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SECOND AMENDED AND RESTATED CONDOMINIUM
DECLARATION OF LA HACIENDA CONDOMINIUM

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0089855



STATE OF GEORGIA
 COUNTY OF GWINNETT

Cross Reference: Deed Book 2477
 Page 360
 Deed Book 2477
 Page 434
 Deed Book 11154
 Page 313
 Deed Book 11484
 Page 227
 Deed Book 2477
 Page 388
 Deed Book 35595
 Page 186
 Deed Book 39915
 Page 225

SECOND AMENDED AND RESTATED CONDOMINIUM

DECLARATION OF LA HACIENDA CONDOMINIUM

WHEREAS, Tres III Construction, Inc., a Georgia corporation, executed that certain Declaration of Covenants, Conditions and Restrictions for La Hacienda (hereinafter sometimes called the "Original Declaration"), which Original Declaration was recorded on July 24, 1974, in Deed Book 849, Page 195, et seq., Gwinnett County, Georgia records; and

WHEREAS, the Original Declaration has been amended previously by amendments recorded in the Gwinnett County, Georgia records, as follows:

<u>Deed Book</u>	<u>Page</u>	<u>Date</u>
849	244	July 25, 1974;
856	80	August 9, 1974;
861	293	August 23, 1974;
1409	115	January 30, 1978;
1441	128	March 30, 1978; and

WHEREAS, the Original Declaration was amended and restated by that certain Amended and Restated Declaration of Condominium for La Hacienda, A Condominium, (hereinafter sometimes called the "Declaration"), which was recorded on December 20, 1982, in Deed Book 2477, Page 360, et seq., Gwinnett County, Georgia records; and



WHEREAS, amendments to the Declaration are recorded in the Gwinnett County, Georgia Records as follows:

<u>Deed Book</u>	<u>Page</u>	<u>Date</u>
2477	434	December 20, 1982
11154	313	March 20, 1995;
11484	227	July 17, 1995; and

WHEREAS, the Declaration provides that amendments may be made at any time by the consent of at least sixty-seven (67%) percent of the total votes of the Association; and

WHEREAS, the Declaration additionally provides that amendments to the Declaration and By-Laws involving material amendments to the documents must be approved by at least fifty-one (51%) percent of eligible holders of first mortgages on Units eligible to vote; and

WHEREAS, the amendments contained herein are not material amendments affecting the rights and interests of the holders of first mortgages, thereby, requiring the fifty-one (51%) percent approval; and

WHEREAS, the By-Laws of La Hacienda Condominium Association, Inc. ("By-Laws") were recorded on December 20, 1982, in Deed Book 2477, Page 388, et seq., Gwinnett County, Georgia records and attached to the Declaration as Exhibit "A"; and

WHEREAS, amendments to the By-Laws are recorded in the Gwinnett County, Georgia records as follows:

<u>Deed Book</u>	<u>Page</u>	<u>Date</u>
35595	186	October 21, 2003
39915	225	September 20, 2004; and

WHEREAS, Article X, Section 9 of the By-Laws provides that the By-Laws may be amended at an annual or special meeting of the members by an agreement of the Unit Owners to which two-thirds (2/3) of the votes in the Association appertain; and



WHEREAS, members entitled to cast at least two-thirds (2/3) of the total votes of the Association have approved the amendments to the By-Laws and members entitled to cast at least sixty-seven (67%) percent of the total votes of the Association have approved the amendments to the Declaration; and;

WHEREAS, this Amendment does affect materially the rights of any Unit Owner or any mortgage holder under any existing mortgage, security deed, or related document; provided, however, in the event a court of competent jurisdiction determines that any provision of this Amendment affects materially the rights of any owner or mortgagee, then, such particular provision shall not be binding on the owner or mortgage so involved, unless the owner or mortgagee consents to that particular provision; and if such consent is not forthcoming, the provision of the Amended Declaration, effective prior to this Amendment, shall control in respect to the affected owner or mortgagee;

NOW, THEREFORE, the Amended and Restated Declaration of Condominium of La Hacienda Condominium and the By-Laws for La Hacienda Condominium Association, Inc. are deleted and replaced with the following:



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UNDIVIDED PERCENTAGE INTEREST IN THE COMMON ELEMENTS AND
LIABILITIES FOR COMMON EXPENSES "B"

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HISTORY OF LA HACIENDA

Construction on this subdivision was started in 1972 by Tres III. The developer was Bennie Auerbach. Tres III presented and marketed La Hacienda as a ninety five (95) unit complex with a Clubhouse, Pool and Tennis Courts. The presentation plans illustrated La Hacienda as far reaching as our neighboring community Summit Trail.

In 1974, twenty three (23) Units were completed. By 1976, six (6) Units were sold (Units 1, 2, 20, 29, 30, and 34). In that same year ('76), Tres III foreclosed by Tri South Mortgage Investors.

Tri South Mortgage Investors then became the Declarant. It was then discovered that the adjacent land (marketed as dedicated to the project), was not secured by the Mortgage Company nor had it ever been dedicated in Gwinnett County to the La Hacienda Project.

In 1977, a proposal was made to the six (6) homeowners to reduce the number of Units to forty six (46); since all six (6) of the homeowners would not agree to the proposal, Tri South sued. In January 1978, the judge reformed the development of La Hacienda as a forty six (46) Unit complex. The Court further ordered that to reimburse the homeowners for their losses and broken promises, the condominium assessment for those six (6) homes, as well as all future owners of those 6 homes, would receive a credit against the portion of each annual assessment attributable to fixed expenses. The court order also reformed the percentage of individual interest in the common area to 2.17% for Units 1-28 and 2.18% for Units 29-46 (see Exhibit B and Article X, Section 10.03).

Tri South sold a majority of the original 23 Units by 1978. Avalon then purchased Tri South and completed the project. Phase II construction started in 1983 with the first homes selling in 1984.

The original twenty-three (23) homes, Phase I, were built over ten (10) years prior to Phase II. The homes in Phase I are larger and have decks. Because there was limited land available for the Phase II Units, they were built without decks and the square footage was less.



ARTICLE 1. NAME

The name of the condominium is La Hacienda Condominium (hereinafter sometimes called "La Hacienda" or the "Condominium," as further defined herein), which Condominium is subject to the Georgia Condominium Act, O.C.G.A. § 44-3-70, *et seq.*, as amended.

ARTICLE 2. DEFINITIONS

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

Section 2.1. "Act" shall mean the Georgia Condominium Act, O.C.G.A. § 44-3-70, *et seq.*, as such Act may be amended from time to time.

Section 2.2. "Architectural Control Committee" or "ACC" shall mean the committee established to exercise the architectural review powers set forth in Article 13 hereof, which shall be the Board of Directors of the Association unless by resolution the Board appoints a separate Architectural Control Committee.

Section 2.3. "Area of Common Responsibility" shall mean and refer to the Common Elements, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other Person, become the responsibility of the Association.

Section 2.4. "Articles" or "Articles of Incorporation" shall mean the Articles of Incorporation of the La Hacienda Condominium Association, Inc., which have been filed with the Secretary of State of the State of Georgia.

Section 2.5. "Association" shall mean the La Hacienda Condominium Association, Inc., a Georgia nonprofit corporation, and its successors or assigns.

Section 2.6. "Board" or "Board of Directors" shall mean the board of directors of the Association, which shall be the body responsible for the management and operation of the Association.

Section 2.7. "Bylaws" shall mean the Bylaws of La Hacienda Condominium Association, Inc., attached to this Declaration as Exhibit "E" and incorporated herein by this reference.

Section 2.8. "Common Elements" shall mean those portions of the property subject to this Declaration, which are not included within the boundaries of a Unit, as more particularly described in this Declaration.

Section 2.9. "Common Expenses" shall mean the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements.

Section 2.10. "Condominium" shall mean all the real property described in Exhibit "A" attached hereto and incorporated herein by this reference, submitted to the provisions of the Act by this Declaration.



Section 2.11. "Condominium Instruments" shall mean this Declaration and all exhibits to this Declaration, including the Bylaws of the Association, and the Survey and Floor Plans, as such documents may be supplemented or amended from time to time.

Section 2.12. "Electronic Document" shall mean information created, transmitted, received or stored by electronic means and retrievable in humanly perceivable form including, without limitation, e-mail, web pages, electronic documents, and facsimile transmissions.

Section 2.13. "Electronic Signature" shall mean a signature created, transmitted, received or stored by electronic means and includes, but is not limited to, a Secure Electronic Signature.

Section 2.14. "Eligible Mortgage Holder" shall mean those holders of first Mortgages secured by a lien on a Unit in the Condominium who have requested notice of certain items as set forth in this Declaration.

Section 2.15. "Floor Plans" shall mean the floor plans for La Hacienda, A Condominium, filed in the condominium file cabinet of the Official Records.

Section 2.16. "Limited Common Elements" shall mean those portions of the Common Elements reserved for the exclusive use of those Persons entitled to occupy one (1) or more, but less than all of the Units, as more particularly set forth in this Declaration.

Section 2.17. "Majority" shall mean more than fifty percent (50%) of the total eligible number.

Section 2.18. "Mold" shall mean mildew, fungi, mycotoxins, and microbiological organisms.

Section 2.19. "Mortgage" shall refer to any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation including, but not limited to, a transfer or conveyance of fee title for such purpose.

Section 2.20. "Mortgagee" or "Mortgage Holder" shall mean the holder of any Mortgage.

Section 2.21. "Occupant" shall mean any Person staying overnight in a Unit for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any one (1) year period, regardless of whether such Person is a tenant or the Owner of such Unit.

Section 2.22. "O.C.G.A." shall mean the Official Code of Georgia Annotated as may be amended from time to time.

Section 2.23. "Official Records" shall mean the official land records of the Clerk of the Superior Court of Gwinnett County, Georgia.

Section 2.24. "Owners" shall mean the record titleholder of a Unit within the Condominium, but shall not include a Person who is only a Mortgage Holder.

Section 2.25. "Person" shall mean any individual, corporation, firm, association, partnership, trust, or other legal entity.

Section 2.26. "Secure Electronic Signature" shall mean an electronic or digital method executed or adopted by a Person with the intent to be bound by or to authenticate a record, which is unique to the Person using it, is capable of verification, is under the sole control of the Person using it, and is linked to data in such a manner that if the data is changed, the electronic signature is invalidated.



Section 2.27. "Survey" shall mean the plat of survey for La Hacienda, A Condominium filed in the condominium plat book of the Official Records.

Section 2.28. "Tenant" shall mean any Person occupying a Unit except as provided in Article 15, Section 15.1(iv)

Section 2.29. "Total Association Vote" shall mean all of the eligible votes attributed to members of the Association.

Section 2.30. "Townhouse Type Residence" shall mean the two-story residences.

Section 2.31. "Unit" shall mean that portion of the Condominium intended for individual ownership and use as more particularly described in this Declaration and shall include the undivided ownership in the Common Elements assigned to such Unit by this Declaration.

ARTICLE 3. LOCATION, PROPERTY DESCRIPTION, PLATS AND PLANS

The Condominium subject to this Declaration and the Act is located in Land Lot 304 of the 6th District of Gwinnett County, Georgia, all as more particularly described in Exhibit "A" attached to this Declaration, which exhibit is specifically incorporated herein by this reference. The Survey and Floor Plans relating to the Condominium will be filed in the Official Records at the time the Condominium property is submitted to this Declaration. The Survey and Floor Plans are incorporated herein by reference as fully as if the same were set forth in their entirety herein.

ARTICLE 4. UNITS AND BOUNDARIES

The Condominium is to be divided into eleven (11) residential buildings which contain a total of forty-six (46) separate Units and Common Elements, some of which are assigned as Limited Common Elements. Each Unit consists of a dwelling and its appurtenant percentage of undivided interest in the Common Elements. Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Act and the Condominium Instruments. The Units are depicted on the Survey and the Floor Plans. Each Unit includes that part of the structure, which lies within the following boundaries:

Section 4.1. Vertical Boundaries.

The vertical boundaries shall be the vertical planes which include the finished but undecorated surfaces of all exterior walls, doors, and windows, extended to intersections with each other and the vertical plane which includes the center of any party wall extended to intersections with the other vertical boundaries.

Except for Limited Common Elements, all attachments to the exterior walls of a residence which are a part thereof which protrude beyond the boundaries of a Unit, as specified above, and which were constructed in accordance with the plats and plans, and all heating and/or air conditioning units or components serving only an individual residence, even though located beyond the boundaries thereof, shall be and are deemed to be included within the boundaries of a Unit.

Every portion of a Unit contributing to the support of an abutting Unit shall be burdened with an easement of support for the benefit of such abutting Unit. Each Unit shall include all the space within the boundaries thereof. Nothing herein shall be construed to grant any Unit Owner or the Association the right, nor shall any Unit Owner of the Association have the right, to subdivide or partition any condominium Unit.



Section 4.2. Horizontal Boundaries. There are no horizontal boundaries.

Section 4.3. Additional Information to Interpret Unit Boundaries. Entry doors and exterior glass surfaces, including, but not limited to, windows and glass doors, serving the Unit shall be included within the boundaries of the Unit. Heating and air conditioning systems serving a single Unit (including any part of any such system located outside the boundaries of the Unit), all duct work for heating and air conditioning systems and appliances and plumbing fixtures within a Unit shall be part of the Unit.

If any chutes, flues, ducts, conduits, wires, pipes or other apparatus lies partially within and partially outside of the designated boundaries of the Unit, any portion thereof that serves only that Unit shall be deemed to be a part of that Unit, while any portions thereof which serve more than one (1) Unit or any portion of the Common Elements shall be deemed a part of the Common Elements.

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

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

ARTICLE 5. COMMON ELEMENTS

The Common Elements consist of all portions of the Condominium not located within the boundaries of a Unit. The Common Elements include, without limitation, all utility lines, sewer lines, water lines, pipes, wires, conduits and retaining walls which are not part of a Unit, drainage structures, parking spaces, shrubbery, and trees.

Ownership of the Common Elements shall be by the Owners as tenants-in-common. The percentage of undivided interest in and to the Common Elements attributable to each Unit is set forth in Exhibit "B" attached hereto and incorporated herein by this reference. Such percentages of undivided interest may be altered only by the consent of all Owners and Mortgagees (or such lesser number of Owners and Mortgagees as may hereafter be prescribed by the Act) expressed in a duly recorded amendment to this Declaration.

The Common Elements shall remain undivided, and no Owner or any other Person shall bring any action for partition or division of the whole or any part thereof except as provided in the Act. Except as provided for Limited Common Elements or as otherwise provided herein, each Owner and the Association may use the Common Elements for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners.

ARTICLE 6. LIMITED COMMON ELEMENTS

The limited common elements are reserved for the exclusive use of owners and occupants of specified Units. The limited common elements are composed of the partially enclosed entrance areas, if any, located at the front of each residence and such courts or patios located to the rear of each residence, which are adjacent to each residence, and such decks or balconies, if any, adjacent to each Townhouse Type Residence and having an elevation approximately the same as the second floor of each such residence. A list of the Units and the Limited Common Elements is attached as Exhibit C.



ARTICLE 7. ASSOCIATION MEMBERSHIP AND ALLOCATION OF VOTES

All Owners, by virtue of their ownership of a fee or undivided fee interest in any Unit in the Condominium, excluding Persons holding such interest under a Mortgage, are members of the La Hacienda Condominium Association, Inc., and, except as otherwise provided herein or in the Bylaws, shall be entitled to vote on all matters upon which members of the Association are entitled to vote pursuant to this Declaration and in accordance with the Bylaws. Subject to the provisions of the Condominium Instruments, the Owner or collective Owners of each Unit shall be entitled to one (1) weighted vote for each such Unit as provided in Exhibit B.

