers.

8.21. <u>Delivery Receptacles and Property Identification Markers.</u> The ARC shall have the right to approve the location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similarly delivered materials, and of name signs for such receptacles as well as property identification markers. All mailboxes and mailbox posts shall be white.

8.22. <u>Clotheslines.</u> No outside clothesline shall be permitted.

8.23. <u>Recreational Equipment.</u> Recreational and playground equipment, including, but not limited to, tree houses, shall only be installed with prior, written ARC approval and must comply with all architectural design standards and the rules and regulations of the Association; provided, however, any such equipment installed pursuant to ARC approval as of the Effective Date of this Declaration, may remain in its current location. No permanent recreational and playground equipment shall be installed, erected, or placed in the front yard of a Lot.

8.24. <u>Window Air Conditioners.</u> No air conditioner shall be installed in any window of any dwelling.

8.25. <u>Solar Equipment, Security Devices and Exterior Lighting</u>. No solar equipment shall be installed without the prior written approval of the ARC; provided, however, solar equipment which is not visible from neighboring streets or properties shall be permitted. All solar equipment (if approved or otherwise permitted under this Declaration), security devices, and exterior lighting shall be of like color and material; provided, however, video doorbells shall be excluded from this requirement.

8.26. <u>Outbuildings</u>. Outbuildings and sheds shall not be constructed without the prior written approval of the ARC; provided, however, outbuildings and sheds may be constructed within a fenced rear yard, or directly behind the dwelling if the rear yard is not fenced, and provided they are not visible from neighboring streets and properties. Outbuildings and sheds shall be used for storage purposes only, and shall not be used for residential or commercial purposes.

#### ARTICLE IX. LEASING

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

(a) Prohibition. Except as provided herein, the leasing of Lots (which includes the homes on the Lots) is hereby prohibited.

(b) Definitions. "Leasing" is defined as the regular, exclusive occupancy of a Lot by any person(s) other than the Owner; provided, however, leasing shall not include exclusive occupancy by the spouse, domestic partner, child, or parent of an Owner and shall not include the occupancy by a roommate of an Owner who occupies the Lot as the Owner's primary dwelling.

(c) General. An Owner who desires to lease the Owner's Lot may do so only if the Owner has applied for and received from the Board of Directors a "Leasing Permit" or "Hardship Leasing Permit," as provided below in subsections (d) and (e), or the Owner is the Owner of a Grandfathered Lot, as provided below in subsection (l).

A "Leasing Permit" or "Hardship Leasing Permit," upon its issuance, will allow an Owner to lease his or her Lot in accordance with this Section. The Board of Directors shall have the authority to establish conditions as to the duration and use of such permits consistent with this Article. All permits shall be valid only as to a specific Lot Owner and shall not be transferable between either Lots or Lot Owners.

(d) Leasing Permits. In order to be qualified to apply for and obtain a Leasing Permit, each of the following three conditions must be satisfied as of the date the Owner requests a Leasing Permit:

(i) The Owner has occupied the home as the Owner's primary residence for a period of at least twelve (12) consecutive months. Such consecutive occupancy means the normal habitation of a home by a homeowner, including where the homeowner primarily keeps personal possessions (e.g., clothing and furniture) and where the homeowner returns from vacation. The purpose of this provision is to discourage the purchase of Lots for the purpose of renting the Lot as an investment property.

(ii) The Owner is not past due on any assessment or charge owed to the Association.

(iii) The Owner and/or Lot are not in violation of any provision of the Governing Documents (including the Declaration, Bylaws, and rules and regulations of the Association).

A request for a Leasing Permit by an Owner who has satisfied the above three conditions shall be approved if less than thirty Lots are being leased at the time of the request, which shall include: (1) all Lots that have already been issued a Leasing Permit at the time of the request (regardless of whether any such Lots are actually leased or occupied by a tenant at the time of the request), and (2) Grandfathered Lots (as that term is set forth within subsection (1) below) that are actually being leased to tenants at the time of the request.

If thirty Lots are being leased, as provided immediately above, then no additional Leasing Permits shall be issued (except for Hardship Leasing Permits, as set forth below) until the number of Lots being leased falls below thirty. Owners who have been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued a Leasing Permit if they so desire when the number of Lots being leased falls below thirty. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (1) the sale or transfer of the Lot to a third party (i.e., a new Owner); (2) the failure of the Owner to lease the Lot within ninety (90) days of the Leasing Permit having been issued to the Owner; (3) the failure of the Owner to have the Lot leased for any consecutive ninety (90) day period thereafter; or (4) the occurrence of the date referenced in a written notification by the Owner to the Association that the Owner will, as of said date, no longer need the Leasing Permit.

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

(f) Leasing a Lot (or Listing or Advertising a Lot for Lease) Without a Leasing Permit or a Hardship Leasing Permit.

(i) If a Lot is leased in violation of this Section and a director or officer of the Association learns of the violation after a tenant has begun occupancy of the Lot (i.e., moved into the home), the Owner shall be assessed a fine of \$5,000.00 and continuing fines of \$500.00 per month until the tenant's occupancy of the Lot ends (i.e., the tenant has moved out). The Owner shall additionally give the tenant sixty (60) days notice to vacate the Lot and shall commence eviction proceedings thereafter, regardless of whether such notice to vacate and/or eviction constitute a breach of the Owner's lease with the tenant.

(ii) If a Lot is leased in violation of this Section, or is listed or advertised for lease that would result in a violation of the twelve-month occupancy requirement within subsection (d)(1) of this Section, and a director or officer of the Association learns of the violation, listing or advertisement before a tenant has begun occupancy of the Lot (i.e., moved into the home), the Owner shall be provided notice in writing of this Section. If the Owner does not remedy the violation or stop the listing or advertisement within ten (10) days following the date of such notice, the Owner shall be assessed a fine of \$2,500.00 and continuing fines of \$500.00 per month until the violation is remedied or the listing or advertisement ends. If a tenant begins occupancy in violation of this Section at any time after such ten (10) day period, the Owner shall be assessed a fine of \$500.00 per month until the tenant's occupancy of the Lot ends (i.e., the tenant has moved out). The Owner shall additionally give the tenant sixty (60) days notice to vacate the Lot and shall commence eviction proceedings thereafter, regardless of whether such notice to vacate and/or eviction constitute a breach of the Owner's lease with the tenant.

(iii) The passage of this Declaration shall constitute evidence that the fine amounts within this subsection (f) are deemed reasonable within the Community. In the event a court nevertheless determines that such fine amount(s) are not reasonable under Georgia law as to any specific Owner, the Board shall have the authority to set lower fine amount(s) as to that Owner and any other Owner thereafter.

(iv) This subsection (f) shall not apply to any Grandfathered Lot; provided, however, upon the conveyance of the Grandfathered Lot for value to a third party (i.e., a new Owner), all the provisions of this subsection shall apply to the new Owner and all Owners thereafter.

(g) Leasing Provisions. All leasing within the Community shall be governed by the following provisions:

(i) Notice. At least seven (7) days prior to entering into the lease of a Lot, the Owner shall provide the Board of Directors with a copy of the proposed lease and such other information as the Board may reasonably require. The Board may approve or disapprove

the form of said lease. In the event a lease form is disapproved, the Board shall notify the Owner of the requisite action to be taken in order to bring the lease form into compliance with the Declaration, any rules and regulations adopted pursuant thereto, and any criteria determined by the Board. Within ten (10) days from the execution of the lease by both parties, the Owner shall provide the Board with a copy of the executed lease and the names and phone number of the lessees.

(ii) General. Lots may be leased only in their entirety; no fraction or portion may be rented. There shall be no subleasing of Lots or assignment of leases unless approved in writing by the Board. All leases shall be for a period of at least twelve (12) months, except with written approval from the Board. The Lot Owner must provide the tenant copies of the Declaration, Association's Bylaws, and Association Rules and Regulations.

