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This Instrument Was Prepared By:
Greg A. Bouwer, Esq.
Koransky & Bouwer, P.C.
425 Joliet Street, Suite 425
Dyer, Indiana 46311
Lisa Crawford, Esq.

J.C. Stephenson
Jay C. Stephenson
Clerk of Superior Court Cobb Cty. Ga.

After Recording Mail to:
Greg A. Bouwer
Koransky & Bouwer, P.C.
425 Joliet Street, Suite 425
Dyer, Indiana 46311
PIN:

PROPERTY ADDRESS:
Shiloh Valley Drive
Cobb County, GA

DECLARATION OF CONDOMINIUM
and of
EASEMENTS, COVENANTS AND RESTRICTIONS
FOR
SHILOH RIDGE, A CONDOMINIUM

This Declaration of Condominium and of Easements, Covenants and Restrictions for Shiloh Ridge, a Condominium is made this 12th day of August, 2003 by Portrait Homes-Georgia, LLC, an Illinois limited liability company (hereinafter referred to as "Declarant").

WITNESSETH:

WHEREAS, Portrait Homes-Georgia, LLC, is the legal title holder to that certain real estate located in the County of Cobb and State of Georgia and described more fully on Exhibit A attached hereto and hereby made a part hereof (herein referred to as the "Parcel"); and

WHEREAS, Portrait Homes-Georgia, LLC intends to and does hereby submit the above-described Parcel or real estate together with all Buildings, structures, improvements and other permanent fixtures of whatsoever kind now or hereafter constructed thereon, and all rights and privileges belonging to or anywise pertaining thereto (hereinafter called the "Condominium") to the provisions of the Georgia Condominium Act, and

WHEREAS, Portrait Homes-Georgia, LLC further desires to establish for its own benefit and for the mutual benefit of all future owners or Occupants of the Condominium or any part thereof, and intends that all future owners, occupants, mortgagees, and any other persons hereinafter acquiring any interest in the Condominium shall hold said property subject to certain rights, easements and privileges in, over and upon said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof, hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the co-operative aspects of residence of the Condominium and are established for the purpose of enhancing and perfecting the value, desirability and attractiveness of the Condominium;

NOW THEREFORE, the Declarant as the legal title holder of the real estate hereinbefore described, and for the purposes above set forth, declares as follows:

1. Definitions. As used herein, unless the context otherwise requires:

(a) "Act" means the "Georgia Condominium Act" of the State of Georgia, O.C.G.A. Section 44-3-70 through Section 44-3-116, as amended from time to time.

(b) "Additional Property" means the property described in Exhibit "B" attached hereto and by this reference incorporated herein which may be annexed to the Condominium by the Declarant as provided herein.

(c) "Articles of Incorporation" means the Articles of Incorporation of Shiloh Ridge Condominium Association, Inc., filed with the Secretary of State of Georgia, as amended from time to time.

(d) "Association", means Shiloh Ridge Condominium Association, Inc. also known as "Shiloh Ridge" an association of all the Unit Owners, a Georgia nonprofit corporation, acting pursuant to the bylaws through its duly elected Board.

(e) "Board" means the Board of Directors of Shiloh Ridge Condominium Association, Inc.

(f) "Building" or "Buildings" means all structures, attached or unattached, located on the Parcel and forming part of the Condominium and also having separate garage facilities for each of said Units. Any Building may be attached to another Building or to a structure containing two or more Buildings.

(g) "Bylaws" means the Bylaws of Shiloh Ridge Condominium Association, Inc. attached hereto as Exhibit "D" and made a part hereof.

(h) "Common Elements" means all portions of the Condominium except the Units, including the Limited Common Elements, unless otherwise expressly specified herein. The Common Elements include without limitation, any of the following items located at the Condominium: the land, including but not limited to any paths, detention basins, retaining walls

and fences, water quality ponds, foundations, walls, entrances and exits, common meter room (if any), mailboxes, roof, street lights, pipes, ducts, flues, shafts, electrical wiring and conduits (except pipes, ducts, flues, shafts, electrical wiring and conduits situated entirely within a Unit or exclusively serving only such Unit), public utility lines, structural parts of the Building, outside walks and driveways, private streets, all parking areas, sidewalks and landscaped cul-de-sac islands, and all other portions of the Condominium except the individual Units. Structural columns located within the boundaries of a Unit shall be part of the Common Elements.

(i) "Common Expenses" means the proposed or actual expenses affecting the Condominium, including reserves, if any, lawfully assessed by the Board including, without limitation, expenses relating to the repair, maintenance, administration and operation of the Common Elements.

(j) "Condominium" means all the land, property and space comprising the Parcel, and all improvements and structures erected, constructed or contained therein or thereon, including the Buildings and all easements, rights and appurtenances belonging thereto, and all fixtures intended for the mutual use, benefit or enjoyment of the Unit Owners, submitted to the provision of the Act.