ARTICLE 8. ASSOCIATION RIGHTS AND RESTRICTIONS

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

- (a) to enter into Units for maintenance, emergency, or life-safety purposes, which right may be exercised by the Board of Directors, and/or its 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 reasonable notice to the Owner or Occupant of the Unit. For the purposes of this Article, an emergency justifying immediate entry into a Unit shall include, but not be limited to, the following situations: a water or other utility leak, fire, strong foul odor, obvious insect infestation or sounds indicating that a Person or animal might be injured or sick and require immediate medical attention. No one exercising the rights granted in this subparagraph shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights, except as provided in the Act. The failure to exercise the rights herein granted or to exercise said rights in a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a Unit shall exist;
- (b) to make and to enforce reasonable rules and regulations governing the use of the Condominium, including the Units, Limited Common Elements, and Common Elements;
- (c) to enforce use restrictions, other Declaration and Bylaws provisions, and rules and regulations by the imposition of reasonable monetary fines and suspension of use and voting privileges as provided in Section 44-3-76 of the Act;
- (d) to grant and accept permits, licenses, utility easements, leases, and other easements;
- (e) to control, manage, operate, maintain, improve and replace all portions of the Area of Common Responsibility;
- (f) to represent and act on behalf of the Owners in the event of damage or destruction as a result of casualty loss in accordance with the provisions of the Act and Article 12 of this Declaration;
- (g) to represent and act on behalf of the Owners in the event of any loss resulting from condemnation or eminent domain in accordance with the provisions of the Act and Article 18 of this Declaration;
- (h) to acquire, hold, and dispose of tangible and intangible personal property and real property;

NOTWITHSTANDING ANYTHING TO THE CONTRARY STATED HEREIN, THE ASSOCIATION SHALL NOT BE OBLIGATED TO TAKE ANY ACTION TO ENFORCE ANY COVENANT, USE RESTRICTION, OR RULE THAT THE BOARD, IN EXERCISE OF ITS BUSINESS



JUDGMENT, DETERMINES IS OR IS LIKELY TO BE CONSTRUED AS INCONSISTENT WITH APPLICABLE LAW OR IN ANY CASE IN WHICH THE BOARD REASONABLY DETERMINES THAT THE ASSOCIATION'S POSITION IS NOT STRONG ENOUGH TO JUSTIFY TAKING SUCH ACTION. SUCH A DECISION SHALL NOT BE CONSTRUED A WAIVER OF THE RIGHT OF THE ASSOCIATION TO ENFORCE SUCH PROVISION AT A LATER TIME UNDER OTHER CIRCUMSTANCES OR ESTOP THE ASSOCIATION FROM ENFORCING ANY OTHER COVENANT, USE RESTRICTION OR RULE.

ARTICLE 9. ALLOCATION OF LIABILITY FOR COMMON EXPENSES

Except as provided below or elsewhere in the Act or Condominium Instruments, the amount of all Common Expenses shall be assessed against all the Units in accordance with the percentage of undivided interest in the Common Elements appurtenant to the Unit as set forth in Exhibit "B" attached hereto and incorporated herein by this reference.

The Board of Directors shall have the power to levy special assessments against Units pursuant to this Article and to Section 44-3-80(b) of the Act as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this Article 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 Article in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Article.

(a) Any Common Expenses benefitting less than all of the Units or significantly disproportionately benefitting all Units may be specially assessed equitably among all of the Units that are benefited according to the benefit received. Except for expenses for maintenance, repair or replacement of Limited Common Elements, which may be specially assessed, expenses incurred for the maintenance, repair or replacement of the Area of Common Responsibility, shall not be specially assessed.

(b) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the Occupant(s), licensees or invitees of any such Unit or Units may be specially assessed against such Unit or Units.

ARTICLE 10. ASSESSMENTS

Section 10.1. Purpose of Assessment. The Association shall have the power to levy assessments as provided herein and in the Act. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Units in the Condominium as may be more specifically authorized from time to time by the Board.

Section 10.2. Creation of the Lien and Personal Obligation For Assessments Each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments, such assessments to be established and collected as hereinafter provided; and (iii) specific assessments against any particular Unit that are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines imposed and/or established by the Board of Directors in accordance with the terms of this Declaration and/or the Act.

All such assessments, together with charges, interest, costs, and reasonable attorneys' fees actually incurred, and if the Board so elects, rents, in the maximum amount permitted by the Act, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Unit



at the time when the assessment fell due. Each Owner and his, her or its 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 of Directors. Unless otherwise provided, the annual assessments shall be paid in equal monthly installments due on the first day of each calendar month. No Owner may exempt him or herself from liability for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, nonuse of the Common Elements, nonuse of services provided by the Association or its agents, the Association's failure to perform its obligations required hereunder, or an inconvenience or discomfort arising from the Association's performance of its duties. The lien provided for herein shall have priority as provided in the Act. Notwithstanding anything to the contrary stated herein, except to the extent provided otherwise in this Article, Declarant shall have no obligation to fund budgetary deficits of the Association.

The Board of Directors shall have the right to: (i) not spend the full amount budgeted for any particular line item in the budget; (ii) spend more than what has been budgeted; and (iii) shift revenues within the budget from one line to another.

Section 10.3. Rate of Assessment. Pursuant to the 1978 court order, unless otherwise expressly provided herein, each owner, successor, or assign's share of both the annual and special assessment shall be in proportion to his or her percentage interest in the common elements. In order that the owners, successors, or assigns of Units 1, 2, 20, 29, 30, and 34 may discharge their obligation to the Association, with respect to annual assessments, by the payment of an amount commensurate with that which was reasonably anticipated by such owners, successors, or assigns at the time he or she became such, based on the expectation that annual assessments for common expenses would be levied against ninety-five (95) units, rather than forty-six (46) units, each such owner of a unit shall be entitled to claim an offset or credit against said annual assessments, the amount of which shall be 55.13% of that portion of each annual assessment attributable to fixed expenses. As used herein, the term "fixed expenses" means that portion of the estimated common expenses of the Association, which expenses were not affected by virtue of having reduced from ninety-five (95) to forty-six (46) the number of units constructed or to be constructed within the development. Such expenses include, but are not limited to, the maintenance, repair, and replacement of the recreational facilities. "Recreational facilities" shall mean improvements on the property designed for and used exclusively by owners or tenants, together with their guests or other invitees, for diversion and exercise, including tennis courts, swimming pools, and sauna baths. Should all owners, their successors, and assigns of units claim the setoff or credit provided for herein, assessments actually paid to the Association regarding its fixed expenses will be less than the amount of the estimated fixed expenses on which that portion of the annual assessment is based. Consequently, the Association may increase the estimated fixed expenses by 7.8341% thereof prior to fixing the amount of the annual assessment and delivering or sending notice thereof to every owner, as herein provided. For example, if the Association were to estimate such fixed expenses to be \$10,000.00, that portion of the annual assessment attributable to such fixed expenses after adjustment, as herein suggested, would be \$234.00, computed as follows: $\$10,000.00 \times 107.8341\% \times 2.17\% = \234.00 (the same as $\$10,000.00 \times 2.34\%$). The setoff or credit allowable to the owners, successors, or assigns of each unit would be \$129.00 ($55.13\% \times \234.00). Each such owner, his successors, or assigns would be entitled to pay only \$105.00 ($\$234.00 - \129.00 – the same as $\$10,000.00 \times 1.05\%$).

Section 10.4. Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default, as follows:

(a) If any monthly installment of annual assessments or any part thereof is not paid in full by the tenth (10th) day of the month or if any other charge is not paid within ten (10) days of the due date, a late charge equal to the greater of Ten Dollars (\$10) 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 may be permitted by the Act shall accrue from the due date thereof;



(b) If part payment of assessments and related charges is made, the amount received may be applied first to costs and reasonable attorneys' fees actually incurred, then to late charges, then to interest, then to delinquent assessments, and then to current assessments;

(c) If assessments, fines or other charges or any part thereof due from an Owner remain delinquent and unpaid for a period greater than fifteen (15) days from the date due, a notice of delinquency may be given to that Owner stating that if the assessment, fine or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board of Directors may accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment and of any special assessment without any further notice being given to the delinquent Owner. Upon acceleration, that Owner shall thereby lose the privilege of paying the annual assessment in monthly installments for that fiscal year;

(d) If assessments and other charges or any part thereof remain unpaid more than thirty (30) days after they become delinquent, the Association, acting through the Board, may institute suit to collect all amounts due pursuant to the provisions of this Declaration, the Bylaws, the Act and Georgia law, including reasonable attorneys' fees actually incurred, and suspend the Owner and/or Occupant's right to vote and/or use the Common Elements, including the right to bring or park vehicles on the Common Elements or have guests bring or park vehicles on the Common Elements. However, the Board may not limit pedestrian, medical, fire, police or other health, safety, service or emergency vehicle ingress or egress to or from the Unit or deny necessary parking of clearly and properly identified handicapped vehicles used by handicapped Owners or Occupants protected by the Fair Housing Amendments Act of 1988. Prior to suspending parking privileges, the Association shall provide the delinquent Owner or Occupant written notice of its intention to do so, sent by certified mail not less than ten (10) days prior to the date of such suspension; and

(e) If any assessment or other charge is delinquent for thirty (30) days or more, and the Association has obtained judgment(s) totaling more than Seven Hundred Fifty Dollars (\$750) against the Owner or encumbering the Unit, then, in addition to all other rights provided under Georgia law and herein, the Association shall have the right, in compliance with any requirements set forth in the Section 44-3-76 of the Act, to suspend water, electricity, gas, heat, air conditioning, or any other utility to the Unit paid for as a Common Expense by the Association. Any costs incurred by the Association in discontinuing and/or reconnecting any utility or service, including reasonable attorneys' fees actually incurred, shall be an assessment against the Unit. The utility or service shall not be required to be restored until the judgment(s) is (are) paid in full, at which time the Association shall make arrangements for restoration of the utility or service. An Owner whose utility or service has been suspended hereunder shall not be entitled to use any such utility or service from any source, and any such unauthorized use shall be considered a theft of services under O.C.G.A. Section 16-8-5.

Section 10.5. Computation of Operating Budget and Assessment. It shall be the duty of the Board at least twenty-one (21) days prior to the Association's annual meeting to prepare and deliver to each member a budget covering the estimated costs of operating the Condominium during the coming year and a notice of the assessments to be levied against each Unit for the following year. The budget and the assessment shall become effective unless disapproved at a duly called and constituted annual meeting of the Association by a vote of a Majority of the Total Association Vote; provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a vote to disapprove the budget could not be called for at such meeting.

Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. In such case, the Board may propose a new budget at any time during the year at a special 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 seven (7) days prior to the special meeting. The approval procedure set forth above for budgets considered at annual meetings shall also apply to budgets considered at special meetings.

Section 10.6. Special Assessments. In addition to the annual assessment provided for in this Article, the Board may, at any time, and in addition to any other rights it may have, levy a special assessment against all Owners, notice of which shall be sent to all Owners. Any special assessment (except as provided in Article 9 regarding the power to assess specially pursuant to Section 44 3 80(b) of the Act and Article 12 herein, regarding repair or reconstruction of casualty damage to, or destruction of, all or part of the Condominium) that would cause the average total of special assessments levied in one (1) fiscal year to exceed Two Hundred Dollars (\$200) per Unit or such higher amount as is authorized by the Act, shall be approved by a Majority of the Total Association Vote prior to becoming effective.

Section 10.7. Capital Reserve Budget and Contribution. The Board of Directors shall annually prepare a capital reserve budget that shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital reserve contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital reserve budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The annual capital reserve contribution required, if any, shall be fixed by the Board and included within the budget and assessment as provided in Section 10.5. A copy of the capital reserve budget shall be distributed to each member in the same manner as the operating budget.

Section 10.8. Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Unit, or a lender considering a loan to be secured by a Unit, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Unit. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding Ten Dollars (\$10), or such higher amount as may be authorized by the Act, as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Unit as of the date specified therein.

Section 10.9. Administrative Fee on Change of Occupancy. Each time the occupancy of a Unit changes, regardless of whether by sale or lease, the Owner of the Unit following the change shall pay to the Association an administrative fee no less than \$150.00 and no more than \$350.00, the exact amount to be set by the Board of Directors. The purpose of the fee is to cover the reasonable expense the Association incurs to change the Association's records occasioned by a change of occupancy.

Section 10.10. Capital Contribution Assessment Upon Transfer of Lots. In addition to all other assessments, fees and charges provided for herein, the purchaser or grantee of every Unit shall be assessed and be subject to a non-refundable, non-prorated capital contribution assessment ("Capital Contribution Assessment") upon each and every conveyance or transfer of the Unit to any person other than to the spouse, son, daughter, or heir of the Owner. For the fiscal year of the Effective Date, the Capital Contribution Assessment shall be \$500.00. The Board may increase the Capital Contribution Assessment each year not more than ten (10%) percent above the prior year's Capital Contribution Assessment amount.

The Capital Contribution Assessment shall be due and payable by the purchaser or grantee at the time of conveyance or transfer of the Unit and shall be collected at the closing of each such conveyance or transfer. The Capital Contribution Assessment shall not constitute an advance payment of annual assessments. The Capital Contribution Assessment shall constitute a specific special assessment and continuing lien against such Unit, and a personal obligation of the Owner of such Unit, from the time it is due until it is paid in full and may be collected pursuant to Section 10.4 above.



ARTICLE 11. INSURANCE

The Association shall obtain and maintain at all times, as a Common Expense, insurance as required by Section 44-3-107 of the Act, as amended, and as required herein.

Section 11.1. General.

(1) The Association shall obtain:

(a) A property insurance policy or policies affording fire and extended coverage insurance for and in an amount consonant with the full insurable replacement cost, less deductibles, of all buildings and structures within the Condominium Units, the insurance required by this paragraph shall include, without limitation, all portions of each building which are common elements including limited common elements, all foundations, roofs, roof structures, and exterior walls, including windows and doors and the framing therefore, and all convertible space within the building. Such insurance shall cover the following items with respect to each Condominium Unit regardless of who is responsible for maintaining them under the condominium instruments:

(1) The HVAC system servicing the Condominium Unit;

(2) All Sheetrock and plaster board comprising the walls and ceiling of the Condominium Unit; and

(3) The following items within the Condominium Unit of the type and quality initially installed, or replacements thereof of like kind and quality in accordance with the original plans and specifications, or as they existed at the time the Condominium Unit was initially conveyed if the original plans and specifications are not available: floors and subfloors; wall, ceiling, and floor coverings; plumbing and electrical lines and fixtures; built-in cabinetry and fixtures; and appliances used for refrigeration, cooking, dishwashing, and laundry.

The Association may exclude from coverage improvements made by the Condominium Unit Owners.

(b) A commercial general liability insurance policy or policies affording coverage for bodily injury and property damage in an amount not less than \$1 million for a single occurrence and \$2 million aggregate. The policy or policies shall cover the Association, the Board of Directors and the Officers of the Association, all agents and employees of the Association, and all Unit Owners and other persons entitled to occupy any Unit or other portion of the Condominium for occurrences commonly insured against arising out of or in connection with the use, ownership, or maintenance of the Common Elements or other portion of the Condominium which the Association has the responsibility to maintain.

(2) The Association may obtain additional types and amounts of insurance as may be authorized by the Board of Directors.

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

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



All insurance coverage for the Association shall be written in the name of the Association as trustee for itself, each of the Owners, and the Mortgagees of Owners, if any. It shall be the duty of the Board of Directors at least every two (2) years to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association and to satisfy the requirements of Section 44-3-107 of the Act, as amended. Such responsibility may be performed, and shall be deemed reasonably performed, by the Board requesting the Association's insurance agent to verify that insurance policies in existence meet the needs of the Association and satisfy the requirements of Section 44-3-107 of the Act, as amended.