(iii) Liability for Assessments and Compliance with Declaration, Bylaws, and Rules and Regulations. Any lease of a Lot shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into a lease by existence of this covenant on the Lot. Any lessee, by occupancy of a Lot under the definition of "leasing" stated herein, agrees to the applicability of this covenant and incorporation of the following language into the lease.

(1) Liability for Assessments. Lessee agrees to be personally obligated for the payment of all assessments and all other charges against the Owner which become due during the term of the lease and any other period of occupancy by the lessee or which become due as a consequence of lessee's activities, including, but not limited to, activities which violate provisions of the Declaration, the Bylaws, or the rules and regulations adopted pursuant thereto. The above provision shall not be construed to release the Lot Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

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

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

Any violation of the Declaration, Bylaws, or rules and regulations adopted pursuant thereto by lessee, any occupant, or any person living with lessee is deemed to be a violation of the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the 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 on behalf and for the benefit of the Owner, in accordance with the terms hereof, or to require the Owner to do so. In the event the Association proceeds to evict the tenant, any costs, including attorney's fees and court costs, associated with the eviction shall be specially assessed against the Lot and the Owner thereof; and the Owner shall not again lease the Owner's Lot to any person without the express written approval of the Board.

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

(h) Short Term Rentals. Short-term rentals, transient tenants, and any other services utilized to temporarily rent Lots as accommodations to guests or tenants (for example, Airbnb, VRBO, or other similar services) are expressly prohibited. Any such rental arrangements shall additionally be considered an impermissible business activity.

(i) Entity Owners. If the Owner of a Lot is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person, the entity shall designate in writing to the Board of the Directors the name(s) of the natural person(s) who will occupy the Lot. To constitute a valid designation in accordance with this subsection, the natural person must have a substantial relationship to the legal entity, including, by way of illustration and not limitation, being a shareholder, director, or officer of the corporation, being a member of the limited liability company, being a partner in the partnership, or being a beneficiary of the trust. In no event shall the natural person(s) designated to occupy the Lot be changed more frequently than once every twelve (12) months. If the entity Owner receives any consideration or benefit, including, but not limited to, rent, a fee, service, or gratuity from or on behalf of the designated person(s) occupying the Lot, then such arrangement shall be considered leasing, and the Owner shall be required to comply with the entirety of this Section. The express purpose of this subsection is to ensure that entity Owners do not utilize the designation of a natural person to occupy the Lot in order to circumvent the leasing restriction contained within this Section.

(j) Lawn Service. To ensure appropriate maintenance of the Lot in compliance with the Community-Wide Standard, and for the benefit of the Association, the Owner or Occupant shall be required to maintain a professional lawn service during the entire term of the lease or occupancy relationship, unless such requirement is waived by the Board of Directors in writing. The professional lawn service company shall provide all mowing, edging, fertilizing and weeding of lawns and all pruning, repair and maintenance of bushes, shrubs, trees and other landscaping on the Lot, as is necessary to keep such lawn and landscaping maintained in a condition which meets the standards for maintenance determined by the Board. The executed lawn service contract must accompany an Owner's leasing request.

(k) Leasing Administration Assessment. For any Lot that is leased after the Effective Date of this Declaration, the Association shall have the authority to assess the Owner of the Lot a Leasing Administration Assessment. The amount of the Leasing Administration Fee upon the Effective Date of this Amendment shall be \$150.00. The Board may increase the amount of the Leasing Administration Assessment from time to time in the future, provided the amount shall not exceed one half (1/2) the amount of the Annual Assessment applicable to all Lots in effect for the current fiscal year. The Leasing Administration Assessment shall be due and payable on the date on which the lease is executed, and on each subsequent anniversary date thereof, for as long as leasing activity continues. Failure to pay the Leasing Administration Assessment within thirty (30) days of the leasing of the Lot shall constitute a violation of this Article

Applicability of this Article (Grandfathering of Owners who are Currently (1)Leasing). Except as provided herein, the leasing restrictions within this Article shall not apply to any Owner who is an Owner of a Lot on the Effective Date of this Declaration if the Owner is leasing the Lot in compliance with the terms of the Original Declaration as it existed prior to the Effective Date of this Declaration (such a lot shall be considered a "Grandfathered Lot"). The Owner of the Grandfathered Lot may continue to lease the Grandfathered Lot in compliance with the terms of the Original Declaration as it existed prior to the Effective Date of this Declaration; provided, however, upon the conveyance of ownership of the Grandfathered Lot for value to a third party (i.e., a new owner), all leasing restrictions of this Article shall apply and the Lot shall no longer be considered a Grandfathered Lot. In order for any such Owner to obtain the grandfathering of the Owner's Lot, thereby constituting a Grandfathered Lot, the Owner must within ninety (90) days of the Effective Date of this Declaration provide written notice to the Board of Directors that the Owner is leasing the Owner's Lot and must provide the Board a written copy of the lease. Failure to provide notice and copy of the lease to the Board within such ninety (90) day period shall constitute evidence that that Lot was not being leased as of the Effective Date of this Declaration and that the Owner is disqualified from this grandfathering provision.

#### ARTICLE X. MAINTENANCE RESPONSIBILITY

10.1. <u>Association's Responsibility.</u> The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair, and replacement of all landscaping, grass areas, paving and other improvements situated on the Common Property. The Association shall also maintain and keep in good repair all water and sewer pipes or facilities which serve the Common Property and the entry features that serve the Community. Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed by an Owner or Occupant on or to the Common Property or any other area within the Community which is the Association's responsibility hereunder shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair. Additionally, in the event an Owner or Occupant performs such maintenance or repair, the Association may require the Owner or Occupant to restore such property to substantially the same condition as it existed prior to such maintenance or repair or may fine the Owner or Occupant in accordance with the terms of this Declaration.

# THE ASSOCIATION SHALL NOT BE LIABLE FOR INJURY OR DAMAGE TO PERSON OR PROPERTY CAUSED BY THE ELEMENTS OR BY THE OWNER OF ANY LOT, OR ANY OTHER PERSON, OR RESULTING FROM ANY UTILITY, RAIN, SNOW OR ICE WHICH MAY

LEAK OR FLOW FROM ANY PORTION OF THE COMMUNITY OR FROM ANY PIPE, DRAIN, CONDUIT, APPLIANCE OR EQUIPMENT WHICH THE ASSOCIATION IS RESPONSIBLE TO MAINTAIN HEREUNDER. THE ASSOCIATION SHALL NOT BE LIABLE TO THE OWNER OF ANY LOT OR SUCH OWNER'S OCCUPANT, GUEST, OR FAMILY, FOR LOSS OR DAMAGE, BY THEFT OR OTHERWISE, OF ANY PROPERTY WHICH MAY BE STORED IN OR UPON ANY OF PORTION OF THE COMMUNITY. THE ASSOCIATION SHALL NOT BE LIABLE TO ANY OWNER, OR ANY OWNER'S OCCUPANT, GUEST OR FAMILY FOR ANY DAMAGE OR INJURY CAUSED IN WHOLE OR IN PART BY THE ASSOCIATION'S FAILURE TO DISCHARGE ITS **RESPONSIBILITIES UNDER THIS ARTICLE 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 ASSOCIATION UNDER THIS DECLARATION, THE OR FOR **INCONVENIENCE OR DISCOMFORT ARISING FROM THE MAKING** REPAIRS OR **IMPROVEMENTS** OF WHICH ARE THE **RESPONSIBILITY OF THE ASSOCIATION, OR FROM ANY ACTION** TAKEN BY THE ASSOCIATION TO COMPLY WITH ANY LAW, ORDINANCE, OR WITH ANY ORDER OR DIRECTIVE OF ANY **MUNICIPAL OR OTHER GOVERNMENTAL AUTHORITY.** 

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

10.2. <u>Owner's Responsibility.</u> Except as may be provided in Section 10.1 above, each Owner shall maintain and keep the Owner's Lot and dwelling in good repair, condition, and order, including, but not limited to, exterior painting, repairs, mowing, edging, weeding, trimming, and keeping planting beds in good condition and free of weeds. In addition, each Owner shall maintain any right of way located between the Owner's Lot and the curb of the street(s) bordering such Lot. Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. Each Owner shall

perform the Owner's responsibility hereunder in such manner so as not to unreasonably disturb other Lot Owners. In performance of such maintenance responsibilities hereunder, the Owner shall comply with all other provisions of this Declaration, including, but not limited to, Article VII of this Declaration. Each Owner shall also have the obligation to promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible to maintain, repair, and/or replace.