(k) "Condominium Instruments" means all documents and authorized amendments thereto recorded pursuant to the provisions of the Act, including this Declaration, the Bylaws, the Articles of Incorporation, the Plat and the Plans.

(l) "Declaration" means this instrument, by which the Condominium is submitted to the provisions of the Act, as hereinafter provided, and such amendments, if any, to this Declaration as may from time to time be adopted pursuant to the terms hereof.

(m) "Developer" or "Declarant" means Portrait Homes-Georgia, LLC, an Illinois limited liability company, and its successors or assigns.

(n) "Eligible Mortgage Holder" means a holder, insurer or guarantor of a first Mortgage on a Unit, which has requested notice of certain items in accordance with the provisions of this Declaration.

(o) "Eligible Votes" means those votes available to be cast under the Declaration, the Bylaws, the Act or the Georgia Nonprofit Corporation Code.

(p) "Limited Common Elements" (L.C.E.) means those portions of the Common Elements, if any, so designated in the Condominium Instruments as being reserved for the use of a certain Unit or Units to the exclusion of other Units. Any portion of the Common Elements which by the terms of this Declaration or by its nature or location is clearly intended to serve exclusively a certain Unit or Units (but less than all of the Units) or the owner or owners thereof shall be deemed a Limited Common Element, such as garages, decks and patios.

(q) "Majority" or "Majority of the Unit Owners" means the owners of more than fifty percent (50%) of the undivided ownership of the Common Elements. Any specific percentage of

Unit Owners means that percentage of Unit Owners who in the aggregate own such specified percentage of the entire undivided ownership of the Common Elements.

(r) "Majority" or "Majority of the Members of the Board of Directors" means more than fifty percent (50%) of the total number of persons constituting such Board pursuant to the Bylaws. Any specified percentage of the members of the Board of Directors means that the percentage of the total number of persons constituting such Board pursuant to the Bylaws.

(s) "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.

(t) "Mortgagee" means the holder of any Mortgage.

(u) "Occupant" means a person or persons in possession of a Unit, regardless of whether said person is a Unit Owner.

(v) "Parcel" means the parcel or tract or real estate, described above on this Declaration, submitted to the provisions of the Act.

(w) "Person" means a natural individual, corporation, partnership, trustee or other legal entity capable of holding title to real property.

(x) "Plans" means the floor plans of each building containing a Unit filed with the Clerk of Superior Court of Cobb County, Georgia, as may be amended from time to time.

(y) "Plat" means the plats of survey of the Parcel and all Units in the Condominium submitted to the provisions of the Act, as recorded in the Cobb County, Georgia records, as the same may be amended from time to time.

(z) "Purchaser" means any person or persons, other than the Developer, who purchases a Unit in a bona fide transaction for value.

(aa) "Record or Recording" refers to the record or recording in the office of the Clerk of Superior Court in Cobb County, Georgia.

(bb) "Reserves" means those sums, if any, paid by Unit Owners that are separately maintained by the Board for purposes specified either by the Board or the Condominium Instruments.

(cc) "Unit" means a part of the Condominium, within a Building, occupying one or more floors or a part or parts thereof designed and intended for any type of independent use, as more particularly described herein. Each Unit shall consist of the space enclosed and bounded by the horizontal and vertical planes as shown on the Plan; provided, however, that no structural components of the Building in which such Unit is located, and no pipes, wires, conduits, ducts, flues, shafts, or public utility lines, situated within such Unit and forming part of any system serving

one or more other Units or the Common Elements, shall be deemed to be a part of such Unit. Each Unit shall also include all conduits, ducts, plumbing, heating, electrical and air conditioning systems (including furnaces, compressors, components, pipes, wire, conduits, ducts, and the like) which serve the Unit exclusively; all windows, glass surfaces and doors (including frames of windows and doors) serving the Unit and all portions of any deck, patio or balcony serving the Unit, whether or not such deck, patio or balcony is enclosed. If any chute, flue, duct, conduit, wire, bearing wall, bearing column or any other apparatus lies partially within and partially outside the designated boundaries of a Unit, any portions thereof serving only that Unit shall be deemed a part of that Unit, and any portions thereof serving more than one Unit or any portion of the Common Elements shall be deemed a part of the Common Elements. Each Unit includes that part of the structure which lies within the following boundaries: (a) the lower horizontal boundaries of a Unit shall be the plane formed by the upper finished surface of the concrete slab or floor framing on which the lowermost story of the Unit is constructed; (b) the upper horizontal boundary shall be the plane formed by the uppermost, unexposed surface of the wall board or other material comprising a part of the ceiling enclosing the uppermost story of the Unit; (c) the vertical boundary of each Unit, as shown on the Plats and Plans and extended to intersections with each other, is the plane formed by the interior face of the studs of the outer walls of the Unit. Additionally, a Unit shall include all attachments to the exterior walls of a Unit which are a part thereof, which protrude beyond said boundaries, including, without limitation, heating and air conditioning units.