A. The Board of Directors shall utilize reasonable efforts to secure a blanket property insurance policy providing Special Form coverage in an amount equal to full replacement cost, before application of deductibles, of all the buildings, including the Units, but excluding improvements and betterments made to a Unit at any time after the initial sale from the Developer. If Special Form coverage is not reasonably available at reasonable cost, the Board shall obtain, at a minimum, fire and extended coverage, including coverage for vandalism and malicious mischief, in like amounts. The Board shall use reasonable efforts to obtain policies that will provide the following:

(1) ordinance or law coverage, demolition cost coverage and increased cost of construction coverage;

(2) the insurer waives its rights of subrogation of any claims against directors, Officers, the managing agent, the individual Owners, Occupants, and their respective household members;

(3) any "other insurance" clause contained in the master policy shall expressly exclude Individual Unit Owners' policies from its operation;

(4) until the expiration of thirty (30) days after the insurer gives notice in writing to the Mortgagee of any Unit, the Mortgagee's insurance coverage will not be affected or jeopardized by any act or conduct of the Owner of such Unit, the other Unit Owners, the Board of Directors, or any of their agents, employees, or household members, nor be canceled for nonpayment of premiums;

(5) the master policy may not be canceled, substantially modified, or subjected to nonrenewal without at least thirty (30) days prior notice in writing to the Board of Directors and all Mortgagees of Units; and

(6) if the policy includes co-insurance, an agreed value endorsement and an inflation guard endorsement.

B. All policies of insurance shall be written with a company licensed to do business in the State of Georgia. The company shall provide insurance certificates to each Owner and each Mortgagee upon request.

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

D. In addition to the insurance required hereinabove, the Board shall obtain as a Common Expense:

(1) workers' compensation insurance if and to the extent necessary to meet the requirements of law;



(2) officers' and directors' liability insurance in such amounts as the Board may determine;

(3) fidelity insurance (employee dishonesty or crime), if reasonably available, covering Officers, directors, employees, and other persons who handle or are responsible for handling Association funds. Such bonds, if reasonably available, shall be in an amount consistent with the best business judgment of the Board of Directors, but in no event less than three (3) months assessments plus all reserve funds in the custody of the Association at any time during the term of the bond; provided, however, fidelity coverage herein required may be reduced based on the implementation of financial controls which take one or more of the following forms: (a) the Association or management company, if any, maintains a separate bank account for the working account and the reserve account, each with appropriate access controls and the bank in which funds are deposited sends copies of the monthly bank statements directly to the Association; (b) the management company, if any, maintains separate records and bank accounts for each association that uses its services and the management company does not have the authority to draw checks on, or to transfer funds from, the Association's reserve account; or (c) two (2) members of the Board of Directors must sign any checks written on the reserve account; and

(4) such other insurance as the Board of Directors may determine to be necessary or desirable.

E. Insurance carried by the Association as a Common Expense shall not be required to include any part of a Unit that is not depicted on the original Survey and Floor Plans.

F. Nothing contained herein gives any Owner or other party a priority over any rights of first Mortgagees as to distribution of insurance proceeds. Any insurance proceeds payable to the Owner of a Unit on which there is a Mortgagee endorsement shall be disbursed jointly to such Unit Owner and the Mortgagee. This is a covenant for the benefit of any such Mortgagee and may be enforced by any such Mortgagee.

G. Every Unit Owner shall be obligated to obtain and maintain at all times insurance covering those portions of his or her Unit to the extent not insured by policies maintained by the Association. Upon request by the Board, the Unit Owner shall furnish a copy of such insurance policy or policies to the Association. In the event that any such Unit Owner fails to obtain insurance as required by this subparagraph, the Association may purchase such insurance on behalf of the Unit Owner and assess the cost thereof to the Unit Owner, to be collected in the manner provided for collection of assessments under Article 10 hereof.

Section 11.2. Insurance Deductibles.

In the event of an insured loss, any required deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such loss in the absence of insurance. If the loss affects more than one (1) Unit or a Unit and the Common Elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to each affected owner's portion of the total cost of repair. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Unit Owner shall be responsible for paying the deductible pertaining to his or her Unit, if any. If any Owner or Owners fail to pay the deductible when required under this Section, then the Association may pay the deductible and assess the cost to the Owner or Owners pursuant to Article 9 of this Declaration; provided, however, where the deductible is for insurance required under the Act, no Owner shall be assigned more than Two Thousand Five Hundred and No/100 Dollars (\$2,500.00), or such higher amount as authorized by the Act, as the cost of the deductible for any one (1) occurrence.



Section 11.3 Payment of Claims to Delinquent Owners.

Notwithstanding anything to the contrary herein, in the event of an insured loss under the Association's master hazard insurance policy for which the Association receives from the insurer payment for a loss sustained by an Owner who is delinquent in the payment of assessments owed to the Association under Article 10 hereof, then the Association may retain and apply such proceeds to the delinquency. Any surplus remaining after application of the proceeds to any delinquency shall be paid by the Association to the affected Unit Owner.

ARTICLE 12. REPAIR AND RECONSTRUCTION

In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless provided otherwise in this Declaration, the Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure. In the event of substantial damage or destruction, each holder of a first Mortgage shall be entitled to written notice of the damage, and nothing in the Condominium Instruments shall be construed to afford a priority to any Owner with respect to the distribution of proceeds to any such Unit.

Section 12.1. Cost Estimates. As soon as is reasonably possible after a fire or other casualty causing damage to the Condominium, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Unit) to substantially the condition that 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 or insurance as the Board of Directors determines to be necessary.

Section 12.2. Source and Allocation of Proceeds. If the proceeds of insurance that the Association is required to obtain as provided in Article 11 hereof are not sufficient to defray the costs of reconstruction and repair as determined by the Board of Directors, the additional costs shall be assessed against all Owners in accordance with the percentage of undivided interest in the Common Elements appurtenant to the Unit as set forth in Exhibit "B," attached hereto and incorporated herein by this reference; provided, however if such the Association has obtained insurance as provided in Article 11 and the proceeds are not sufficient to defray the costs of reconstruction and repair of a Unit such cost shall be assessed against the Owner(s) of the Unit(s) damaged in proportion to the damage to the Units. These assessments shall not be considered a special assessment as discussed in Article 10 hereof. If there are surplus funds after repair and reconstruction is completed, such funds shall be common funds of the Association to be used as directed by the Board of Directors.

Section 12.3. Floor Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the Floor Plans and specifications under which the Condominium was originally constructed to include fixtures initially installed by Declarant, but not any improvements or additions (including wall coverings and fixtures) made by or on behalf of any Owner, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original Floor Plans and specifications were approved by the Board of Directors. To the extent insurance proceeds are available, the Association may reconstruct or repair Owner improvements damaged as a result of fire or other casualty.

Section 12.4. Encroachments. Encroachments upon or in favor of Units that may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building(s) shall stand.



Section 12.5. Construction Fund. The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against Owners on account of such casualty shall constitute a construction fund that shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Article to be disbursed by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the structures as are designated by the Board of Directors.

ARTICLE 13. ARCHITECTURAL CONTROLS

Section 13.1. Architectural Control Committee. The Architectural Control Committee ("ACC") shall constitute a standing committee of the Association. The ACC shall consist of the Board unless the Board delegates to other Persons the authority to serve on the ACC. At all times, however, the chairperson of the ACC shall be a Board member. The ACC 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 Unit for which plans and specifications have been submitted for approval. The Owner of any such Unit shall be responsible for paying the full costs of each review, whether or not submitted plans and specifications are approved by the ACC, and the ACC may require payment of all such costs prior to approval of plans and specifications. The ACC also may charge reasonable fees to cover the cost of review or inspections performed hereunder, and any such fees shall be published in the design standards.

Section 13.2. Architectural Standards. Except as otherwise provided herein, no Owner, Occupant, or any other person may, without first obtaining written approval of the ACC:

- (i) make any encroachment onto the Common Elements or Limited Common Elements;
- (ii) make any exterior change, alteration, or construction (including painting and landscaping; and
- (iii) erect, place or post any object, sign, clothesline, speaker, playground equipment, light, storm door or window, fountain, flag, or thing on the exterior or roofs of a buildings, in any windows (other than appropriate window treatments as provided herein), on any Limited Common Elements, or on any other Common Elements.

However, a mezuzah or comparable religious symbol not larger than three inches (3") in width and nine inches (9") in height may be posted on the doorframe of the Unit. In addition, reasonable seasonal decorative lights may be displayed between Thanksgiving and January 15.

Section 13.3. Alteration of Units. Subject to the other provisions of this Declaration and to the Façade Easement, alterations to the interiors of Units, relocation of the boundaries between adjoining Units, and subdivision of Units are subject to the following restrictions:

- (i) Alterations to the Interiors of the Units. Except as provided herein, no Owner or Occupant may make any alteration within a Unit which involves connecting to Common Element pipes, lines, conduits and/or other apparatus for access to common utilities without prior written ACC approval. Except as provided herein, no Owner or Occupant shall make any interior modifications to or place an excessive load on any structural or load bearing portions of a Unit without first obtaining the prior written approval of the ACC. Such approval shall not be granted by the ACC unless the Owner has presented to the ACC a report or drawing prepared by a licensed structural engineer showing that compensating measures will be taken to ensure the structural integrity of the Unit and the Condominium. All building code requirements must be complied with and necessary permits and approvals secured for any modifications. Notwithstanding the above, all Owners desiring to make any interior modifications or alterations to a Unit affecting the Common



Elements or structure or load bearing portions of a Unit must make application to the ACC as described below in order for the ACC to make the determination of whether the ACC's approval is required.

Notwithstanding the above, if any Owner acquires an adjoining Unit, such Owner shall have the right (subject to the prior written approval of the Mortgagees of the Units involved) to remove all or any part of any intervening partition or to create doorways or other apertures therein, notwithstanding the fact that such partition may, in whole or part, be part of the Common Elements, so long as no portion of any structural or load bearing portions of the Unit(s) are materially weakened or removed and the ACC has approved the plans described above and no portion of any Common Elements is damaged, destroyed or endangered, other than that partition and any chutes, flues, ducts, conduits, wires or other apparatus contained therein which shall be relocated by such Owner if such facilities serve any other part of the Condominium. The alterations permitted in this Paragraph shall not be deemed an alteration or relocation of boundaries between adjoining Units as defined in O.C.G.A. § 44-3-91.

- (ii) Relocation of Boundaries. Boundaries between adjoining Units shall not be relocated.
- (iii) Subdivision of Units. No Unit shall be subdivided into a smaller Unit or Units..

Section 13.4. Required Action by the Board or ACC. Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ACC may reasonably require. Except as may be otherwise determined by the Board, the ACC or its designated representative shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations. The Association, acting through the Board, shall be entitled to stop any construction which is not in conformance with approved plans. The Board or ACC may publish written architectural standards for exterior and Common Element alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing buildings and Units and the location in relation to surrounding structures and topography of the vicinity.

The standard for approval of such improvements 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 the design standards which may be adopted by the Board or ACC, (4) harmony with the external design of the existing buildings, Units and structures, and the location in relation to surrounding structures and topography, and (5) any other matter deemed to be relevant or appropriate by the Board or ACC.

If the Board or ACC fails to approve or to disapprove such application within forty-five (45) days after the application and all information as the Board or ACC may reasonably require have been submitted, then the Owner submitting the application may issue written notice, via certified mail, to the Association President, informing the President of the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within ten (10) days of receipt of the Owner's notice, the approval will not be required and this subparagraph will be deemed complied with as to the items specifically identified in the application; provided, however, even if the requirements of this subparagraph are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the rules and regulations of the Association or of any applicable zoning or other laws.

Section 13.5. Appeal. When the ACC is not the Board, in the event that the ACC disapproves any application or part thereof, an Owner shall have the right to appeal the ACC's decision to the Board of Directors. The Board shall rule on the appeal within forty-five (45) days of receiving written notice requesting an appeal from the Owner. In ruling on the appeal, the Board shall consider all relevant materials presented to it by either the Owner or the ACC, the decision of the ACC, and the application of the Owner to the ACC. The Board of Directors shall have the final authority to approve, disapprove, or conditionally approve or disapprove the application 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 ACC's notice to



the Owner of its decision, the decision of the ACC shall become final and all rights of appeal shall terminate and thereafter be void.

Section 13.6. Encroachments onto Common Elements. The ACC, subject to this Article, may permit Unit Owners to make encroachments onto the Common Elements as it deems acceptable. Such permission or approval, if granted, shall be provided in writing to the Owner. If any Owner or Occupant makes any other exterior change, alteration, or construction (including landscaping) upon the Common Elements or Limited Common Elements without permission or approval as described in this Paragraph, he or she does so at his or her sole risk and expense. The Board may require that such unapproved change, alteration or construction be removed or that it remain on the Common Elements or Limited Common Elements without reimbursement to the Owner or Occupant for any expense he or she may have incurred in making the change, alteration or construction.

Section 13.7. Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration, unless otherwise agreed to in writing by the ACC. It is the responsibility of every Owner of a Condominium Unit to determine for himself or herself what architectural modifications have been made to his or her Unit by any predecessor-in-interest. In the discretion of the Board or ACC, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

Section 13.8. Limitation of Liability. Review and approval of any application pursuant to this Paragraph may be made on any basis, including solely the basis of aesthetic considerations, and neither the Board of Directors nor the ACC shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations, and other governmental requirements. Neither the Association, the Board of Directors, the ACC, nor 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 or modifications to any Unit, nor may any action be brought against the Association, the Board of Directors, the ACC, or any member thereof, for any such injury, damage or loss.

Section 13.9. No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and ACC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the Board of Directors and ACC may adopt different architectural standards for different parts of the Condominium, based on street visibility and location of the proposed modification in the building. The approval of either the Board of Directors or the ACC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors, or the ACC 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.

Section 13.10. Commencement of Construction. All changes, modifications and improvements approved by the ACC hereunder must be commenced within six (6) months from the date of approval. If not commenced within such time, then such approval shall be deemed revoked by the ACC, unless the ACC gives a written extension for commencing the work. All work approved by the ACC hereunder shall be completed in its entirety within ninety (90) days from the date of commencement, unless otherwise agreed in writing by the ACC. All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or improvement.

Section 13.11. National Flags. Notwithstanding anything to the contrary herein, an Owner may display one (1) national flag of the United States not exceeding twelve (12) square feet in size on a flag



holder located on a deck, balcony, or patio assigned exclusively as a Limited Common Element to a Unit. No flag holder shall be affixed to the exterior façade of a building. No flag shall be displayed in a manner inconsistent with any provision of the Freedom to Display the American Flag Act of 2005, or any applicable law. By taking title to a Unit, all Owners agree and acknowledge that the Board, on behalf of the Association, has a substantial interest in protecting the aesthetic appearance of the Condominium and therefore may adopt additional reasonable restrictions pertaining to the time, place, or manner of displaying the flag of the United States.

Section 13.12. Signs. Except as may be provided for herein or as may be required by legal proceedings, no signs, advertising posters, flyers, political placards or billboards of any kind shall be erected, placed, or permitted to remain on the Condominium without the prior written consent of the ACC, except that one (1) professional security sign not to exceed six inches (6") by six inches (6") in size may be displayed from within a Unit. The ACC also shall have the authority to adopt regulations permitting temporary signs on the front door of a Unit announcing births, birthdays or other events for limited periods of time. The ACC shall have the right to erect reasonable and appropriate signs on behalf of the Association.

Section 13.13. Applications. Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ACC may reasonably require, including, but not limited to, the documentation described in Section 13.2 above. Once an application and all required information is received by the ACC, the ACC shall stamp the application as being complete, and shall then forward to the applicant a written notice of application completion (the "Notice of Application Completion"). The ACC shall be authorized to retain an engineer, architect or other consultant to review such application and related documentation and plans, and all costs and expenses related thereto shall be borne solely by the applicant. Approval of an application may be withheld by the ACC until such time as all costs and expenses related to the review of an application have been paid by the applicant. The ACC shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, materials to be used, harmony with the external design of the Building and other structures that may be located on the Condominium, and it shall be entitled to stop any construction that is not in conformance with approved plans. The Board of Directors or ACC may publish written architectural standards for exterior and Common Element alterations or additions.