10.3. <u>Failure to Maintain.</u> If the Board determines that any Owner has failed or refused to discharge properly the Owner's obligation with regard to the maintenance as provided in this Article, then, except in the case of an emergency as determined in the sole discretion of the Board, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense.

The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board. Unless the Board determines that an emergency exists, the Owner shall have ten (10) days within which to complete the maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days and diligently pursue completion of such repair or replacement. If the Board determines that: (i) an emergency exists or (ii) that an Owner has not complied with the demand given by the Association as herein provided, then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be an assessment and lien against the Owner and the Lot.

If, after the Association sends the notice provided above, an Owner again or continues to fail to comply with the provisions of this Section within twelve (12) months after the date of such notice, then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense without further notice, and such costs shall be an assessment and lien against the Owner and the Lot

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

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

10.4. <u>Maintenance Standards and Interpretation</u>. The Board of Directors, in its discretion, may determine schedules of maintenance and repair for the Common Property and any other property within the Community which the Association is responsible to maintain

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

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

### ARTICLE XI. EASEMENTS

11.1. Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Property adjacent thereto or as between adjacent Lots due to trees or the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point. Any improvement constructed, reconstructed or altered in violation of this Declaration shall not have a reciprocal appurtenant easement for encroachment and overhang.

11.2. <u>Easements for Use and Enjoyment.</u> Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property, which shall be appurtenant to and shall pass with the title to the Owner's Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any portion of the Common Property, to limit the number of guests of Lot Owners and tenants who may use the Common Property, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, the Owner's family, tenants, guests, and invitees;

(b) the right of the Board of Directors to make and to enforce reasonable rules and regulations governing the use of the Common Property and the Lots;

(c) the right of the Association to suspend the right of an Owner to use the Common Property in the Community for any period during which any assessment against the Owner or Owner's Lot which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, Bylaws, or rules and regulations; (d) the right of the Association to borrow money as may be set forth in the Bylaws; provided, however, the lien and encumbrance of any such mortgage given by the Association against the Common Property shall be subject and subordinate to any rights, interests, options, easements, and privileges herein reserved or established for any Lot or Lot Owner;

(e) the right of the Association to grant permits, licenses, or easements across the Common Property; and

(f) the right of the Board of Directors to convey all or a portion of the Common Property to any Person upon the written approval of at least two-thirds (2/3) of the Total Association Vote.

Any Lot Owner may delegate the Owner's right of use and enjoyment in and to the Common Property and facilities located thereon to the members of the Owner's family, or to the Owner's tenants and guests.

11.3. Easement for Entry. The Association shall have an easement to enter onto any Lot for emergency, security, safety, and for other purposes reasonably necessary for the proper maintenance and operation of the Community, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner or Occupant; provided, however, the Association shall not be obligated to provide notice to the Owner or Occupant in situations where the Association is performing any maintenance or repair for which the Association is obligated to perform under the terms of this Declaration. This right of entry shall include the right of the Association to enter a Lot to cure any violation of the Declaration, Bylaws, or rules and regulations of the Association and any condition which may increase the possibility of a fire or other hazard in the event that an Owner fails or refuses to cure the condition upon request by the Board. No entry into a dwelling shall be permitted without the expressed consent of the Owner.

11.4. Easement for Utilities. There is hereby reserved to the Association blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Association may have installed to serve the Community. It shall be expressly permissible for the Association to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board, on behalf of the Association, shall have the right to grant such easement. Nothing contained in this Section shall require or

obligate the Association to maintain such easement areas, or any facilities or improvements located therein or thereon.

11.5. <u>Easement for Entrance Sign and Landscaping</u>. The Association shall have an easement over any portion of a Lot on which any entrance feature, including, but not limited to, any perimeter wall, fence and/or landscaping, and the Community sign and landscaping, are located. The Association shall be solely liable for the maintenance, repair and replacement of the entrance features, landscaping, and annual flowers, if any. Any and all entrance features and landscaping shall remain the personal property of the Association and shall not be realty. The Association shall additionally have an easement for the installation and maintenance of utility and water lines across the Lot to the entrance features.

11.6. <u>Easement for Maintenance</u>. The Association shall have an easement across such portions of the Community, determined in the sole discretion of the Board of Directors, as are necessary to allow for the maintenance required under this Declaration. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Lots, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

#### ARTICLE XII. SALE OF LOTS

12.1. <u>Grantor's Obligation for Notice</u>. A Lot Owner intending to make a transfer or sale of a Lot or any interest in a Lot shall give the Board written notice of such intention within seven (7) days after execution of the transfer or sales documents. The Owner shall furnish the Board, as part of the notice, the name and address of the intended grantee and such other information as the Board may reasonably require. This Article shall not be construed to create a right of first refusal in the Association or in any third party.

12.2. <u>Grantee's Obligation for Notice.</u> Within seven (7) days after receiving title to a Lot, the grantee of the Lot shall give the Board written notice of such ownership of the Lot. Upon failure of a Owner to give the required notice within the seven (7) day period provided herein, the Board may levy a fine against the Lot and Owner thereof, and assess the Owner for all costs incurred by the Association in determining the Owner's identity.

#### ARTICLE XIII. INSURANCE

13.1. <u>Hazard Insurance on Common Property.</u> The Association's Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Property. The insurance shall include fire and extended coverage, including coverage for vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

13.2. <u>Association Liability and Directors' and Officers' Liability Insurance.</u> The Board shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents in their capacities as such, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least one million (\$1,000,000.00) dollars.

13.3. <u>Premiums and Deductible on Association Policies.</u> Premiums for all insurance obtained by the Association shall be a common expense of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

13.4. <u>Policy Terms.</u> All such insurance coverage obtained by the Board shall be written in the name of the Association. Such insurance shall be governed by the following provisions:

Georgia.

(a) All policies shall be written with a company licensed to do business in

(b) All policies on the Common Property shall be for the benefit of the Association and its members.

(c) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Board hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(e) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies should be reviewed annually by one or more qualified persons.

(f) The Board shall use reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Board, the Association's manager, if any, the Owners and their respective tenants, servants, agents, and guests;

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

(iii) that no policy may be canceled or substantially modified or subjected to nonrenewal without at least thirty (30) days prior written notice to the Association.

13.5. <u>Individual Lot Owner Insurance</u>. Each Owner shall carry blanket all-risk casualty insurance, if reasonably available, or if not reasonably available, fire and extended coverage, on the Owner's Lot and structures constructed thereon meeting the same requirements as set forth in this Article for insurance on the Common Property.

#### ARTICLE XIV. REPAIR AND RECONSTRUCTION

14.1. <u>Common Property</u>. In the event of damage to or destruction of all or any part of the Common Property insured by the Association as a result of fire or other casualty, unless eighty percent (80%) of the Lot Owners vote not to proceed with the reconstruction and repair of the structure, the Board or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the damaged part of the Common Property.