If the ACC or its designated representative fails to approve or to disapprove a complete application within thirty (30) days after the date of the Notice of Application Completion, its approval will not be required and this Section will be deemed complied with; provided, however, even if the requirements of this Section are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement (other than that which was requested and to which the ACC did not respond) that is in violation of this Declaration, the Bylaws or rules and regulations promulgated and adopted by the Association or of any applicable zoning or other laws. Under no circumstances will alterations be made or permitted to be made by any Owner if such alteration will:

(a) unreasonably diminish the benefits afforded to such other Owners by any easement or license or unreasonably interrupt such other Owner's use or enjoyment of any easement or license; provided, however, interruption of the use and enjoyment of any easement or license for temporary construction purposes for less than ninety (90) days shall not require consent of the Owners if, upon completion of construction, each Owner's use and enjoyment of the affected easement or license is restored;

(b) materially adversely affect or impair the structural integrity, character, value or utility of the Building (or any portion thereof);

(c) materially adversely affect facilities benefiting any other Owners;



(d) except as to signage, alter the facade or exterior appearance of any portion of the Building in any material respect; or

(e) materially and adversely affects the rights of any Owner, Occupant or Person to exercise the easement rights granted in Article 19 hereof.

Section 13.14. Encroachments onto Common Elements. The Board of Directors or the ACC subject to this Article may permit Owners to make encroachments onto the Common Elements as it deems acceptable.

Section 13.15. Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration, unless such responsibilities are assumed by the Association in a written agreement. It is the responsibility of every Owner of a Unit to determine for him or herself what architectural modifications have been made to his or her Unit by any predecessor-in-interest. In the discretion of the Board of Directors or ACC, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

Section 13.16. Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and neither Declarant, the Board of Directors, nor the ACC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, or for ensuring compliance with building codes and other governmental requirements. Neither Declarant, the Association, the Board of Directors, the ACC, nor member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction or modifications to any Unit.

Section 13.17. No Waiver of Future Approvals. Each Owner acknowledges that the members of the ACC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the ACC may adopt different architectural standards for different parts of the Condominium, based on street visibility and location of the proposed modification in the Building. The approval of the ACC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ACC shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 13.18. Enforcement. Any construction, alteration, or other work done in violation of this Paragraph shall be deemed to be nonconforming. Upon written request from the ACC, Owners shall, at their own cost and expense, promptly remove or cause the removal of such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the ACC or its designees shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof, including reasonable attorneys' fees, may be assessed against the benefited Unit and collected as an assessment pursuant to this Declaration.

In addition to the foregoing, the Board of Directors at the request of the ACC shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Paragraph and its decisions. Furthermore, the ACC and Board of Directors shall have the authority to record in the Official Records notices of violation of the provisions of this Article.



If any Owner or Occupant makes any change, alteration, or construction (including landscaping) upon the Common Elements or Limited Common Elements in violation of this Article, he or she does so at his or her sole risk and expense. The Board of Directors or ACC may require that the change, alteration or construction be removed or that it remain on the Common Elements or Limited Common Elements without reimbursement to the Owner or Occupant for any expense he or she may have incurred in making the change, alteration or construction.

Section 13.19 Work Rules. Any work performed by or on behalf of an Owner (except Declarant) related to the installation, construction, replacement, or repair of improvements to a Unit shall only be conducted between 9:00 a.m. and 5:00 pm on weekdays (excluding public holidays) except in the event of an emergency or upon written approval from the ACC.

ARTICLE 14. USE RESTRICTIONS

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

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

Section 14.1. Use of Units. Each Unit shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Unit or any part of the Condominium, except that the Owner or Occupant residing in a Unit may conduct ancillary business activities within the Unit so long as, in the opinion of the Board of Directors:

(a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the Unit;

(b) the business activity does not involve visitation of the Unit by non-domestic employees, clients, customers, suppliers or other business invitees;

(c) the business activity is legal and conforms to all zoning requirements for the Condominium;

(d) the business activity does not increase traffic in the Condominium in excess of what would normally be expected for residential Units in the Condominium without business activity (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services);

(e) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage;

(f) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined in the Board's sole and absolute discretion; and

(g) the business activity does not result in a materially greater use of the Common Elements or Association services.



The terms "business" and "trade," as used herein, shall have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis that 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. Notwithstanding the above, the use of a Unit by an on site management agent operating on behalf of the Association shall not be considered a trade or business within the meaning of this Article.

Section 14.2. Number of Occupants. The maximum number of Occupants in a Unit shall be limited to two (2) people per bedroom, (as such bedrooms are depicted on the original Floor Plans filed in the Official Records). Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

If an Owner of a Unit 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 person(s) who will occupy the Unit. The designated Person(s) to occupy the Unit may not be changed more frequently than once every six (6) months without the express written consent of the Board as determined in the Board's sole discretion.

Section 14.3. Use of Common Elements Including Amenities. There shall be no obstruction of the Common Elements, nor shall anything be kept on, parked on, stored on or removed from any part of the Common Elements without the prior written consent of the Board, except as specifically provided herein. All Owners and Occupants are prohibited from using the detention pond area for any recreational purpose. With prior written Board approval, and subject to any restrictions imposed by the Board (including restrictions limiting the hours of operation), an Owner may reserve portions of the Common Elements for use for a period of time as set by the Board. Any such Owner who reserves a portion of the Common Elements as provided herein shall assume, on behalf of such Owner and his, her or its guests, Occupants and family, all risks associated with the use of the Common Elements 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. There shall be no use of the roof of the building by the Owners, any Occupant, and their respective family members, guests, tenants, invitees, agents or contractors without prior written Board approval. The Association and its agents and contractors shall have access to the roof for performing its maintenance and repair responsibility. There shall be no gardening or landscaping on the Common Elements by Owners or Occupants without the prior written consent of the Board.

Section 14.4. Use of Limited Common Elements. Except as otherwise provided herein, the use of the Limited Common Elements assigned to the Units is restricted exclusively to the Owner of the Unit to which such Limited Common Elements are assigned, and said Owner's family members, guests, tenants and invitees. The Limited Common Elements are reserved for exclusive use, but shall not be construed or interpreted to be separate and apart from the Common Elements in general.

Generally recognized personal property commonly used for the enjoyment of a patio, deck or balcony, including, but not limited to outdoor furniture and umbrellas, and a reasonable number of flower pots/planters, shall be permitted without ACC approval. No objects which detract from the appearance of the Property, including by way of illustration, but not limitation, laundry garments, towels, shall not be permitted to be placed on, hang over or be attached to any exterior surface of any Limited Common Element. Furthermore, penetration of the surfaces of a balcony or deck floor is also prohibited. Enclosure of a balcony or deck or patio is prohibited without ACC approval. As used herein, "enclosure" shall mean the permanent enclosure of a balcony or deck into the heated and cooled space within the boundaries of a Unit or any portion thereof.



The partially enclosed entries shall be kept free and clear of all personal property except as may be permitted by the ACC.

No Limited Common Element shall be used for the storage of any personal property.

Section 14.5. Prohibition of Damage, Nuisance and Noise. Without the prior written consent of the Board of Directors, nothing shall be done or kept on the Condominium, or any part thereof, which would increase the rate of insurance on the Condominium or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses.

The Units in the Condominium are built in close proximity to one another, resulting in the sharing of common walls. As a result, noise and vibration may be detectable between Units or between Units and the Common Elements. Therefore, an Owner or Occupant shall not conduct activities within a Unit or use a Unit in a manner that interferes with or causes disruption to the use and quiet enjoyment of another Unit by its respective Owner and/or Occupant.

Furthermore, noxious, destructive or offensive activity shall not be carried on within any portion of the Condominium. No Owner or Occupant of a Unit may use or allow the use of the Unit or any portion of the Condominium at any time, in any way or for any purpose that may endanger the health, unreasonably annoy or disturb or cause embarrassment, or discomfort to other Owners or Occupants, or in such a way as to constitute, in the sole opinion of the Board of Directors, a nuisance. In addition, no Owner or Occupant of a Unit may use or allow the use of a Unit or the Common Elements in any manner that creates disturbing noises, including, without limitation, use of stereo speakers or equipment that will, in the sole discretion of the Board of Directors, interfere with the rights, comfort or convenience of the other Owners or Occupants. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his, her or its property or personal rights.

No Owner, Occupant or agent of such Owner or Occupant shall do any work which, in the reasonable opinion of the Board of Directors or its designee, would jeopardize the soundness or safety of the Condominium or any structure thereon, would reduce the value thereof, or would impair any easement or other interest in the real property thereto, without, in every such case, the prior unanimous written consent of all members of the Association and their Mortgagees.

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

Section 14.6. Firearms and Fireworks. The display or discharge of firearms or fireworks on the Common Elements or Limited Common Elements is prohibited; provided, however, the display of lawful firearms on the Common Elements or Limited Common Elements is permitted by law enforcement officers and also is permitted for the limited purpose of transporting the firearms across the Common Elements or Limited Common Elements to or from an Owner's Unit. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. The term "fireworks" shall include those items as listed in O.C.G.A. § 25-10-1, as amended.

Section 14.7. Animals. No Owner or Occupant may keep any animal on any portion of the Condominium except as expressly permitted in this Section. Each Owner or Occupant (regardless of the number of joint Owners and/or Occupants) shall keep no more than two (2) dogs and/or cats (for a combined total of two (2)) per Unit; provided, however, that this requirement shall not apply to an Owner or Occupant that has more than two (2) pets on the Effective Date. Any Owner or Occupant permitted to keep more than two (2) pets under this subparagraph may not replace pets that die or are otherwise



removed from the Condominium until the number of pets kept in a Unit by such Owner or Occupant is two (2) or less. In addition, a reasonable number of other generally recognized household pets, as determined in the Board's sole discretion, weighing less than two (2) pounds each (including by way of illustration, but not limitation, fish, gerbils and small birds) may be kept in a Unit. The keeping of pets on the Condominium shall be subject to the rules and regulations adopted by the Board.

No Owner or Occupant may keep, breed or maintain any pet for any commercial purpose, and no structure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Common Elements, including Limited Common Elements, without the prior written approval of the ACC. Pets must be kept on a leash and be under the physical control of a responsible Person at all times while on the Common Elements. Feces left upon the Common Elements by pets must be immediately removed by the owner of the pet or the Person responsible for the pet.

Any Owner or Occupant who keeps or maintains any animal upon the Condominium shall be deemed to have agreed to defend, indemnify and 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 Condominium.

Section 14.8. Parking.

No Owner or Occupant of a Unit that includes a garage shall park his or her car or other motor vehicle on any portion of the Condominium, other than in the garage, unless the maximum number of cars or similarly sized motor vehicles which can be parked in the garage according to its design capacity are already parked in said garage. Garage doors shall remain closed at all times, except for necessary use, ingress, and egress. All garages shall 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; provided, however, that all garage conversions in existence on the Effective Date, and made in compliance with all of the terms of the Original Declaration, shall not constitute a violation of this requirement.

Disabled and stored vehicles are prohibited from being parked on the Condominium. For purposes hereof, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Condominium without being driven for fourteen (14) consecutive days or longer without prior written Board permission.

Boats, trailers, jet-skis and trailers for same, panel trucks, buses, trucks with a load capacity of one (1) ton or more, vans (excluding vans used by handicapped persons, mini vans or sport utility vehicles used as passenger vehicles and receiving a "car" or "passenger vehicle" classification by the Georgia Department of Motor Vehicles), recreational vehicles (RVs and motor homes), vehicles used primarily for commercial purposes, and vehicles with commercial writings on their exteriors other than Sheriffs, Marshals, or police officers' vehicles marked as such, are also prohibited from being parked on the Condominium, except in areas, if any, that may be 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 the Common Elements during normal business hours for the purpose of serving any Unit or the Common Elements; provided, however, no such vehicle shall remain on the Common Elements overnight or for any purpose unless prior written consent of the Board is first obtained.

If any vehicle is parked on any portion of the Condominium in violation of this Article or in violation of the Association's rules and regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after twenty four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of the Person or entity that will do the towing and the name and telephone number of a Person to contact regarding the alleged violation. If twenty four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the Board or agent of the



Association may have the vehicle towed in accordance with the notice, without further notice to the Owner or user of the vehicle.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's Unit or parking space, is obstructing the flow of traffic, is parked on any grassy area, is parked in a parking space that has been assigned as exclusively serving another Unit, or otherwise creates a hazardous condition, no notice shall be required and the Board or agent of the Association may have the vehicle towed or booted immediately. If a vehicle is towed or booted in accordance with this Section, neither the Association nor any officer or agent of the Association shall be liable to any Person for any claim of damage as a result of the towing or booting activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

Section 14.9. Heating of Units in Colder Months. In order to prevent breakage of water pipes during the colder months of the year resulting in damage to any portion of the Condominium, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained at a setting of no less than fifty-five degrees (55°) Fahrenheit any time the exterior temperature is thirty-two degrees (32°) Fahrenheit or below (except during power failures or periods when heating equipment is broken). Owners and Occupants of Units shall take all steps possible on a timely basis to keep heating and cooling equipment, including, but not limited to, the thermostats, in good working order and repair. The Board of Directors may fine any Owner or Occupant for violation of this subparagraph, in addition to any other remedies of the Association.

Section 14.10. Rubbish, Trash, and Garbage. All rubbish, trash, and garbage, including all rubbish trash and garbage resulting from the moving in/moving out of a Unit, and all rubbish, trash and garbage (including construction debris) resulting from alterations to a Unit or Limited Common Element, shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Elements or Limited Common Elements outside the Unit, temporarily or otherwise, except in trash receptacles. Trash receptacles shall be stored in the garage. Trash will be picked up from the curb according to the schedule of the trash hauler. No receptacle or rubbish, trash, and garbage shall be placed upon a driveway more than twelve (12) hours before such items are scheduled to be collected or removed from the Condominium and all receptacles shall be removed within twelve (12) hours of the time upon which rubbish, trash, and garbage was scheduled to be collected or removal from the Condominium and returned to the designated storage area.

Section 14.11. Unsightly or Unkempt Conditions. 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 on any part of the Condominium. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the Unit.

Section 14.12. Garage Sales. Garage sales, yard sales, flea markets, or similar activities are prohibited unless approved in writing by the Board of Directors.

Section 14.13. Window Treatments. All windows in Units must have window treatments. Bed sheets, blankets, towels and other similar type coverings shall not be used as window treatments.

Section 14.14. Antennas and Satellite Dishes. In accordance with the Telecommunications Act of 1996, except as provided below, no satellite dish, antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained on any portion of the Condominium, including the Unit or Limited Common Elements; provided, however, the Association shall have the right to erect, construct and maintain such devices. The following shall apply to all Owners:



(a) No transmission antenna, of any kind, may be erected anywhere on the Condominium, including the Units, without written approval of the Board of Directors or the Architectural Control Committee.

(b) No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) antenna larger than one (1) meter in diameter shall be placed, allowed or maintained upon the Condominium, including the Units and the Limited Common Elements.

(c) DBS and MMDS satellite dishes or antennas one (1) meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association, both as may be amended from time to time.

(d) In the event of a transfer of the Unit which includes a satellite dish or antenna, the grantee shall assume all responsibility for the satellite dish or antenna and shall comply with this Declaration, the Bylaws and the rules and regulations regarding satellite dishes and antennas, including, but not limited to, those requirements relating to maintenance and removal of satellite dish or antenna.

Section 14.15. Abandoned Personal Property. Personal property, other than vehicles as provided for in this Article, shall not be kept, or allowed to remain for more than twenty-four (24) hours upon any portion of the Common Elements, other than on a Limited Common Element, without prior written permission of the Board of Directors. If the Board determines that a violation exists, then, not less than two (2) days after written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Board may remove and either discard or store the personal property in a location which the Board may determine and shall have no obligation to return, replace or reimburse the owner of the property. The notice shall include the name and telephone number of the Person or entity that will remove the property and the name and telephone number of a Person to contact regarding the alleged violation.

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

Neither the Association nor any officer or agent thereof shall be liable to any Person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder.

ARTICLE 15. LEASING

In order to protect the equity of the individual Unit Owners at La Hacienda, and to carry out the purpose for which the Condominium was formed by preserving the character of the Condominium as a homogenous residential community of predominantly owner-occupied homes, leasing of Units shall be governed by the restrictions imposed by this Article. Except as provided herein, leasing of Units is prohibited.

Section 15.1. Definitions.

(i) "Effective Date" means the date this Amendment is recorded in the Gwinnett County, Georgia land records.

(ii) "Grandfathered Owner" means an Owner of a Unit who is lawfully leasing his or her Unit on Effective Date. Grandfathering shall apply only to the Unit owned by such Grandfathered Owner on the Effective Date. Grandfathering hereunder shall continue only until the earlier of: (1) the date the



Grandfathered Owner conveys title to the Grandfathered Unit to any other person (other than the Owner's spouse), or (2) the date that all current occupants of the Grandfathered Owner's Unit vacate and cease to occupy the Unit. Upon either event, the Unit shall automatically lose grandfathering hereunder.

(iii) "Grandfathered Unit" means the Unit owned by a Grandfathered Owner on the Effective Date hereof.

(iv) "Leasing" means the regular, exclusive occupancy of a Unit by any person(s) other than: (1) the Owner or a parent, child or spouse of an Owner, or (2) a person who occupies the Unit with the Owner or parent, child or spouse of the Owner occupying the Unit as his or her primary residence.

Section 15.2. Leasing Permit and Restriction. No Owner of a Unit may lease his or her Unit unless: (1) the Owner is a Grandfathered Owner, (2) the Owner is not a Grandfathered Owner but has received a written leasing permit from the Board of Directors authorizing leasing, or (3) the Owner is not a Grandfathered Owner but has received a hardship leasing permit from the Board as provided below.

Non-Grandfathered Owners who want to lease their Units may do so only if they have applied for and received from the Board of Directors either a "leasing permit" or a "hardship leasing permit." Such a permit will allow an Owner to lease his or her Unit, provided that such leasing is in strict accordance with the terms of the permit and 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 Section. All leasing permits and hardship leasing permits shall be valid only as to a specific Owner and Unit and shall not be transferable between either Units or Owners (including a subsequent Owner of a Unit where a permit was issued to the Owner's predecessor in title).

An Owner's request for a leasing permit shall be approved if the number of current, outstanding permits issued plus Grandfathered Units is less than twenty-five percent (25%) of the total Units in the Properties.

Leasing permits and hardship leasing permits are automatically revoked upon the happening of any of the following events: (1) the sale or transfer of the Unit to a third party (excluding sales or transfers to an Owner's spouse); or (2) the failure of an Owner to lease his or her Unit for one hundred twenty (120) consecutive days at any time after the issuance of a leasing permit.

If the number of current leasing permits issued and Grandfathered Units is more than twenty-five percent (25%) of the total number of Units, then no additional leasing permits shall be issued (except for hardship leasing permits) until that number falls below twenty-five percent (25%). 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 permit, if they so desire, when such number falls below twenty-five percent (25%). 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.

Section 15.3. Undue Hardship Leasing Permits. If the failure to lease will result in an undue hardship to the Owner, then the Owner may seek to lease on a hardship basis by applying to the Board of Directors for a hardship leasing permit. The Board shall have the authority to issue or deny requests for hardship leasing permits in its discretion after considering the following factors: (1) the nature, degree, and likely duration of the hardship, (2) the harm, if any, which will result to the Properties if the permit is approved, (3) the number of hardship leasing permits which have been issued to other Owners, (4) the Owner's ability to cure the hardship, and (5) whether previous hardship leasing permits have been issued to the Owner.

An "undue hardship" as described herein shall include, but not be limited to, the following situations: (1) an Owner must relocate his or her residence outside the greater Atlanta metropolitan area as defined by the Atlanta Regional Commission and cannot, within six (6) months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value as determined by a



licensed real estate appraiser, after having made reasonable efforts to do so; (2) an Owner dies and the Unit is being administered by his or her estate; (3) an Owner takes a leave of absence or temporarily relocates out of the metropolitan-Atlanta area and intends to return to reside in the Unit within one (1) year; or (4) illness of the Owner which forces the Owner to change his or her residence.

Hardship leasing permits shall be valid for a term not to exceed one (1) year. Owners may apply for additional hardship leasing permits at the expiration of a hardship leasing permit, if the circumstances warrant. Hardship leasing permits shall be automatically revoked if, during the term of the permit, the Owner is approved for and receives a leasing permit.

Section 15.4. Leasing Provisions. When leasing is permitted under this Section, it shall be governed by the following provisions:

(i) Notice. At least seven (7) days before entering into a lease, the Owner shall provide the Board with a copy of the proposed lease agreement. The Board shall approve or disapprove the form of said lease. If a lease is disapproved, the Board shall notify the Owner of the action to be taken to bring the lease in compliance with the Declaration and any rules and regulations adopted pursuant thereto. A form lease acceptable to the Board is attached hereto as Exhibit C.

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

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

(A) Compliance with Declaration, Bylaws, and Rules and Regulations. If a Unit is lease or occupied in violation of this Section, then the Association's Board of Directors shall be authorized, in addition to all other available remedies, to terminate that lease and occupancy, to suspend all voting and/or Common Element use privileges of the Owner and any unauthorized tenant(s) or occupant(s), and/or to suspend all common services to the Unit paid for by the Association as a common expense, including water service to the Unit, subject to the provisions of this Declaration and the Bylaws.

The lessee shall comply with all provisions of the Declaration, Bylaws and Association rules and shall control the conduct of all other occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all occupants of his or her Unit to comply with the Declaration, Bylaws and Association rules, and shall be responsible for all violations by such occupants, notwithstanding the fact that such occupants are fully liable and may be sanctioned for any such violation.

If the lessee, or a person living with the lessee, violates the Declaration, Bylaws, or a rule or regulation, fines may be levied hereunder against the lessee and/or the Owner, and such violation is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, Bylaws, and the rules and regulations



adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. Alternatively, the Association may require the Owner to evict the violating tenant. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall be an assessment and lien against the Unit.

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

Section 15.5. Lease Purchase Agreements. A Lease Purchase Agreement permits a tenant to occupy a Unit pending the purchase of the Unit. If, at the time of the execution of a Lease Purchase Agreement twenty-five percent (25%) of the Units are leased, the occupancy shall be considered a lease subject to the waiting list, unless the Lease Purchase Agreement requires: (1) the Tenant/Purchaser to pay Seller earnest money in the amount of five percent (5%) of the purchase price; (2) the Tenant/Purchaser will forfeit the earnest money to the Seller if the sale of the Unit does not close by the date stated in the Lease Purchase Agreement; (3) the Seller to provide the Association with a copy of the check or wire transfer showing receipt of the earnest money.

Section 15.6. Applicability of this Section. Notwithstanding the above, this Section shall not apply to any leasing transaction entered into by the Association, or by any first Mortgagee who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage. Such parties shall be permitted to lease a Unit without first obtaining a permit in accordance with this Paragraph, and such Units shall not be considered as being leased in determining the maximum number of Units that may be leased in accordance with this Section.

ARTICLE 16. TRANSFER OR SALE OF UNITS

An Owner intending to make a transfer or sale of a Unit or any interest in a Unit shall give written notice to the Board of Directors of such intention within seven (7) days after execution of the purchase agreement (in the case of the purchase of a Unit) or transfer or sales documents (in the case of the conveyance of a Unit without a purchase of said Unit). The Owner shall furnish to the Board of Directors as part of the notice (i) the name and address of the intended grantee; and (ii) such other information as the Board of Directors may reasonably require. In addition, the purchase agreement or transfer documents shall attach a copy of this Declaration and Bylaws. This Article shall not be construed to create a right of first refusal in the Association or in any third party. A transfer of ownership shall be subject to the payment of the fees established in Sections 10.09 and 10.10.

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



ARTICLE 17. MAINTENANCE RESPONSIBILITY

Section 17.1. By the Owner. Except as provided in Section 17.2 of this Article, each Owner shall have the obligation to maintain and keep in good repair all portions of his Unit, including, without limitation, all glass surfaces and appurtenant hardware, all doors, including garage doors, and heating and air conditioning components serving only the Unit. Each Unit Owner shall also have the obligation to maintain and keep in good repair all pipes, lines, ducts, or conduits serving only the Unit, located within a unit's boundaries (including all gas, electricity, water, sewer, or air conditioning pipes, lines, ducts, or conduits serving only the unit)

Section 17.2. By the Association. The Association shall maintain and keep in good repair as a common expense all of the Condominium property not required to be maintained by an Owner under Section 17.1 of this Article, including, without limitation, limited common elements. The Association shall paint, stain, repair, replace, and care for all roof surfaces (shingles), gutters, downspouts, and all exterior building surfaces, whether or not included within the boundaries of a Unit, unless the defect is a result of the Owner's conduct; provided, however, the Association shall not be responsible for the maintenance of glass surfaces and appurtenant hardware and doors, other than painting and staining. The Association shall also be authorized to perform, after notice, any maintenance upon a Unit for which an Owner is responsible and to charge the Owner, as provided for assessments herein, with the actual cost of such maintenance. Except to the extent that insurance required to be maintained or maintained by the Association covers any damage or loss, the Association shall not be responsible for any maintenance or repair to the interior of any Unit.

In addition, the Association shall also maintain and keep in good order all hose bibbs and water supply lines to the hose bibbs located on the Property:

Section 17.3. Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his, her or its obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

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

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

Section 17.4. Measures Related to Insurance Coverage.

(a) The Board of Directors, upon resolution, shall have the authority to require all or any Owner(s) to do any act or perform any work involving portions of the Condominium that are the maintenance responsibility of the Owner, which will, in the Board's sole discretion, decrease the



possibility of fire in, or other damage to, the Condominium, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Owners to install and maintain smoke detectors, requiring Owners to certify that they have checked the batteries for their smoke detectors, requiring Owners to allow the Association to inspect the smoke detectors and replace batteries if needed on a schedule to be determined by the Board of Directors, requiring Owners to make improvements to the Owner's Unit, and such other measures as the Board may reasonably require so long as the cost of such work does not exceed Three Hundred Dollars (\$300) per Unit in any twelve (12) month period.

(b) In addition to, and not in limitation of, any other rights the Association may have, if any Owner does not comply with any requirement made by the Board of Directors pursuant to this Article, the Association, upon fifteen (15) days' written notice (during which period the Owner may perform the required act or work without further liability), may perform such required act or work at the Owner's sole cost. Such cost shall be an assessment and a lien against the Unit as provided herein. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to this Article, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that access may be had at any time without notice in an emergency situation.

ARTICLE 18. EMINENT DOMAIN

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

ARTICLE 19. EASEMENTS

Section 19.1. Use and Enjoyment. Each Owner and Occupant shall have a right and a non-exclusive easement of use and enjoyment in and to the Common Elements (including the right of access, ingress and egress to and from his, her or its Unit over those portions of the Condominium designated for such purpose), and such non-exclusive easement shall be appurtenant to and shall pass with the title to such Unit, subject to (i) the rights of the Owners to the exclusive use of the Limited Common Elements assigned to their respective Units; (ii) to the right of the Association to control the use and enjoyment of the Common Elements as provided by the terms of this Declaration including, but not limited to, the right of the Association to suspend voting and use privileges as provided herein; and (iii) the right of the Association to have access to the Units and Limited Common Elements assigned to a Unit to discharge its rights and obligations, under the Condominium Instruments, including without limitation, the repair and maintenance responsibilities of the Association.

Section 19.2. Support. Every portion of a Unit and all Limited Common Elements contributing to the support of an abutting Unit shall be burdened with a non-exclusive easement of support for the benefit of such abutting Unit.

Section 19.3. Encroachments. The Units and Common Elements shall be subject to non-exclusive easements of encroachment as set forth in the Act.



ARTICLE 20. MORTGAGEE'S RIGHTS

Section 20.1. Powers Denied to the Association. Unless at least two-thirds (2/3) of the first Mortgagees of Units that are subject to Mortgages give their consent, the Association or the membership shall not:

- (a) by act or omission seek to abandon or terminate the Condominium;
- (b) change the pro rata interest or obligations of any individual Unit for the purpose of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or (ii) determining the pro rata share of ownership of each Unit in the Common Elements;
- (c) partition or subdivide any Unit in any manner inconsistent with the provisions of this Declaration;
- (d) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements (the granting of easements or licenses, as authorized herein, shall not be deemed a transfer within the meaning of this clause); or
- (e) use hazard insurance proceeds for losses to any portion of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement, or reconstruction of such portion of the Condominium.

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

Section 20.2. Exemption from Liens Where the Mortgagee holding a first Mortgage of record, a secondary purchase money Mortgage of record (provided that neither the grantee nor any successor grantee on the secondary purchase money Mortgage is the seller of the Unit) or other purchaser of a Unit obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be liable, nor shall the Unit be subject to a lien, for the share of the Common Expenses or assessments by the Association chargeable to such Unit that became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, and its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title of the Unit, including, but not limited to, the pro-rata share of the Common Expense assessment levied against the Unit, as provided in this Declaration, for the applicable portion of the month in which the passage of title of the Unit occurred.

Section 20.3. Mortgage Holder Entitled to Notice.

Upon written request to the Association, identifying the name and address of the holder and the Unit number or address, any Eligible Mortgage Holder, or insurer or guarantor of a first mortgage on a Unit, will be entitled to timely written notice of:

- (a) any proposed amendment of the Condominium Instruments effecting a change in (a) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (b) the interests in the Common Elements or Limited Common Elements appertaining to any Unit or the liability for Common Expenses appertaining thereto; (c) the number of votes in the Association appertaining to any Unit; or (d) the purposes to which any Unit or the Common Elements are restricted;
- (b) any proposed termination of the Condominium;



(c) any condemnation loss or any casualty loss that affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder;

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

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

(f) any proposed action that would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

Section 20.4. Copy of Financial Statement. 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.

Section 20.5. No Impairment of Rights. Notwithstanding anything to the contrary herein contained, the provisions of Article 15 and Article 16 hereof governing the leasing and sales of units, respectively, shall not apply to impair the right of any first Mortgagee to:

- (a) foreclose or take title to a Unit pursuant to remedies contained in its Mortgage; or
- (b) take a deed or assignment in lieu of foreclosure; or
- (c) sell, lease, or otherwise dispose of a Unit acquired by the Mortgagee.

Section 20.6. No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Elements.

Section 20.7. Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of any mortgagee encumbering such Owner's Unit.

Section 20.8. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request to approve an amendment to this Declaration or within sixty (60) days of the date of the Association's request for any other action, provided that such request is delivered to the Mortgagee by certified or registered mail, return receipt requested, or by statutory overnight mail.

Section 20.9. Construction of this Article. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Condominium Instruments or Georgia law for any of the actions set forth in this Article.

ARTICLE 21. GENERAL PROVISIONS

Section 21.1. SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS THAT DIRECTLY OR INDIRECTLY IMPROVE THE SECURITY OF THE CONDOMINIUM; HOWEVER, EACH OWNER, FOR HIMSELF, HERSELF OR ITSELF, AND HIS, HER OR ITS TENANTS, OCCUPANTS, GUESTS, LICENSEES,



AND INVITEES, ACKNOWLEDGES AND AGREES THAT NEITHER THE ASSOCIATION NOR DECLARANT IS A PROVIDER OF SECURITY AND NEITHER ENTITY SHALL HAVE A DUTY TO PROVIDE SECURITY ON OR AT THE CONDOMINIUM. FURTHERMORE, THE ASSOCIATION DOES NOT GUARANTEE THAT NON-OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE CONDOMINIUM AND COMMIT CRIMINAL ACTS ON THE CONDOMINIUM NOR DOES THE ASSOCIATION GUARANTEE THAT CRIMINAL ACTS ON THE CONDOMINIUM WILL NOT BE COMMITTED BY OTHER OWNERS OR OCCUPANTS. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER TO PROTECT HIS, HER OR ITS PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH OWNER. NEITHER DECLARANT NOR THE ASSOCIATION SHALL BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF ITS FAILURE TO PROVIDE ADEQUATE SECURITY OR THE INEFFECTIVENESS OF MEASURES UNDERTAKEN.

Section 21.2. Parking Spaces. The Association shall not be held liable for any loss or damage arising from theft, vandalism, malicious mischief, or any loss or damage to any property placed or kept in any parking space in the Condominium or in any area as designated in the rules and regulations by the Board for other parking.