14.2. <u>Cost Estimates.</u> Immediately after a fire or other casualty causing damage to the Common Property, the Board shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Lot) to substantially the condition which existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary.

14.3. <u>Source and Allocation of Proceeds.</u> If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, a special assessment shall be made against all of the Lot Owners without the necessity of a vote of the members or compliance with Article VI, Section 6.7 above. If, after repair and reconstruction is completed, there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board.

14.4. <u>Damage to or Destruction of Dwellings on Lots.</u> In the event of damage to or destruction of structures on a Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article VII above. The Owner shall pay any costs of repair or reconstruction which are not covered by insurance proceeds.

#### ARTICLE XV. MORTGAGEE'S RIGHTS

15.1. <u>Foreclosure</u>. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of the first priority Mortgage, it shall not be liable for assessments or charges by the Association chargeable to such

Lot which became due prior to such acquisition of title. Such acquirer shall be responsible for all charges accruing subsequent to the passage of title.

15.2. <u>Eligible Mortgage Holder</u>. A Mortgage Holder shall become an Eligible Mortgage Holder if the Mortgage Holder provides to the Association in writing its name, address, and phone number, as well as the address of the Lot and name of the Lot Owner to which it holds a Mortgage; provided, however, a settlement statement from a closing shall not be sufficient information to enable a Mortgage Holder to become an Eligible Mortgage Holder. Upon becoming an Eligible Mortgage Holder, an Eligible Mortgage Holder shall be entitled to timely written notice of the following:

(a) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Owner of any other obligation under this Declaration which is not cured within sixty (60) days; or

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

15.3. <u>Financial Statement.</u> Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.

15.4. <u>Notice to the Association.</u> Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

15.5. <u>Non-Impairment.</u> Notwithstanding anything to the contrary herein contained, the provisions of this Declaration governing sales and leases shall not apply to impair the right of any first Mortgagee to: (i) foreclose or take title to a Lot pursuant to remedies contained in its Mortgage; (ii) take a deed or assignment in lieu of foreclosure; or (iii) sell, lease, or otherwise dispose of a Lot acquired by the Mortgagee.

### ARTICLE XVI. AMENDMENTS

This Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent, of the Association members holding at least two-thirds (2/3) of the Total Association Vote. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and filed in Cobb County, Georgia land records.

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the owners, may amend the Declaration to comply with any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

Any action to challenge the validity of this Declaration or an amendment adopted under this Article must be brought within one (1) year of the recording of same in the Cobb County, Georgia land records. No action to challenge this Declaration or any such amendment may be brought after such time.

#### ARTICLE XVII. GENERAL PROVISIONS

17.1. <u>Enforcement.</u> In addition to any other enforcement right set forth within the Declaration or Bylaws, the Association, acting through the Board of Directors, shall have the right to enforce any violation of the Declaration, Bylaws or rules and regulations of the Association by a proceeding at law or in equity, or as otherwise provided herein. Owners may enforce the Declaration against other Owners by a proceeding at law or in equity.

Fines and Suspensions of Use. The Board shall have the power to (a) impose reasonable fines, which shall constitute a lien upon the Owner's Lot, for any violation of the Declaration, Bylaws, or any Association rules and regulations. The Board shall further have the power to suspend the use of any Common Property for any violation of the Declaration, Bylaws, or any Association rules and regulations. In the event an Owner's right to use the Common Property is suspended for any reason, such Owner, and his or her guests, family members, licensees, and invitees shall not be authorized to access the Common Property as a guest of another Owner or Occupant. If any Occupant violates the Declaration, Bylaws or Association rules and regulations and a fine is imposed, the fine may be imposed against the Owner and/or Occupant. The Board may establish and promulgate a fining schedule. The Board shall not impose a fine or suspend the right to use the Common Property, unless and until the Board has sent or delivered written notice to the Owner or Occupant as provided herein; provided, however, an Owner's right to use the Common Property shall automatically be suspended without notice during any period in which an Owner is more than thirty (30) days delinquent on any assessment or charge, and the Owner shall be ineligible to use the Common Property until the Owner's account balance has been paid in full.

(i) <u>Notice</u>. If any provision of the Declaration, Bylaws, or any Association rule or regulation is violated, the Board shall send the violating Owner or Occupant written notice identifying the violation and fine and/or suspension being imposed and advising the Owner or Occupant of the right to request a hearing before the Board to contest the violation or the fine and/or suspension or to request reconsideration of the fine and/or suspension. The notice shall further provide that the Owner or Occupant shall have ten (10) days from the date of the notice to request the hearing and that all rights to contest the violation or the fine and/or suspension shall be waived if the Association does not receive a request for a hearing within such ten (10) day period. Fines and suspensions may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the Owner or Occupant's right to request a hearing before the Board to challenge the fine and/or suspension. In the event of a continuing violation, each day the violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the Owner or Occupant. In the event an Owner or Occupant violates the same provision of the Declaration, Bylaws, or any Association rule and regulation within twelve (12) months from the date of the notice, the Board may impose the fines and/or other sanction provided in the notice without further notice to the Owner or Occupant.

(ii) <u>Hearing</u>. If a written request for a hearing is received from the Owner or Occupant within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the Owner or Occupant a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present at one time. Failure to request a timely hearing as provided herein shall result in loss of the right to challenge and request reconsideration of the fines or suspension. The Board of Directors may, but shall not be required to, suspend the fines and/or suspension until the date of the hearing.

(b) <u>Suspension of Voting and Use Privileges</u>. A member's right to vote and to use the Common Property shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment. The Association shall not be required to provide any notice to such member that the member's voting rights and rights to use the Common Property have been automatically suspended.

(c) <u>Abatement and Self-Help</u>. The Board or its designee may enter upon a Lot to exercise self-help in order to remove or abate any violation thereon of the Declaration, Bylaws, or any Association rule and regulation; provided, however, the Board shall first provide the Owner of the Lot ten (10) days notice of the Board's intention to enter the Owner's Lot and provide the Owner with an opportunity to remove or abate the violation, provided further, such notice shall not be required if the Board determines that an emergency exists. In the event an Owner or Occupant violates the same provision of the Declaration, Bylaws, or any Association rule and regulation within twelve (12) months from the date of the notice, the Board may exercise self-help in order to remove or abate the violation without further notice to the Owner or Occupant. All costs of self-help or of otherwise enforcing the Declaration, Bylaws or Association rules and regulations, including reasonable attorney's fees actually incurred, shall be assessed against the Owner, Occupant and/or Lot subject to the violation.

(d) <u>Notice of Violation</u>. The Association shall have the authority to record in the Cobb County, Georgia land records a notice of violation identifying an uncured violation of the Declaration, Bylaws, or rules and regulations regarding a Lot.

(e) <u>Enforcement Costs</u>. The Owner or Occupant responsible for a violation shall be liable for all costs incurred in enforcement, including reasonable attorney's fees actually incurred, whether or not a legal proceeding in law or equity is filed in connection with the violation. In the event an Occupant is responsible for the violation, the Owner shall also be liable for all costs incurred in enforcement against such Occupant, including reasonable attorney's fees actually incurred, whether or not a legal proceeding in law or equity is filed in connection with the violation. All such costs shall be considered a specific assessment and shall become a lien against the Owner's Lot.

(f) <u>Waiver</u>. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter. Neither the Association, its Board of Directors, any duly created committee, any member of any of the foregoing, the Association's officers, nor agents shall have any liability of any kind as a result of any failure to enforce any provision contained in this Declaration, the Bylaws, or the rules and regulations of the Association. Each Owner acknowledges and agrees that the Association has the discretion to pursue covenant violations based on the gravity of the violation, the strength of the Association's legal and factual position, and the Association's financial position. The Association's decision regarding any specific covenant violation shall not affect the rights of other Owners with respect to that violation.