Section 21.3. Dispute Resolution. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, an Owner or Occupant must request and attend a hearing with the Board of Directors. Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or the property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the Person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) or more than twenty one (21) days from the date of receipt of the request.

Section 21.4. Litigation. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, an Owner or Occupant must request and attend a hearing with the Board of Directors. Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or the property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the Person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) or more than twenty one (21) days from the date of receipt of the request.

Section 21.5. Amendments. Except where a higher vote is required for action under any other provision of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding two-thirds (2/3) of the Total Association Vote and such amendment shall otherwise comply with the provisions of Section 44-3-93 of the Act.

Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the president and secretary of the Association and recorded in the Official Records.

In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage Holders who represent at least fifty-one percent (51%) of the votes of Units that are subject to



Mortgages held by Eligible Mortgage Holders. Material amendments are those that establish, provide for, govern or regulate any of the following:

- (a) Voting;
- (b) Assessments, assessment liens or subordination of such liens;
- (c) Reserves for maintenance, repair and replacement of the Common Elements;
- (d) Insurance or fidelity bonds;
- (e) Rights to use of the Common Elements;
- (f) Responsibility for maintenance and repair of the Condominium;
- (g) Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- (h) The interests in the Common Elements or Limited Common Elements;
- (i) Convertibility of Units into Common Elements or of Common Elements into Units;
- (j) Leasing of Units;
- (k) Imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey his, her or its Unit in the Condominium;
- (l) Establishment of self-management by the Association where professional management has been required by any of the agencies or corporations set forth below;
- (m) Amendment of any provisions that are for the express benefit of Eligible Mortgage Holders or insurers or guarantors of first mortgages on Units in the Condominium; and
- (n) Restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the Condominium Instruments).

Notwithstanding the foregoing, Declarant or the Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to correct any scrivener's errors; comply with any applicable state, city or federal law, and/or to bring the Condominium into compliance with applicable rules and regulations of the Federal National Mortgage Association ("Fannie Mae"), the U.S. Department of Housing and Urban Development ("HUD") and the Department of Veterans Affairs ("VA") pursuant to federal law. Furthermore, Declarant or the Board of Directors, without the necessity of a vote from the Owners, may record additional Plats and Floor Plans in the Official Records from time to time, as necessary or appropriate to further clarify the description of the Units, to correct incorrect Plats and Floor Plans, or to comply with the Act.

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

Section 21.6. Severability. Invalidation of any one of these covenants, conditions, or restrictions contained in this Declaration 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(s), which shall remain in full force and effect.



Section 21.7. Preparer. This Declaration was prepared by George E. Nowack, Jr., Esq., Weissman, Nowack, Curry & Wilco, P.C., One Alliance Center, 4th Floor, 3500 Lenox Road, Atlanta, Georgia 30326.

IN WITNESS WHEREOF, the undersigned Officers of La Hacienda Condominium Association, Inc., hereby certify that the above Second Amended and Restated Condominium Declaration of La Hacienda Condominium was duly adopted by the required majority of the Association and its membership, with any required notices duly given.

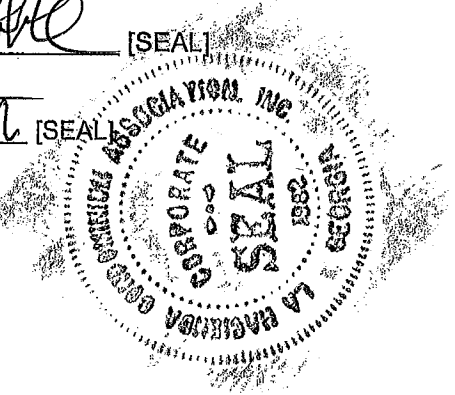
This 29 day of August, 2012.

LA HACIENDA CONDOMINIUM ASSOCIATION, INC.

By: Trend Allen [SEAL]
President

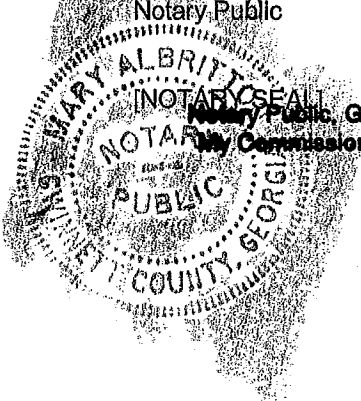
Attest: [Signature] [SEAL]
Secretary

[CORPORATE SEAL]



Signed, sealed, and delivered
this 29 day of August, 2012
in the presence of:

Witness
[Signature]
Notary Public



Notary Public, Gwinnett County, Georgia
My Commission Expires May 18, 2014



EXHIBIT "A"

Description of Submitted Property

BOOK 1441 PAGE 164

All that tract or parcel of land lying and being in Land Lot 304 of the 6th District of Gwinnett County, Georgia, and being more particularly described as follows:

TO ARRIVE AT THE POINT OF BEGINNING of the property hereinafter described, begin at a point marked by an iron pin set on the northeasterly right of way line of Holcomb Bridge Road (allowing for an 80 foot right of way) where said northeasterly right of way line of Holcomb Bridge Road intersects the southeasterly line of Land Lot 304; run thence north 30 degrees 00 minutes 01 seconds west, along the northeasterly right of way line of Holcomb Bridge Road a distance of 185.00 feet to a point which is the POINT OF BEGINNING of the property herein conveyed; thence run north 60 degrees 00 minutes 00 seconds east, a distance of 85.00 feet to a point; thence north 80 degrees 00 minutes 00 seconds east, a distance of 95.00 feet to a point; thence north 07 degrees 00 minutes 00 seconds east, a distance of 185.00 feet to a point; thence north 38 degrees 21 minutes 25 seconds east, a distance of 210.73 feet to a point; thence north 53 degrees 39 minutes 45 seconds east, a distance of 175.00 feet to a point; thence north 47 degrees 09 minutes 45 seconds east, a distance of 20.00 feet to a point; thence south 42 degrees 50 minutes 15 seconds east, a distance of 120.00 feet to a point; thence north 47 degrees 09 minutes 45 seconds east, a distance of 130.00 feet to a point; thence north 42 degrees 50 minutes 13 seconds west, a distance of 506.58 feet to an iron pin set on the southeasterly right of way of Peachtree-Corners East (allowing for a 100 foot right of way at this point); thence south 46 degrees 16 minutes 50 seconds west, along the southeasterly right of way of Peachtree Corners East, a distance of 649.91 feet to an iron pin set (said right of way at this point is 120 feet in width); thence south 01 degree 40 minutes 30 seconds east, a distance of 188.37 feet to a point; thence south 49 degrees 32 minutes 18 seconds west, a distance of 6.34 feet to an iron pin set on the northeasterly right of way of Holcomb Bridge Road; thence southeasterly, along the northeasterly right of way of Holcomb Bridge Road and following the slight curvature thereof, a distance of 205.52 feet to an iron pin set; thence southeasterly along the northeasterly right of way of Holcomb Bridge Road a distance of 96.10 feet to a point, which point marks the POINT OF BEGINNING.

Said tract containing 7.55 acres and being more fully shown on Revised Master Plot Plan of La Hacienda prepared by Construction Engineering Associates, Site Planners and Land Surveyors, dated January 2, 1974, revised August 16, 1976.

Said Revised Master Plot Plan shall be filed for record in the Office of the Clerk of the Superior Court of Gwinnett County, Georgia, and recorded in Condominium Plat Book , page , Gwinnett County Records. Said Revised Master Plot Plan, incorporated herein and, by reference, made a part hereof, amends and supersedes that certain plat of survey (the "Master Plot Plan") made by Construction Engineering Associates, Site Planners and Land Surveyors, dated January 2, 1974, recorded July 24, 1974, in Condominium Plat Book 1, page 19, Gwinnett County Records, to the extent, but only to the extent, that said Master Plot Plan and Revised Master Plot Plan are inconsistent.

EXHIBIT "A"

PERCENTAGE OF UNDIVIDED INTEREST IN THE
COMMON AREA APPURTENANT TO EACH RESIDENCE

<u>Residence No.</u>	<u>Assigned Value</u>	<u>Percentage</u>
1	\$55,000.00	2.17
2	55,000.00	2.17
3	55,000.00	2.17
4	55,000.00	2.17
5	55,000.00	2.17
6	55,000.00	2.17
7	55,000.00	2.17
8	55,000.00	2.17
9	55,000.00	2.17
10	55,000.00	2.17
11	55,000.00	2.17
12	55,000.00	2.17
13	55,000.00	2.17
14	55,000.00	2.17
15	55,000.00	2.17
16	55,000.00	2.17
17	55,000.00	2.17
18	55,000.00	2.17
19	55,000.00	2.17
20	55,000.00	2.17
21	55,000.00	2.17
22	55,000.00	2.17
23	55,000.00	2.17
24	55,000.00	2.17
25	55,000.00	2.17
26	55,000.00	2.17
27	55,000.00	2.17
28	55,000.00	2.17
29	55,000.00	2.18
30	55,000.00	2.18
31	55,000.00	2.18
32	55,000.00	2.18
33	55,000.00	2.18
34	55,000.00	2.18
35	55,000.00	2.18
36	55,000.00	2.18
37	55,000.00	2.18
38	55,000.00	2.18
39	55,000.00	2.18
40	55,000.00	2.18
41	55,000.00	2.18
42	55,000.00	2.18
43	55,000.00	2.18
44	55,000.00	2.18
45	55,000.00	2.18
46	55,000.00	2.18
	<u>\$2,530,000.00</u>	<u>100.00</u>

NOTE: The percentage of undivided interest in the common area appurtenant to each residence are based on values assigned by the Declarant to each such residence solely for this purpose. Such values do not necessarily reflect or represent the selling price or actual value of any such residence and no opinion, appraisal, sale or market value transaction at a greater or lesser price than the assigned value recited herein shall be interpreted as requiring or permitting any change in the percentage of undivided interest assigned herein.

EXHIBIT "B"



EXHIBIT "C"

List of Limited Common Elements Assigned to Units

EXHIBIT C

UNIT	Patio	Balcony	Deck	Covered Entry
3620	X			X
3621	X		X	X
3625	X		X	X
3629	X	X	X	X
3630	X			X
3631	X	X	X	X
3635	X		X	X
3636	X		X	X
3639	X			X
3641	X			X
3642	X	X	X	X
3645	X			X
3648	X		X	X
3649	X			X
3651	X			X
3654	X	X	X	X
3655	X			X
3659	X			X
3660	X		X	X
3661	X			X
3665	X			X
3669	X			X
3670	X		X	X
3671	X			X
3675	X			X
3679	X			X
3683	X			X
3687	X			X
3688	X	X	X	X
3691	X			X
3694	X		X	X
3695	X			X
3699	X			X
3703	X			X
6187	X			X
6191	X			X
6195	X			X
6199	X			X
6203	X	X	X	X
6207	X		X	X
6213	X	X	X	X
6217	X	X	X	X
6223	X		X	X
6231	X	X	X	X
6235	X	X	X	X
6239	X		X	X

EXHIBIT "D"

STATE OF GEORGIA

COUNTY OF GWINNETT

LA HACIENDA CONDOMINIUMLEASE AGREEMENT

THIS AGREEMENT is made this ___ day of _____, 20___, by and between _____
 (hereinafter called "Lessor"), and _____ (hereinafter called "Lessee");

WITNESSETH

That in consideration of the mutual covenants hereinafter set forth, the parties do hereby covenant and agree as follows:

1. PREMISES LEASED, TERM OF LEASE, AND OCCUPANCY. Lessor does hereby rent and lease to Lessee a Unit at _____ in _____ (hereinafter the "Premises"), for a term of (not less than six (6) months pursuant to Paragraph 15 of the Declaration) _____, commencing on _____, 20___, and ending on _____, 20___, midnight.

2. RENT. Lessee covenants and agrees to pay to Lessor at _____ total rent for the term equal to _____ (\$____) Dollars which rent shall be paid in equal monthly installments of _____ (\$____) Dollars promptly on the first day of each rental month in advance during the term of this Lease, without deduction or demand.

3. LATE PAYMENTS AND RETURNED CHECKS. Time is of the essence in this Agreement, and if Lessor elects to accept rent after the ___ day of the month, a late charge, upon request of Lessor, of \$_____ may be charged as additional rent. In the event Lessee's rent check is dishonored by the bank, Lessee agrees to pay Lessor \$_____ as a handling charge and, if appropriate, the late charge. Returned checks shall be redeemed by cash, a cashier's check, certified check, or money order. If more than two checks are returned, Lessee agrees to pay all future rents and charges in the form of cash, a cashier's check, a certified check, or money order.

4. SECURITY DEPOSIT. Upon the execution of this Lease, Lessee agrees and covenants to pay to Lessor a security deposit in the amount of \$_____, as security for Lessee's fulfillment of the conditions of this Lease. The security deposit will be returned to Lessee within thirty (30) days after the Premises are vacated if:

- (a) the lease term has expired or this Lease has been terminated by both parties;
- (b) all monies due Lessor by Lessee have been paid; and
- (c) the Premises are not damaged and are left in the same condition as exists at the execution of this Lease, normal wear and tear excepted.



The deposit may be applied by Lessor to satisfy all or part of Lessee's obligations, and such application shall not prevent Lessor from claiming damages in excess of the deposit. Lessee agrees not to apply the deposit to any rent payment and also agrees to pay \$_____ for re-keying locks if all keys are not returned. Lessee acknowledges receipt of ___ keys.

In the event that any part of the deposit has been used by Lessor in accordance with the terms of this Lease or applicable law, Lessee shall upon demand immediately deposit with Lessor a sum equal to the amount so applied by Lessor so that Lessor shall have the full deposit on hand at all times during the Lease term including any extension, renewal or holdover term. In the event of any permitted assignment or sublease of this Lease by Lessee, the deposit shall be deemed to be held by Lessor as a deposit made by Lessee's assignee or sublessee, and Lessor shall have no further liability to return such deposit to the assignor or sublessor.

5. ASSOCIATION IS THIRD-PARTY BENEFICIARY. Lessee and Lessor acknowledge that La Hacienda Condominium Association, Inc. (hereinafter the "Association"), is a third-party beneficiary of the promises made in this Lease Agreement.

6. COMPLIANCE AND ENFORCEMENT BY ASSOCIATION. Lessee shall comply strictly with the Declaration of Condominium for La Hacienda Condominium (hereinafter the "Declaration"), the Bylaws of La Hacienda Condominium Association, Inc. (hereinafter the "Bylaws"), and the administrative rules and regulations adopted pursuant thereto, as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct of his or her family and guests in order to assure compliance with the foregoing and shall indemnify and hold Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges that the violation by Lessee, or any occupant or person living with Lessee, of any provision of the Declaration, Bylaws, or the rules and regulations adopted thereunder, shall constitute a default under this Lease.

In order to enforce the provisions of this Lease, the Association may bring an action against the Lessor or Lessee for damages or injunctive relief or may impose any other sanction authorized by the Declaration or Bylaws or available at law or in equity including, without limitation, all remedies available to a landlord upon breach or default of a lease (including eviction). Failure by the Association to enforce any of its rights shall not be deemed a waiver of the right to do so thereafter.

Lessor hereby delegates and assigns to the Association, acting through the Board, the power and authority to evict Lessee on behalf of and for the benefit of Lessor, in accordance with the terms hereof. In the event the Association proceeds to evict Lessee, any cost associated with the eviction, including attorney's fees and court costs, shall be specially assessed against the Premises and shall be a personal obligation of Lessor, such being deemed hereby as an expense which benefits the leased Premises and Lessor.

Lessee and Lessor hereby represent that Lessee has been given a copy of the Declaration, Bylaws, and rules and regulations of La Hacienda Condominium Association, Inc., that Lessee has read them, and that Lessee is bound by them.

If Lessee or a person living with Lessee violates the Declaration, Bylaws or a rule or regulation for which a fine is imposed, such fine may be assessed against Lessee; provided, however, if the fine is not paid by Lessee within the time period set by the Association's Board, Lessor shall pay the fine upon notice from the Association of Lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Premises.