17.2. <u>Duration.</u> The covenants, conditions, restrictions, and easements within the Declaration shall run with and bind the property subject to this Declaration perpetually or as otherwise provided by Georgia law.

**17.3. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE** REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SAFETY IN THE COMMUNITY; HOWEVER, EACH OWNER, FOR ITSELF, HIMSELF OR HERSELF AND ITS, 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 IN THE COMMUNITY. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER TO PROTECT ITS, HIS OR HER PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SECURITY SHALL LIE SOLELY WITH EACH LOT OWNER. THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE **SECURITY** OR INEFFECTIVENESS OF SECURITY MEASURES UNDERTAKEN.

17.4. Dispute Resolution. Any Lot Owner or Occupant must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute against the Association before that Owner or Occupant files any lawsuit against the Association, the Board, or any officer or director, or any agent of same. The Owner or Occupant shall, in such notice and at the hearing, make a good faith effort to explain the grievance and resolve the dispute in an amicable fashion, and shall give the Association a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Association shall give notice of the date, time, and place of the hearing to the Person requesting the hearing. The Association shall schedule the hearing for a date not less than seven (7) nor more than twenty-one (21) days from the date of receipt of the owner or Occupant that it is waiving the requirement of the Owner or Occupant to request and attend the hearing with the Board.

17.5. <u>No Discrimination</u>. No action shall be taken by the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status, or handicap.

17.6. <u>Indemnification</u>. The Association shall indemnify every officer and director against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

17.7. <u>Eminent Domain.</u> If all or any part of the Common Property shall be taken or conveyed in lieu of or under threat of condemnation by any authority having power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. If the taking involves a portion of the Common Property on which improvements have been constructed, then, unless within one hundred and eight days (180) days after such taking at least seventy-five percent (75%) of the total number of Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining Common Property to the extent land is available therefor.

17.8. <u>Implied Rights.</u> The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation of the Association, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

17.9. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision, which shall remain in full force and effect.

17.10. <u>Conflicts.</u> The duties, powers, and obligations of the Association, including the members, directors, and officers, shall be those set forth in the Georgia Property Owners' Association Act, the Georgia Nonprofit Corporation Code, the Declaration, the Bylaws, the Articles of Incorporation, and the rules and regulations of the Association. If there are conflicts or inconsistencies between such, then the provisions of the Georgia Property Owners' Association Act, the Georgia Nonprofit Corporation Code, the Declaration, the Bylaws, the Articles of Incorporation, and the rules and regulations of the Association, the Bylaws, the Articles of Incorporation, and the rules and regulations of the Association, in that order, shall prevail; and each Owner of a Lot, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

17.11. <u>Preparer.</u> This Declaration was prepared by Haley H. Bourret, Lueder, Larkin & Hunter, LLC, 5900 Windward Parkway, Suite 390, Alpharetta, Georgia 30005.

### [SIGNATURES COMMENCE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned officers of Cambridge Grove Homeowners Association, Inc. hereby unequivocally state that the agreement of the required majority was lawfully obtained and that all notices required by the Original Declaration, Original Bylaws, and the Georgia Property Owners Association Act, O.C.G.A.§ 44-3-220, *et. seq.*, were properly given.

This	day of	, 20
		CAMBRIDGE GROVE HOMEOWNERS ASSOCIATION, INC.
Sworn to and sub	oscribed before me	Signature of President Print Name:
this day of	, 20	
Witness:		
Notary Public		
		Signature of Secretary Print Name:
	oscribed before me, 20	
Witness:		

Notary Public

## EXHIBIT "A"

#### DESCRIPTION OF PROPERTY

ALL THAT TRACT OR PARCEL OF LAND, lying and being in Land Lots 285, 286, 291, and 292 of the 16<sup>th</sup> District, 2<sup>nd</sup> Section of Cobb County, Georgia, and being more designated as Cambridge Grove, Lots 1-4 (inclusive), Lots 41-103 (inclusive), Lots 126-129 (inclusive), Lots 130-133 (inclusive), Lot 143, and Lots 150-156 (inclusive) as more particularly depicted on the Site Plan attached hereto.

### AND

ALL THAT TRACT OR PARCEL OF LAND, lying and being in Land Lot 291 of the 16<sup>th</sup> District, 2<sup>nd</sup> Section of Cobb County, Georgia, and being designated as Cambridge Grove Phase 1-B, Lots 41-71 (inclusive) and Lots 127-129 (inclusive) as more particularly described in that certain Final Plat of Cambridge Grove, Phase 1-B, prepared by Herndon & Betterton, Inc., containing the seal of Robert B. Betterton, G.R.L.S. No 2496, which plat was recorded on March 4, 1997, in Plat Book 166, Page 58, of the Cobb County, Georgia, land records.

### AND

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 286 and 291 of the 16<sup>th</sup> District of Cobb County, Georgia and being more particularly described as Lots 5-6 (inclusive), Lots 134-139 (inclusive) and Lots 144-149 (inclusive) on the Final Plat of Cambridge Grove, Phase 2-A, prepared by Herndon & Betterton, Inc., dated September 22, 1997, and recorded in Plat Book 171, Page 39, of the Cobb County, Georgia, records, as such plat is made a part hereof by this reference.

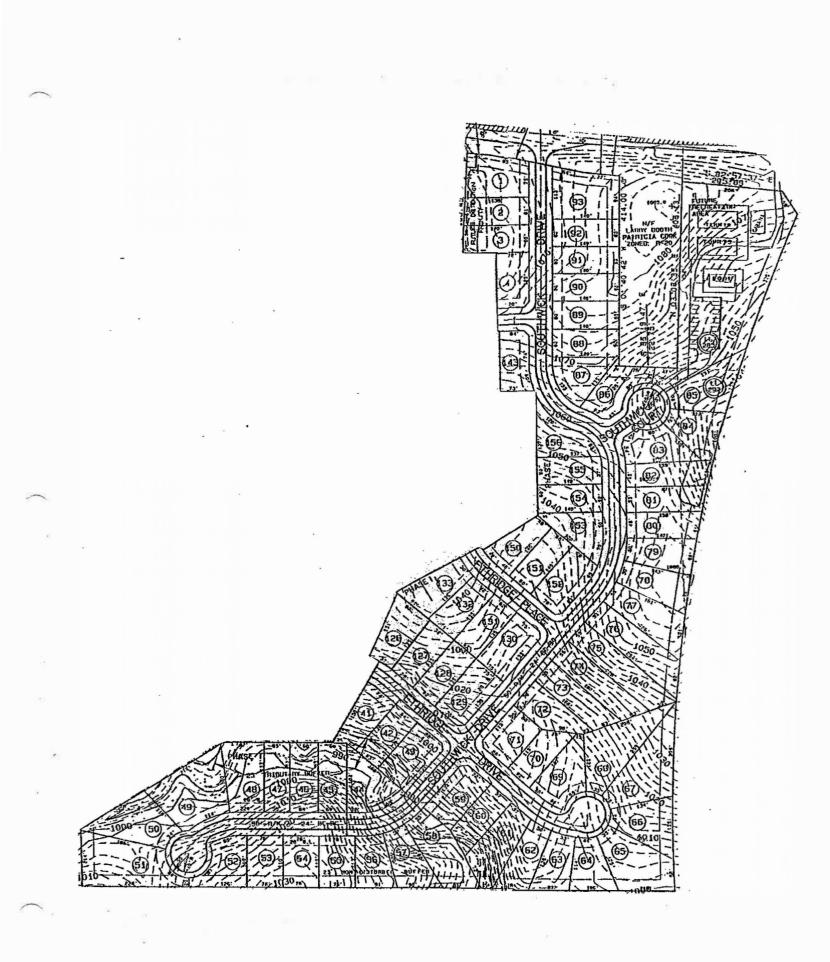
### AND

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 286 and 291 of the 16" District, 2nd Section, of Cobb County, Georgia, and being more particularly described as Lots 7-14, inclusive; Lots 37-40, inclusive; Lots 104-114, inclusive; Lots 116-126, inclusive; and Lots 140-142, inclusive, on the Final Subdivision Plat of Cambridge Grove, Phase II-B, prepared by Herndon and Betterton, Inc., containing the seal of Robert B. Betterton, dated November 5; 1997, and recorded in Plat Book 172, Page 32 of the Cobb County, Georgia, records on March 9, 1998, as such plat is made a part hereof by this reference.

### AND

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 286 and 291 of the 16<sup>th</sup> District, 2<sup>nd</sup> Section, of Cobb County, Georgia, and being more particularly described as Lots 15-36, inclusive, and Lots 94-103, inclusive, and Lot 115, as shown on the Final

Subdivision Plat of Cambridge Grove, Phase II-C, prepared by Herndon and Betterton, Inc., containing the seal of Robert B. Betterton, and recorded in Plat Book 174, Page 28 of the Cobb County, Georgia, records on July 8, 1998, as such plat is made a part hereof by this reference.



.....

**EXHIBIT "B"** 

**BYLAWS** 

OF

CAMBRIDGE GROVE HOMEOWNERS ASSOCIATION, INC.



5900 Windward Parkway Suite 390 Alpharetta, Georgia 30005 770-685-7000 <u>www.luederlaw.com</u>

# **Table of Contents**

ARTICLE I.	GENERAL	4
1.1.	Applicability	4
1.2.	Name.	4
1.3.	Definitions.	4
1.4.	Membership	4
1.5.	Voting	
1.6.	Entity Members.	
1.7.	Purpose.	
	1	
ARTICLE II.	MEETINGS OF MEMBERS	5
2.1.	Annual Meetings.	5
2.2.	Special Meetings.	6
2.3.	Telephonic or Virtual Meetings.	6
2.4.	Notice of Meetings.	
2.5.	Waiver of Notice.	6
2.6.	Quorum	7
2.7.	Adjournment	7
2.8.	Proxy	7
2.9.	Order of Business.	7
2.10.	Action Taken Without a Meeting	7
	č	
ARTICLE III.	BOARD OF DIRECTORS	8
3.1.	Composition.	8
3.2.	Election and Term of Office	8
3.3.	Nomination	9
3.4.	Removal of Directors.	9
3.5.	Vacancies	9
3.6.	Compensation	9
3.7.	Director Conflicts of Interest	9
3.8.	Regular Meetings	9
3.9.	Special Meetings.	9
3.10.	Waiver of Notice.	10
3.11.	Quorum and Conduct of Meetings.	10
3.12.	Open Meetings.	
3.13.	Action Without a Meeting	
3.14.	Powers and Duties.	10
3.15.	Management Agent.	12
3.16.	Borrowing	12
3.17.	Liability and Indemnification of Officers and Directors	12
ARTICLE IV.	OFFICERS	
4.1.	Designation	
4.2.	Appointment of Officers.	
4.3.	Removal of Officers.	
4.4.	Vacancies	13

4.5.	President	13
4.6.	Vice President	13
4.7.	Secretary	13
4.8.	Treasurer	
4.9.	Other Officers	13
4.10.	Agreements, Contracts, Deeds, Leases, Etc.	13
ARTICLE V.	AMENDMENTS	
ARTICLE VI.	MISCELLANEOUS	14
6.1.	Committees	14
6.2.	Notices	14
6.3.	Severability	15
6.4.	Captions	15
6.5.	Fiscal Year	15
6.6.	Financial Review	15
6.7.	Conflicts	15
6.8.	Books and Records	16
6.9.	Preparer.	16

#### **BYLAWS**

#### OF

#### CAMBRIDGE GROVE HOMEOWNERS ASSOCIATION, INC.

ARTICLE I. GENERAL

1.1. <u>Applicability</u>. These Bylaws provide for the self-government of Cambridge Grove Homeowners Association, Inc., in accordance with the Georgia Property Owners' Association Act, the Articles of Incorporation filed with the Secretary of State and the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cambridge Grove (hereafter referred to as the "Declaration").

1.2. <u>Name</u>. The name of the corporation is Cambridge Grove Homeowners Association, Inc. (hereafter referred to as the "Association").

1.3. <u>Definitions</u>. The terms used herein shall have their generally accepted meanings or the meanings specified in Article II of the Declaration.

1.4. <u>Membership</u>. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, shall be a member of the Association. This is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in the Declaration and in these Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

1.5. <u>Voting</u>. Members shall be entitled to one (1) equal vote for each Lot owned. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves. In the absence of such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it. A member's right to vote shall automatically be suspended during any period in which a member is more than thirty (30) days delinquent on any assessment or charge.

No member shall be eligible to vote, either in person or by proxy, or to be elected to the Board of Directors, if that member is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or if the member has had its voting rights suspended for any reason. If a member's voting rights have been suspended, that member shall not be counted as an eligible vote for purposes of establishing a quorum or for any other purpose.

1.6. <u>Entity Members</u>. In the event a member is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an

officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary, or other designated agent of such trust, or manager of such other legal entity shall be eligible to represent such entity in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity which is the member of the Lot. The membership rights of an Owner which is a corporation, partnership, or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

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

## 1.8. <u>Electronic Communications</u>.

(a) <u>Records and Signatures</u>. Whenever the Declaration or these Bylaws require that a document, record or instrument be written or in writing, the requirement is deemed satisfied by an electronic record pursuant to the Georgia Uniform Electronic Transactions Act. Whenever the Declaration or these Bylaws require a signature on a document, record or instrument, an electronic signature, in accordance with the Georgia Uniform Electronic Transactions Act, satisfies that requirement.

(b) <u>Verification and Liability for Falsification</u>. The Board of Directors may require reasonable verification of any electronic signature, document, record, or instrument. Absent or pending verification, the Board of Directors may refuse to accept any electronic signature or electronic record that, in the Board's sole discretion, is not authentic. Neither the Board of Directors nor the Association shall be liable to any Owner or any other Person for accepting or acting in reliance upon an electronic signature or electronic record that the Board of Directors reasonably believes to be authentic, or rejecting any such item which the Board of Directors reasonably believes not to be authentic. Any Owner or Person who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature shall fully indemnify the Association for actual damages, reasonable attorneys' fees actually incurred and expenses incurred as a result of such acts.

## ARTICLE II. MEETINGS OF MEMBERS

2.1. <u>Annual Meetings</u>. The regular annual meeting of the members shall be held each year with the date, hour, and place to be set by the Board.

2.2. <u>Special Meetings</u>. Special meetings of the members may be called for any purpose at any time by the President, or by request of any two (2) or more Board members, or upon written petition of fifteen (15%) percent of the total members of Association. Any such written petition by the members must be submitted to the Association's Secretary. The Secretary shall then verify that the required number of members have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special meeting for the purpose stated in the petition, at a date, time and location selected by the President, and the Secretary shall send notice of such meeting in accordance with these Bylaws and within thirty (30) days of the date of delivery of the petition to the Secretary.

2.3. <u>Telephonic or Virtual Meetings</u>. In the Board's discretion, any meeting of the members may be held by means of remote telephone or electronic communication, including, but not limited to, virtual meeting platforms, video conferencing, the internet, or other similar means, provided all persons participating in the meeting can hear each other or can otherwise communicate with each other. The Board of Directors may adopt rules and procedures governing the conduct of meetings by remote telephone or electronic communication. For in-person meetings of the members, the Board of Directors may, but shall not be required, to allow attendance by remote telephone or electronic communication.