7. PAYMENT OF ASSESSMENTS. Upon request by the Association, Lessee shall pay to the Association all unpaid annual assessments and special assessments, as lawfully determined and made payable during and prior to the term of the Lease and any other period of occupancy by Lessee; provided,



however, Lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Association's request. All such payments made under this Paragraph shall reduce, by the same amount, Lessee's obligation to make monthly rental payments to Lessor. If Lessee fails to comply with the Association's request to pay assessments, Lessee shall pay to the Association all late or delinquent charges, 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 this Lease and any other period of occupancy by Lessee.

8. POSSESSION. Lessor shall not be liable for damages to Lessee for failure to deliver possession of the Premises to Lessee at the commencement of the term if such failure is due to no fault of the Lessor. Lessor shall use his or her best efforts to give possession of the Premises to the Lessee at the beginning of Lessee's term.

9. MAINTENANCE AND INDEMNIFICATION. Lessee accepts the Premises in the condition in which they are now and as suited for the use intended by Lessee. Lessor shall not be required to make any repairs or improvements on the Premises, except that on written notice from the Lessee of any defect rendering the Premises unsafe or untenantable, Lessor shall remedy such defective condition. Lessee shall comply with all notices and other requirements, including the Declaration, Bylaws and rules and regulations of the Association concerning maintenance and repair. Lessee shall be liable for and shall indemnify and hold Lessor harmless from any damage or injury to the person or property of Lessee or any other person if such damage or injury be due to the act or neglect of the Lessee or any other person in his or her control or employ, or if such damage or injury be due to any failure of Lessee to report in writing to Lessor any defective condition which Lessor would be required to repair under the terms hereof on notice from Lessee. Lessee releases Lessor from liability for and agrees to indemnify Lessor against all losses incurred by Lessor as a result of (a) Lessee's failure to fulfill any condition of this Agreement; (b) any damage or injury happening in or about the Premises to Lessee's invitees or licensees or such person's property; (c) Lessee's failure to comply with any requirements imposed by any governmental authority and as provided in Paragraph 6 hereof; and (d) any judgment, lien, or other encumbrance filed against the Premises as a result of Lessee's action. All personal property located or stored in the Premises or on Common Elements of La Hacienda Condominium shall be kept and stored at Lessee's sole risk, and Lessee shall indemnify and hold harmless Lessor and the Association from and against any loss or damage to such property arising out of any cause whatsoever. Lessor and the Association shall not be liable, except in the case of Lessor's direct negligence or willful misconduct, for any injury, damage, or loss resulting from any accident or occurrence in or upon the Premises or the Common Elements and facilities sustained by Lessee or by any person claiming through Lessee.

10. USE AND OCCUPANCY. The Premises will be used solely for the purpose of Lessee's residence. Lessee shall not use or allow the Premises to be used for any disorderly or unlawful purposes or in any manner offensive to others, and Lessee shall comply with all applicable laws, ordinances, covenants and rules and regulations. Lessee shall not paint, redecorate, remodel or make any structural changes to the Premises, nor shall Lessee remove or replace any fixtures on or from the Premises. Lessee shall not damage, destroy or commit waste on the Premises, nor permit any other person to damage, destroy or commit waste on the Premises.

Lessor transfers and assigns to Lessee for the term of this Lease any and all rights and privileges that Lessor has to use the Common Elements including the recreational facilities and other amenities.

The maximum number of occupants of the Premises shall be no more than two (2) people per bedroom. "Occupancy," for purposes hereof, shall be defined as staying overnight at the leased property for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. Upon written application, the Lessor and the Board shall grant variances to this



restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

11. UTILITIES. All utility bills for services separately metered or billed to the Premises during the lease term shall be paid by _____.

12. PETS OR ANIMALS. Lessee shall keep only those pets or animals that comply with the Declaration and the rules and regulations adopted by the Board of Directors, and then only with prior approval from Lessor.

13. ASSIGNMENT AND SUBLEASING. Lessee shall not assign this Lease or sublet the Premises or any part thereof without the written permission of Lessor and the Board of Directors of the Association, pursuant to its duly adopted rules and regulations.

14. CASUALTY. If the Premises are rendered untenantable by fire, storm, earthquake or other casualty, this Lease shall terminate as of the date of such destruction or damage, and rental shall be accounted for as of that date.

15. ACCESS. Lessor, his or her agents, and the agents of the Association shall have the right of access to the Premises, upon notice to Lessee, between the hours of 8:00 a.m. and 8:00 p.m., to inspect, maintain, and improve the Premises, and for the purpose of showing the Premises to prospective tenants during the last month of the lease term. In case of emergency, such parties may enter at any time to prevent property damage or personal injury.

16. DISCLOSURE. Lessor, as the owner of record of the Premises, or the person authorized to act for and on behalf of the owner for the purpose of service of process and receiving and receipting for demands and notice is:

_____ (owner) (agent)

_____ (address)

Notice to the Association shall be mailed to:

17. HOLDOVER. Lessee shall not remain in possession of the leased Premises after the expiration of this Lease. Any holding over of the leased Premises by Lessee after the expiration of this Lease without a written renewal thereof or written consent from Lessor or Lessor's agents and written approval of the Board of Directors of the Association shall not constitute a tenancy-at-will by Lessee, but Lessee shall become a tenant-at-sufferance. There shall be no renewal whatsoever of this Lease by operation of law. The Association, as attorney-in-fact on behalf of Lessor, shall be empowered to bring an action to evict Lessee in the event that Lessee holds over beyond the term of this Lease.



18. SURRENDER. Whenever under the terms hereof Lessor is entitled to possession of the Premises, Lessee shall at once surrender the Premises to Lessor in as good condition as at present, natural wear and tear excepted, and Lessor may forthwith reenter Premises and repossess himself or herself thereof and remove all persons and effects therefrom, using such force as may be necessary without being guilty of forcible entry or detainer, trespass, or other tort.

19. ABANDONMENT. If Lessee removes or attempts to remove property from the Premises other than in the usual course of continuing occupancy without first having paid Lessor all monies due, the Premises may be considered abandoned, and Lessor shall have the right without notice, to store or dispose of any property left on the Premises by Lessee. Lessor shall also have the right to store or dispose of any of Lessee's property remaining on the Premises after termination of this Agreement. Any such property shall be considered Lessor's property, and title thereto shall rest in Lessor. Lessor shall have the right to re-rent the Premises after Lessee abandons same.

20. DEFAULT. Any breach or violation of any provision of this Lease by Lessee shall give Lessor the right to terminate this Lease or to take possession and hold Lessee liable for the remainder of the term. Should possession be obtained, Lessor, at Lessor's option, may re-rent the Premises as Lessee's agent at the risk and cost of the defaulting Lessee, whose default shall not relieve him or her of liability for the difference between the rent herein reserved and the rent actually received by Lessor during the term remaining after such default occurs.

21. CONDEMNATION. In the event that the Premises or any part thereof (other than Common Elements, the taking of which does not prevent continued occupancy of the Premises) is taken by any authority exercising the power of eminent domain, this Lease shall terminate as of the date possession shall be taken by the condemnor. Lessee waives all claims against Lessor or any condemning authority by reason of the complete or partial taking of the Premises, and shall not be entitled to receive any part of any award which Lessor may receive, hereby quitclaiming all interest therein to Lessor.

22. SUBORDINATION OF RIGHTS. Lessee's and Lessor's rights shall be subject to all rights of the Association and any bona fide mortgage or deed to secure debt which is now or may hereafter be placed upon the Premises by Lessor.

23. ENTIRE AGREEMENT AND WAIVER. This Lease contains the entire agreement of the parties, and no representation, inducement, promises or agreements not contained herein shall be of any force or effect. No failure of Lessor to exercise any power given Lessor hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Lessor's right to demand exact compliance with the terms hereof.

24. REMEDIES CUMULATIVE. All remedies under this Lease or by law or equity shall be cumulative. If suit for any breach of this Lease establishes a breach by either Lessor or Lessee, the party found in breach shall pay to the other party all expenses incurred in connection therewith, including, but not limited to, attorney's fees.

25. ILLEGAL ACTIVITIES. The conduct of any unlawful activities on the Premises shall constitute a breach of this Lease.

26. SUCCESSORS. This Lease shall inure to the benefit of and shall bind the heirs, successors, personal representatives, and assigns of all parties to this Lease.

[OPTIONAL]

27. TERMINATION OF LEASE UPON SALE OF UNIT. If at any time during the term of this Lease, Lessor contracts for the sale of the Unit, the Lessor shall send Lessee written notice of such proposed sale stating the date on which Lessee must vacate the Unit, which date shall not be later than



(the date the lease terminates). Lessee shall have at least thirty (30) days from the date of the notice to vacate the Unit; provided, however, that Lessee shall vacate the Unit on or before _____ (the date the lease terminates) if notice of sale is sent less than thirty days prior to the date this Lease Agreement terminates. If Lessee is required to vacate the Unit pursuant to this Paragraph, this Lease shall terminate upon the date which Lessee is required to vacate the Unit as stated in the notice of sale.

28. SPECIAL STIPULATIONS.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

LESSOR:

(Signature)

Name:

(Please Print)

LESSEE:

(Signature)

Name:

(Please Print)

EXHIBIT "E"

BYLAWS

OF

LA HACIENDA CONDOMINIUM ASSOCIATION, INC.

Weissman Nowack
Curry & Wilco, P.C. 
ATTORNEYS AT LAW

One Alliance Center, 4th Floor
3500 Lenox Road
Atlanta, Georgia 30326
(404) 926-4500

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BYLAWS
OF
LA HACIENDA CONDOMINIUM ASSOCIATION, INC.

ARTICLE 1. GENERAL

Section 1.1. Applicability. These Bylaws provide for the self-government of La Hacienda Condominium Association, Inc., in accordance with the Georgia Condominium Act, O.C.G.A. § 44-3-70, *et seq.*, as may be amended from time to time ("Georgia Condominium Act"), the Articles of Incorporation filed with the Georgia Secretary of State ("Articles of Incorporation") and the Declaration of Condominium for La Hacienda Condominium, recorded in the Gwinnett County, Georgia land records ("Declaration").

Section 1.2. Name. The name of the corporation is La Hacienda Condominium Association, Inc. ("Association").

Section 1.3. Definitions. The terms used herein shall have their generally accepted meanings or such meanings as are specified in Article 2 of the Declaration.

Section 1.4. Membership. An Owner of a Unit shall automatically become a member of the Association upon taking title to the Unit and shall remain a member for the entire period of ownership. As may be more fully provided below, a member's spouse may exercise the powers and privileges of the member. If title to a Unit is held by more than one (1) Person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one (1) weighted vote per Unit. Membership does not 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. Membership shall be appurtenant to the Unit and shall be transferred automatically by conveyance of that Unit and may be transferred only in connection with the transfer of title.

Section 1.5. Entity Members. In the event an Owner is a corporation, limited liability company, 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, manager of a limited liability company or representative of such other legal entity shall be eligible to represent such entity or entities in the affairs of the Association, including, without limitation, serving on the Board of Directors of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such person's relationship with the entity or entities which are the Owner, and termination of the person's relationship with the Association will create a vacancy in any elected or appointed position within the Association in which such person may have been serving and such vacancy will be filled in accordance with these Bylaws.

Section 1.6. Voting. Each Unit shall be entitled to one (1) weighted vote, which vote may be cast by the Owner, the Owner's spouse, or by a lawful proxy as provided below. When more than one (1) Person owns a Unit, the vote for such Unit shall be exercised as they determine between or among themselves, but in no event shall more than one (1) vote be cast with respect to any Unit. If only one (1) co-owner attempts to cast the vote for a Unit, it shall be conclusively presumed that such co-owner is authorized on behalf of all co-owners to cast the vote for such Unit. In the event of disagreement between or among co-owners and an attempt by two (2) or more of them to cast such vote or votes, such Persons shall not be recognized and such vote or votes shall not be counted. No Owner shall be eligible to vote, either in person or by proxy, or to act as a proxy for any other member if that Owner 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 Owner has had its voting rights suspended for the infraction of any provision of the Declaration, these Bylaws, or any rule of the Association. If the voting rights of an Owner have been suspended, that Owner shall not be counted as an eligible vote for purposes of establishing a majority or a quorum.

Section 1.7. Majority. As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number of eligible votes, Owners, or other group, respectively. Unless otherwise specifically stated, the words "majority vote" means more than fifty percent (50%) of those voting in person or by proxy. Except as otherwise specifically provided in the Declaration or these Bylaws, all decisions shall be by majority vote.

Section 1.8. Purpose. The Association shall have the responsibility of administering the Condominium, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Condominium and performing all of the other acts that may be required to be performed by the Association pursuant to the Georgia Condominium Act, the Georgia Nonprofit Corporation Code and the Declaration. Except as to those matters which the Georgia Condominium 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 as more particularly set forth below.

Section 1.9. Electronic Documents and Electronic Signatures.

(a) Electronic Documents. Whenever these Bylaws require that a document, record or instrument be "written" or "in writing," the requirement is deemed satisfied by an Electronic Document.

(b) Electronic Signatures. Whenever these Bylaws require a signature, an Electronic Signature satisfies that requirement only if: (i) the signature is easily recognizable as a Secure Electronic Signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (ii) the Board reasonably believes that the signatory affixed the signature with the intent to sign the Electronic Document, and that the Electronic Document has not been modified since the signature was affixed.

(c) Verification and Liability for Falsification. The Board may require reasonable verification of any Electronic Signature or Electronic Document. Pending verification, the Board may refuse to accept any Electronic Signature or Electronic Document that, in the Board's sole discretion, is not clearly authentic. Neither the Board nor the Association shall be liable to any Member or any other Person for accepting or acting in reliance upon an Electronic Signature or Electronic Document that the Board reasonably believes to be authentic. Any Member or Person who negligently, recklessly or intentionally submits any falsified Electronic Document or an unauthorized Electronic Signature shall fully indemnify the Association for actual damages, reasonable attorneys' fees and expenses incurred as a result of such acts.

ARTICLE 2. MEETINGS OF MEMBERS

Section 2.1. Annual Meetings. The regular annual meeting of the members shall be held during the month of November each year with the date, hour, and place to be set by the Board of Directors. No annual meeting of the Association shall be set on a legal holiday.



Section 2.2. Special Meetings. Special meetings of the members may be called for any purpose at any time by the President or Secretary, by request of any two (2) members of the Board of Directors, or upon written petition of Owners holding at least fifteen percent (15%) of the Total Association Vote. 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 setting the date, time and location of the meeting (which is not required to be the date, time or location requested in any petition submitted to the Association), and the Secretary shall send notice of the meeting in accordance with these Bylaws. Any special meeting called pursuant to written petition shall be set within thirty (30) days of the date of the petition.

Section 2.3. Notice of Meetings. It shall be the duty of the Secretary to mail or deliver to the record Owner of each Unit or to the Units a notice of each annual or special meeting of the Association at least twenty-one (21) days prior to each annual meeting and at least seven (7) days prior to each special meeting. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. The notice of an annual meeting shall state the time and place of the meeting. If any Owner wishes notice to be given at an address other than his or her Unit, the Owner shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered proper service of notice.

Section 2.4. Waiver of Notice. Waiver of notice of meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any meeting of the Owners, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or represented by proxy, shall be deemed waiver by such Owner of notice of the time, date, and place thereof unless such Owner 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.

Section 2.5. Quorum. Except as may be provided elsewhere, the presence of Owners, in person or by proxy, entitled to cast twenty-five percent (25%) **[MAY NEED TO BE A GREATER NUMBER DEPENDING ON THE TOTAL NUMBER OF UNITS AT THE CONDOMINIUM]** of the Total Association Vote 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. Owners whose voting rights have been suspended pursuant to the Declaration or these Bylaws shall not be counted as eligible votes toward the quorum requirement.

Section 2.6. Adjournment. Any meeting of the Owners may be adjourned from time to time for periods not exceeding ten (10) days by vote of the Owners holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business that could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required.

Section 2.7. Proxy. Any 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. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered to the Board by personal delivery, U.S. mail or facsimile transmission to any Board member or the property manager. Proxies may be revoked only by written notice delivered to the Secretary, except that: (a) the presence in person by the giver of a proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting; and (b) a later dated proxy shall



automatically be deemed to invalidate any previously given proxy. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

Section 2.8. Action Taken Without a Meeting. In the Board's discretion, any action that may be taken by the Association members at any annual, regular, 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 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 the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and 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.

The Board may deliver ballots and consent forms by personal delivery, U.S. Mail, facsimile transmission, e-mail, or other electronic means. Owners shall deliver their vote by ballot or consent form by whatever means is specified by the Board.

All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of directors; and (iii) 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.

Section 2.9. Order of Business. The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all membership meetings. The Board of Directors may establish rules of conduct and the order of business for all membership meetings. When not in conflict with the Declaration, these Bylaws, the Articles of Incorporation or meeting procedures adopted by the Board of Directors, Robert's Rule of Order (latest editions) shall govern all membership meetings. The Board may order the removal of anyone attending a membership meeting who, in the opinion of the Board disrupts the conduct of business at such meeting.

ARTICLE 3. BOARD OF DIRECTORS

Section 3.1. Number and Eligibility. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of five (5) persons. The directors shall be Owners or spouses of such Owners; provided, however, no Owner 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 persons shall be eligible to be elected to or continue to serve on the Board of Directors if they are shown on the books and records of the Association to be more than thirty (30) days delinquent in the payment of any assessment or charge by the Association.

Section 3.2. Term of Office. Those Directors serving on the Effective Date of these Bylaws shall remain in office until the terms for which they were elected expire. Successor Directors shall be elected as provided herein. Those persons receiving the most votes shall be elected to the number of positions to be filled. At the expiration of the term of office of each member of the Board of Directors a successor shall be elected to serve for a term of three (3) years, commencing on the date of the election and expiring at the third annual membership meeting after such election. A member of the Board of Directors shall hold office until his or her respective successor is elected, he or she is removed, or he or she resigns. At the expiration of a Director's term of office, if a successor cannot be elected for any reason, the existing Director shall continue



to hold office and begin serving another term until his or her successor is elected to fill the remainder of such new term, or he or she resigns.

Section 3.3. Removal of Members of the Board of Directors. At any annual or special meeting of the Association duly called, any one (1) or more Board members, may be removed with or without cause by a majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. Further, any director who is more than thirty (30) days past due in the payment of any assessment or charge shall be automatically removed from the Board of Directors, even if the director subsequently pays the amount owed, and the vacancy shall be filled as provided in Section 5 below. Any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings 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 to consider his or her removal and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 3.4. Vacancies. Vacancies in the Board caused by any reason, except the removal of a director by a majority of the Total Association Vote, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor so selected shall hold office for the remainder of the person's term. Notwithstanding anything to the contrary herein, any director who is an officer, director or other designated agent of an entity member and whose position becomes vacant for any reason, may be replaced by the entity who is the Owner unless there has been a transfer of ownership of the Unit, in which case, the vacancy shall be filled by the remaining directors, even if less than a quorum at any meeting of the directors.

Section 3.5. Compensation. Directors shall not be compensated for services as such unless and only to the extent that compensation is authorized by a majority of the Total Association Vote. Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors. 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 One Hundred Dollars (\$100) per calendar year. For purposes hereof, reasonable food and beverages purchased for Board meeting shall not be considered compensation.

Section 3.6. Director Conflicts of Interest. Nothing herein shall prohibit a director from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided that the director's interest is disclosed to the Board 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 any meeting at which the proposed contract is discussed but shall not be entitled to discuss the proposed contract during the discussion.

Section 3.7. Nomination. Nomination for election to the Board shall be made from the floor at the meeting. The Board also may appoint a nominating committee to make nominations prior to the meeting.

Section 3.8. Elections. All members of the Association eligible to vote shall be entitled to cast their entire vote for each directorship to be filled. There shall be no cumulative voting. The directorships for which elections are held shall be filled by that number of candidates receiving the most votes. Voting for election of Board members shall be by written ballot (unless dispensed by unanimous consent at such meeting at which such voting is conducted).



Section 3.9. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least once every six (6) months. The newly elected Board shall meet within ten (10) days after each annual meeting of the membership. Notwithstanding the foregoing, the Board shall not be required to hold regular meetings.

Section 3.10. Special Meetings. Special meetings of the Board may be called by the President on two (2) days notice to each director given by regular first class or electronic mail, in person, by telephone, or by facsimile transmission, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board shall be called by the President, Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

Section 3.11. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board 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.

Section 3.12. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. A majority of directors shall constitute a quorum for the transaction of business. One (1) 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.

Section 3.13. Open Meetings. Board meetings need not be open to all members. However, if the Board permits members to attend Board meetings, then members other than directors may not participate in any discussion or deliberation unless expressly so 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, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session. The Board may order the removal of any meeting guest who, in the Board's opinion, either disrupts the conduct of business at the meeting or fails to leave the meeting upon request after an announcement of reconvening in executive session.

Section 3.14. Action Without a Meeting. Any action by the Board required or permitted to be taken at any meeting may be taken without a meeting if a majority of the directors consent to such action in writing, sent via hand delivery, regular first class or electronic mail or facsimile. Such consents must describe the action taken and be signed by no fewer than a majority of the directors and such consents shall be filed with the minutes of the Board of Directors.

Section 3.15. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all of the powers conferred upon nonprofit corporations by common law, the statutes of the State of Georgia in effect from time to time, and all of the powers necessary or desirable to perform the obligations and duties and to exercise the rights and powers set out in the Articles of Incorporation, these Bylaws, the Declaration, or the Georgia Condominium Act.

In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and shall be responsible for the following, in the way of explanation, but not limitation:



(a) designating, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair, and replacement of the Common Elements, Association property, and the Area of Common Responsibility 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;

(b) making and amending rules and regulations and imposing sanctions for violation thereof, including, without limitation, monetary fines;

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

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

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

Section 3.16. Management Agent. 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. The Board shall use reasonable efforts in any management contract to provide for termination of such contract by the Association with or without cause and without penalty, upon no more than thirty (30) days written notice. No management contract shall have a term in excess of one (1) year.

Section 3.17. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair, restoration, or improvement of the Common Elements and facilities, and for other purposes, with the approval of a majority of the Total Association Vote.

Section 3.18. Liability and Indemnification of Officers, Directors and Committee Members. The Association shall indemnify every officer, director, and committee member against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon such officer, director or committee member in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been an officer, director or committee member, whether or not such person is an officer, director or committee member at the time such expenses are incurred subject to the limitations below. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such officer, director or committee member in the performance of his or her duties, except for his or her own individual willful misfeasance or malfeasance. The Association, in determining whether to indemnify a director, officer or committee member, shall not impute knowledge to said director, officer or committee member from any source whatsoever; rather, any such determination shall be based on the actual knowledge of the director, officer or committee member. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers, directors and committee members may also be members of the Association), and the Association shall indemnify and forever hold each such officer, director or committee member 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, director or committee member or former officer or director may be entitled. The Association shall maintain, as a Common Expense, adequate general liability and, if



obtainable, officers' and directors' liability insurance to fund this obligation, and the insurance shall be written as provided in the Declaration.

Section 3.19. Architectural Control Committee. The Board shall establish an Architectural Control Committee for the purpose of establishing and maintaining architectural standards in the Community as provided in the Declaration.

Section 3.20. Other Committees. There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize.

Section 3.21. Service on Committees. Unless otherwise provided in these Bylaws or in the resolution authorizing a particular committee, the members of any committee shall be appointed by the President and shall serve at the pleasure of the Board of Directors. Any committee member may be removed with or without cause at any time and with or without a successor being named.

ARTICLE 4. OFFICERS

Section 4.1. Designation. The principal officers of the Association shall be the President, the Secretary and the Treasurer, all or any of which may be the same person. A Vice President may be elected at the discretion of the Board.

Section 4.2. Election of Officers. The Association officers shall be elected annually by the Board at the first Board meeting following each annual meeting of the members and shall hold office at the pleasure of the Board and until a successor is elected.

Section 4.3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and a successor may be elected.

Section 4.4. Vacancies. 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.

Section 4.5. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code, including, but not limited to, the power to appoint committees from among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 4.6. Vice President. The Vice President, if any, shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 4.7. Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under Georgia law.

Section 4.8. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of



account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of the budget as provided in the Declaration. The Treasurer may delegate all or a part of the preparation and notification duties associated with the above responsibilities to a management agent.

Section 4.9. Other Officers. Other offices may be created by the Board, and the Board members that hold such offices shall have such titles and duties as are defined by the Board.

Section 4.10. Agreements, Contracts, Deeds, Leases, Etc. 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 resolution of the Board of Directors. All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by at least one (1) officer or by such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE 5. RULE MAKING AND ENFORCEMENT

Section 5.1. Authority and Enforcement. The Condominium shall be used only for those uses and purposes set out in the Declaration. The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conduct, use, and enjoyment of Units and the Common Elements; provided that copies of all such rules and regulations shall be furnished to all Owners and Occupants. Any rule or regulation may be repealed by the affirmative vote or written consent of a majority of the Total Association Vote at an annual or special meeting of the membership. Every Owner and Occupant shall comply with the Declaration, Bylaws and rules and regulations of the Association, and any lack of compliance therewith shall entitle the Association and, in an appropriate case, one (1) or more aggrieved Owners, to take action to enforce the terms of the Declaration, Bylaws or rules and regulations.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Unit, and to suspend an Owner's right to vote or to use the Common Elements for violation of any duty imposed under the Declaration, these Bylaws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board to limit ingress and egress to or from a Unit. In the event that any Occupant of a Unit violates the Declaration, Bylaws, or a rule or regulation and a fine is imposed, notice of such violation shall be sent to the Owner and Occupant, and the fine shall first be assessed against such Occupant; provided, however, if the fine is not paid by the Occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association, and the fine shall be an assessment and a lien against the Unit until paid. 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.

Section 5.2. Fining and Suspension Procedure. The Board shall not impose a fine, suspend the right to vote or suspend the right to use the Common Elements (provided, however, if an Owner 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, suspension of the right to vote and the right to use the Common Elements shall be automatic; provided further, however, suspension of common utility services shall require compliance with the provisions of Section 10.3(e) of the Declaration, where applicable), unless and until the Association has sent or delivered written notice to the violator as provided in subsection (a) below. Any such fine or fines may be effective or commence upon the sending of such



notice or such later date as may be set forth in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge such fine under subsection (b) below.

(a) Notice. If any provision of the Declaration or Bylaws or any rule or regulation of the Association is violated, the Board shall send the violator written notice identifying the violation and fine(s) being imposed and advising the violator of the right to request a hearing before the Board to contest the violation or fine(s) or to request reconsideration of the fine(s). Fine(s) may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge the fine. 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 violator.

(b) Hearing. If a written request for hearing is received from the violator 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 violator 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.

Section 5.3. Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations by self-help (specifically including, but not limited to, towing of vehicles that are in violation of the parking rules and regulations or performing maintenance on any Unit upon a failure by the Owner to so do) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity for compliance with the procedure set forth in Section 5.2 above. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred.

The Association or its duly authorized agent shall have the power to enter a Unit or upon any portion of the Common Elements to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, these Bylaws, or the rules and regulations; provided, however, written notice shall be given to the Owner of the Unit at least two (2) days prior to the time that any items of construction are altered or demolished. All costs of self-help, including reasonable attorneys' fees, shall be assessed against the violating Owner and shall be collected as provided herein for the collection of assessments.

ARTICLE 6. MISCELLANEOUS

Section 6.1. Notices.

(a) Method of Giving Notice. Unless otherwise prohibited in these Bylaws, all notices, demands, bills, statements, or other communications shall be in writing and shall be given via:

- (i) Personal delivery to the addressee; or
- (ii) United States mail, first class, postage prepaid; or
- (iii) Electronic mail; or
- (iv) Facsimile; or



(v) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

(b) Addressee. Notice sent by one of the methods described in subsection (a) above shall be deemed to have been duly given:

(i) 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 Unit of such Owner;

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

(iii) If to the Association, the Board or the managing agent, 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. The Secretary shall promptly provide notice to all Owners of any such change in address.

Section 6.2. Severability. 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.

Section 6.3. Captions. 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.

Section 6.4. Gender and Grammar. The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 6.5. Fiscal Year. The fiscal year of the Association may be set by Board resolution, and, in the absence thereof, shall be the calendar year.

Section 6.6. Financial Review. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board and a financial statement prepared. However, after having received the Board's financial statement review at the annual meeting, the Owners may, by a majority of the Total Association Vote, require that the accounts of the Association be audited as a Common Expense by an independent accountant. Such statement shall be made available to the holder, insurer, or guarantor of any first mortgage on a Unit upon submission of a written request and must be available within one hundred twenty (120) days of the Association's fiscal year end. If an audited financial statement by an independent accountant is not required, a mortgage holder may have an audited statement prepared at its own expense.

Section 6.7. Conflicts. The duties and powers of the Association shall be those set forth in the Georgia Condominium Act, the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the Georgia Condominium Act, the Georgia Nonprofit Corporation Code, the Declaration, these Bylaws, or the Articles of Incorporation, then the provisions of the Georgia Condominium Act, the Georgia Nonprofit Corporation Code, as may be applicable, the Declaration, the Articles of Incorporation and these Bylaws, in that order,



shall prevail, and each Owner of a Unit, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

Section 6.8. Amendment. Except where a higher vote is required for action under a particular provision of the Declaration or Bylaws, in which case such higher vote shall be necessary to amend, these Bylaws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members holding two-thirds (2/3) of the Total Association Vote. Moreover, no amendment shall become effective until it is certified by the President and Secretary of the Association and recorded in the Official Records. Any amendment duly certified and recorded shall be conclusively presumed to have been duly adopted in accordance with the Declaration and these Bylaws. Owners whose voting rights have been suspended pursuant to the Declaration or these Bylaws shall not be counted as eligible votes toward the amendment requirement.

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

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may amend these Bylaws to correct any scrivener's errors, comply with any applicable state, city or federal law, and/or to bring the Condominium into compliance with applicable rules and regulations of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Department of Veterans Affairs ("VA") pursuant to federal law.

Section 6.9. Books and Records.

(a) **Right to Inspect.** All members of the Association and any holder of a first Mortgage shall be entitled to inspect the following 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 or Mortgagee wishes to inspect and copy:

(i) its Articles or restated Articles of Incorporation and all amendments to them currently in effect;

(ii) its Bylaws or restated Bylaws and all amendments to them currently in effect;

(iii) resolutions adopted by either its members or Board of Directors increasing or decreasing the number of directors or the classification of directors, or relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members;

(iv) the minutes of all meetings of members and records of all actions approved by the members for the past three (3) years;

(v) all written communications to members generally within the past three (3) years, including the financial statements furnished for the past three (3) years;

(vi) a list of the names and business or home addresses of its current directors and officers; and

(vii) its most recent annual report delivered to the Georgia Secretary of State.



(b) Inspection. A member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the member wishes to inspect and copy only if the member's demand is made in good faith and for a proper purpose that is reasonably relevant to the member's legitimate interest as a member; the member describes with reasonable particularity the purpose and the records the member desires to inspect; the records are directly connected with this purpose; and the records are to be used only for the stated purpose:

(i) excerpts from minutes of any Board meeting, records of any action of a committee of the Board while acting in place of the Board on behalf of the Association, minutes of any meeting of the members, and records of action taken by the members or the Board without a meeting, to the extent not subject to inspection under Section 6.9(a) above;

(ii) accounting records of the Association; and

(iii) the membership list only if for a purpose related to the member's interest as a member. Without the consent of the Board, a membership list or any part thereof may not be: used to solicit money or property unless such money or property will be used solely to solicit the votes of the members in an election to be held by the Association; used for any commercial purpose; or sold to or purchased by any person.

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 and an official Association record until approved by the Board or Association membership, as applicable, at a subsequent meeting.