2.4. <u>Notice of Meetings</u>. The Secretary shall mail or deliver to each member of the Association a notice of each Association meeting at least twenty-one (21) days prior to each annual meeting and at least ten (10) days prior to each special meeting. All notices shall state the date, time, and location of the annual or special meeting. Notices of special meeting shall also state the purpose or purposes of such meeting. If any member wishes notice to be given to an address other than the Owner's Lot address, the member shall designate such other address by written notice to the Secretary. The mailing or delivering of a meeting notice as provided in this Section shall constitute proper service of notice.

2.5. <u>Waiver of Notice</u>. Waiver of notice of an Association meeting shall be deemed the equivalent of proper notice. Any Association member may, in writing, waive notice of any meeting of the membership, either before or after such meeting. Attendance at a meeting by a member, whether in person or represented by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof unless such member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

2.6. <u>Quorum</u>. The presence, in person or by proxy at the beginning of the meeting, of members entitled to cast at least ten percent (10%) of the eligible votes of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. Members whose voting rights have been suspended pursuant to the Declaration or these Bylaws shall not be counted as eligible votes toward the quorum requirement.

2.7. <u>Adjournment</u>. Any meeting of the Association members may be adjourned for periods not exceeding ten (10) days by vote of the members holding the Majority of the votes represented at such meeting, regardless of whether a quorum is present. The time and place of the reconvened session shall be set at the original session. Any business which could have been transacted properly at the original session of the meeting with a quorum present may be transacted at a reconvened session with a quorum present, and no additional notice of such reconvened session shall be required.

2.8. Proxy. Any Association member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. The term "proxy" shall mean the written document in which the member authorizes any other person to attend a membership meeting on behalf of the member and vote the member's vote at the meeting. The written proxy document shall not be required to be in any particular form; but to be valid, the proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used or such earlier date as the Board may set for a particular meeting. The member giving the proxy shall be the "proxy giver" and the person holding the proxy and authorized to attend on behalf of the proxy giver and vote for the proxy giver shall be the "proxy holder." Proxies may be delivered by either the proxy giver or the proxy holder by personal delivery, U.S. Mail, facsimile transmission, email, or other electronic means to any Board member or the property manager, if any. Proxies may be revoked only by written notice of the proxy giver delivered to the Secretary, except that the presence in person by the proxy giver at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy. Proxies shall be counted towards establishment of a quorum.

2.9. <u>Order of Business</u>. At all meetings of the Association, <u>Roberts Rules of</u> <u>Order</u> (latest edition) shall govern when not in conflict with the Declaration, these Bylaws or the Articles of Incorporation, unless the members present at a particular meeting vote to suspend Robert's Rules at that meeting. The failure to comply with <u>Roberts Rules of Order</u> (latest edition) shall not invalidate any action taken by the members.

2.10. <u>Action Taken Without a Meeting</u>. In the Board's discretion, any action that may be taken by the Association members at any annual or special meeting may be taken without a meeting if the Board delivers a written consent form or written ballot to every member entitled to vote on the matter.

(a) <u>Ballot</u>. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when (1) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

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

(b) <u>Written Consent</u>. Approval by written consent shall be valid only when the number of written consents received equals or exceeds the requisite majority of the voting power for such action. Executed written consents shall be included in the minutes or filed with the Association's records. If an action of the members is approved by written consent hereunder, the Board shall issue written notice of such approval to all members who did not sign written consents. Membership approval shall be effective ten (10) days after written notice is issued; provided, however, if the consent is to an amendment to the Declaration or Bylaws which must be recorded, the effective date shall be no earlier than the date of recording of such amendment.

### ARTICLE III. BOARD OF DIRECTORS

3.1. <u>Composition</u>. The affairs of the Association shall be governed by a Board of Directors composed of three (3) persons. The directors shall be members or the spouse of a member and must reside in the Community; provided, however no member and his or her spouse may serve on the Board at the same time, and no co-Owners may serve on the Board at the same time. No member or such member's spouse shall be eligible to be elected to the Board of Directors if that member is shown on the books or management accounts of the Association to be more than thirty (30) days delinquent in any payment due the Association or if the member has had his or her voting rights suspended for any reason.

3.2. <u>Election and Term of Office</u>. Those directors serving on the date these Bylaws are recorded in the Cobb County, Georgia land records shall remain in office until the terms for which they were elected expire. At the first annual meeting following the date these Bylaws are recorded in the Cobb County, Georgia land records, and at each annual meeting thereafter, successor director(s) shall be elected by the vote of the members of the Association present in person or by proxy for a term of two (2) years and shall hold office until their successors are elected. Those natural persons receiving the most votes shall be elected to the number of positions on the Board to be filled. There shall be no cumulative voting. Voting for election of Board members shall be by written ballot (unless dispensed by unanimous consent at the meeting at which such voting is conducted). Each newly elected Board shall meet within ten (10) days following the meeting at which the election occurred for the purpose of appointing officers and any other business that comes before the Board. 3.3. <u>Nomination.</u> Nomination for election to the Board shall be made from the floor at the meeting. Nominations also may be made by a nominating committee, if appointed by the Board. The Board may also establish additional procedures for the nomination of directors.

3.4. <u>Removal of Directors</u>. At any valid regular or special Association meeting, any one or more directors may be removed with or without cause by members of the Association representing a Majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy created. In addition, any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings or is more than thirty (30) days past due in the payment of any assessment or charge may be removed by the vote of a Majority of the other directors. Any director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting.

3.5. <u>Vacancies</u>. Vacancies on the Board caused by any reason, except the removal of a director by vote of the membership as provided in Section 3.4 of this Article, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any Board meeting. The successor selected shall hold office for the remainder of the term of the director being replaced.

3.6. <u>Compensation</u>. Directors shall not be compensated for services. However, directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon Board approval of such expenses. Directors also may be given nominal gifts or tokens of appreciation by the Association for recognition of services performed not to exceed a value of \$100.00 per calendar year. For purposes hereof, reasonable food and beverages purchased for Board meetings shall not be considered compensation.

3.7. <u>Director Conflicts of Interest</u>. Nothing herein shall prohibit a director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided the director's interest is disclosed to the Board and the contract is approved by a Majority of the directors who are at a meeting of the Board of Directors at which a quorum is present, excluding the director with whom the contract is made. The interested director shall not count for purposes of establishing a quorum of the Board. The interested director shall be entitled to be present at the meeting at which the proposed contract is discussed, but the director must leave the room during the discussion on such matter.

3.8. <u>Regular Meetings</u>. Regular Board meetings may be held at such time and place as determined by the Board, but at least once every three (3) months.

3.9. <u>Special Meetings</u>. Special Board meetings may be called by the President on three (3) days notice to each director given by mail, in person, by telephone, by facsimile transmission, or by email, which notice shall state the time, date, location, and purpose of the meeting. Special Board meetings shall be called by the President, Vice President, Secretary,

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

3.10. <u>Waiver of Notice</u>. Any director at any time, in writing, may waive notice of any Board meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any Board meeting shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any Board meeting, no notice shall be required and any business may be transacted at such meeting.

3.11. <u>Quorum and Conduct of Meetings</u>. The President shall preside over all Board meetings, and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board and a record of all transactions and proceedings occurring at such meetings. The presence of directors entitled to cast one-half of the votes of the Board shall constitute a quorum for the transaction of business. One or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, provided all persons participating in the meeting can hear each other. At all Board meetings of the Association, <u>Roberts Rules of Order</u> (latest edition) shall govern when not in conflict with the Act, the Declaration, these Bylaws or the Articles of Incorporation, unless the directors present at a particular meeting vote to suspend Robert's Rules at that meeting. The failure to comply with <u>Roberts Rules of</u> <u>Order</u> (latest edition) shall not invalidate any action taken by the Board.

3.12. <u>Open Meetings</u>. All Board meetings shall be open to all Association members, but members other than directors may not participate in any discussion or deliberation unless expressly authorized by the Board. Notwithstanding the above, the Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, delinquent assessments, litigation in which the Association is or may become involved, bids for work to be completed, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.13. <u>Action Without a Meeting</u>. Any Board action required or permitted to be taken at any meeting may be taken without a meeting if a Majority of the directors consent in writing to such action. The written consents must describe the action taken. The written consents shall be filed with the minutes of the Board. The written consent may be by email or other electronic means; a copy of the consents shall be printed and filed with the minutes of the Board.

3.14. <u>Powers and Duties</u>. The Board shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Community and may do all such acts and things as are not by the Act, the Declaration, the Articles of Incorporation, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws, the Board shall have the power to and shall be responsible for the following, in the way of explanation, but not limitation: (a) preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments;

(c) providing for the operation, care, upkeep, and maintenance of all of the Common Property;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair and replacement of the Common Property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a financial depository or institution which it shall approve, or otherwise investing the proceeds in accordance with any limitations set forth in O.C.G.A. Section 14-3-302, and using the proceeds to administer the Association;

(f) making and amending rules and regulations for the Community and imposing sanctions for violation thereof, including reasonable monetary fines;

(g) opening of bank or other financial accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to, or alterations of, the Common Property after damage or destruction by fire or other casualty, in accordance with the other provisions of the Declaration and these Bylaws;

(i) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(k) paying the costs of all services rendered to the Association or its members and not directly chargeable to specific Owners;

(1) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred; and

(m) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into management agreements. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

3.15. <u>Management Agent</u>. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize.

3.16. <u>Borrowing</u>. The Board shall have the power to borrow money for the purpose of maintenance, repair, restoration or improvement to the Common Property or for any other purpose; provided, however, if the total amount of such borrowing exceeds or would exceed Twenty-Five Thousand Dollars (\$25,000.00) of outstanding debt at any one time, such borrowing must first be approved by members of the Association holding a Majority of the Total Association Vote.

3.17. Liability and Indemnification of Officers and Directors. The Association shall indemnify every officer and director against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association, and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

## ARTICLE IV. OFFICERS

4.1. <u>Designation</u>. The principal officers of the Association shall be the President, Vice President, Secretary, and Treasurer. The President, Vice President and Secretary must be directors. The Treasurer shall be elected by the Board, but need not be a director. The Board may appoint one or more Assistant Treasurers, Assistant Secretaries, and such other subordinate officers as in its judgment may be necessary. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one (1) office.

4.2. <u>Appointment of Officers</u>. The Association officers shall be appointed annually by the Board of Directors at the first meeting of the Board following each annual meeting of the members and shall hold office at the pleasure of the Board and until a successor is elected.

4.3. <u>Removal of Officers</u>. Upon the affirmative vote of a Majority of the Board members at any Board meeting at which a quorum is established, any officer may be removed, either with or without cause, and a successor may be elected.

4.4. <u>Vacancies</u>. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.5. <u>President</u>. The President shall be the chief executive officer of the Association and shall preside at all Association and Board meetings.

4.6. <u>Vice President</u>. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

4.7. <u>Secretary</u>. The Secretary shall keep the minutes of all Association and Board meetings and shall have charge of the Association's books and records.

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

4.9. <u>Other Officers</u>. Other offices may be created by the Board, and the Board members which hold such offices shall have such titles and duties as are defined by the Board.

4.10. <u>Agreements, Contracts, Deeds, Leases, Etc.</u> All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by Board resolution.

## ARTICLE V. AMENDMENTS

These Bylaws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding at least two-thirds (2/3) of the Total Association Vote. Notice of a meeting, if any, at which a proposed amendment will be considered, shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Cobb County, Georgia land records and the Cobb County, Georgia land records and the Cobb County.

duly certified and recorded shall be conclusively presumed to have been duly adopted in accordance with these Bylaws.

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may amend these Bylaws to comply with any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association, the Department of Housing and Urban Development and the Veterans Administration.

Any action to challenge the validity of these Bylaws or an amendment adopted under this Article must be brought within one (1) year of the recording of same in the Cobb County, Georgia land records and the Cobb County, Georgia land records. No action to challenge these Bylaws or any such amendment may be brought after such time.

## ARTICLE VI. MISCELLANEOUS

6.1. <u>Committees</u>. The Board may establish any committee as the Board deems desirable with the powers and duties that the Board shall authorize. Members of any committee shall be appointed by the Board and shall serve at the pleasure of the Board. Any committee member may be removed with or without cause at any time and with or without a successor being named.

6.2. <u>Notices</u>.

(a) <u>Method of Giving Notice</u>. All notices, demands, bills, statements, or other communications shall be in writing and shall be given:

- (1) Personal delivery to the addressee;
- (2) Via United States mail, first class, postage prepaid;
- (3) Via electronic mail; or
- (4) Via facsimile; or
- (5) Via any other legal means.

(b) <u>Addressee</u>. Notice sent by one of the methods described herein shall be deemed to have been duly given:

(1) If to an Owner, at the address, electronic mail address or facsimile number which the Owner has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Owner's Lot;

(2) If to an Occupant, to the electronic mail address or facsimile number which the Occupant has designated in writing, or if no such address has been designated, at the address of the Lot occupied; or

(3) If to the Association, the Board or the managing agent, if any, at the postal address, facsimile, or electronic mail address of the principal office of the

Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary.

6.3. <u>Severability</u>. The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these Bylaws or the Declaration.

6.4. <u>Captions</u>. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these Bylaws or the intent of any provision thereof.

6.5. <u>Fiscal Year</u>. The fiscal year of the Association may be set by Board resolution or, in the absence thereof, shall be the calendar year.

6.6. <u>Financial Review</u>. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board. However, after having received the Board's financial review at the annual meeting, the members may, by a Majority of the Association members present at such meeting, in person or proxy, require that the Association accounts be audited as a common expense by an independent accountant.

6.7. <u>Conflicts</u>. The duties, powers, and obligations of the Association, including the members, directors, and officers, shall be those set forth in the Georgia Property Owners' Association Act, the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, the Articles of Incorporation, and the rules and regulations of the Association. If there are conflicts or inconsistencies between such, then the provisions of the Georgia Property Owners' Association, the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, the Articles of Incorporation, and the rules and regulations of the Association, these Bylaws, the Articles of Incorporation, and the rules and regulations of the Association, in that order, shall prevail; and each Owner of a Lot, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

6.8. <u>Books and Records</u>. To the extent provided for, and restricted in, Section 14-3-1602 of the Georgia Nonprofit Corporation Code, as such Code Section may be amended from time to time, all Association members and any institutional holder of a first Mortgage shall be entitled to inspect Association records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the member wishes to inspect and copy. The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the member. Notwithstanding anything to the contrary, the Board may limit or preclude member inspection of confidential or privileged documents, including attorney/client privileged communications, executive session meeting minutes, and financial records or accounts of other members. Minutes for any Board or Association meetings do not become effective as an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting. All Board members may inspect and copy any book or record of the Association.

6.9. <u>Preparer</u>. These Bylaws were prepared by Haley H. Bourret, Lueder, Larkin & Hunter, LLC, 5900 Windward Parkway, Suite 390, Alpharetta, Georgia 30005.

This day of	, 20
	CAMBRIDGE GROVE HOMEOWNERS ASSOCIATION, INC.
	Signature of President
	Print Name:
Sworn to and subscribed before me	
this day of, 20	
Witness:	
Notary Public	
	Signature of Secretary Print Name:
Sworn to and subscribed before me	
this day of, 20	
Witness:	

Notary Public