(dd) "Unit Owner" means the person or persons whose estates or interests, individually or collectively, aggregate fee simple ownership of a Unit and of the undivided interest in the Common Elements appurtenant thereto, including but not limited to the Declarant and Developer. Unless specifically provided otherwise herein, the Trustee shall be deemed a Unit Owner so long as it is the legal titleholder of any Unit.

(ee) "Voting Member" means the person entitled to exercise all voting power in respect of each Unit ownership.

2. Submission of Condominium to the Act. Portrait Homes-Georgia, LLC as the legal titleholder in fee simple of the Parcel, expressly intends to, and by recording this Declaration does hereby, submit the Parcel and the Condominium to the provisions of the Georgia Condominium Act. The Parcel subject to this Declaration and the Act is located in Land Lots 718 and 723 of the 16th District, 2nd Section, Cobb County, Georgia, being more particularly described in Exhibit "A" attached to this Declaration and incorporated herein by this reference. Simultaneously with the recording of this Declaration in the Office of the Clerk of Superior Court of Cobb County, Plans of every building which contains a Unit located within the Condominium and a Plat of the Condominium are being filed in the Office of the Clerk of Superior Court of Cobb County, Georgia. The Plat(s) and Plans are incorporated herein by reference as fully as if the same were set forth in their entirety herein. The Declarant reserves the right to file additional Plats and Plans describing Units and may revise and re-record the Plats and Plans as hereinafter provided.

3. Historical Preservation. The parcel contains Civil War trenches, and the Association and Unit Owners shall comply with the Memorandum of Agreement dated November 12, 1998 pertaining to the parcel. The Association has a copy of the Memorandum of Agreement for

reference. All Civil War trenches which have been preserved pursuant to the Memorandum of Agreement shall have an undisturbed buffer on each side of the trench measured ten (10) feet from the front of the trench going downhill and fifteen (15) feet from the front of the trench going uphill. The Civil War trenches shall constitute part of the Common Elements of the Condominium, and all further clearing or grading of the Civil War trenches shall be prohibited. The Civil War trenches located on the Parcel shall remain open to the public with access only by foot, by virtue of a marked walking path. Historical markers will be placed, describing the significance of the trenches to the Battle of Kennesaw Mountain. The Association shall be responsible for the placement and maintenance of said historical markers. The Association shall consult with the Georgia Civil War Commission in an advisory capacity and as a resource for continuing education and preservation of the Civil War trenches. The Association and Unit Owners shall continue to protect the Civil War trenches located within the Parcel, and the Association and Unit Owners shall not take any action which is detrimental to the preservation of such Civil War trenches.

4. Units. The legal description of each Unit shall consist of the identifying number or symbol of such Unit as shown on the Plat and Plans. Every deed, mortgage or other instrument shall legally describe a Unit by its identifying number or symbol as shown on the Plat and Plans and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. In accordance with the provisions of the Act (Section 44-3-91), and the written consent of the Declarant and the Board of Directors, the boundaries between adjoining Units may be relocated from time to time, but no Unit may be subdivided for the purpose of creating two or more Units therefrom, and no Owner shall have the right of partition of a Unit.

5. Formation of Association and Administration and Operation of the Condominium.

(a) Formation and Operation of Association. There has been or will be formed an Association having the name "Shiloh Ridge Condominium Association, Inc." or a similar name, which shall be a Georgia nonprofit corporation, which Association shall be the governing body for all of the Unit Owners for the maintenance, repair, replacement, administration and operation of the Condominium, as provided in the Act, the Articles of Incorporation, this Declaration and the Bylaws. The Bylaws for the Association shall be the Bylaws attached to the Declaration as Exhibit D and made a part hereof. The Board of Directors of the Association shall be elected and shall serve in accordance with the provisions of the Bylaws. The fiscal year of the Association shall be determined by the Board, and may be changed from time to time as the Board deems advisable. The Association shall not be deemed to be conducting a business of any kind.

All activities undertaken by the Association shall be for the sole benefit of the Unit Owners, and all funds received by the Association shall be held and applied by it for the use and benefit of Unit Owners in accordance with the provisions of the Declaration and Bylaws. Each Unit Owner shall be a member of the Association so long as he or she is a Unit Owner. A Unit Owner's membership shall automatically terminate when he or she ceases to be a Unit Owner. Upon the conveyance or transfer of a Unit Owner's ownership interest to a new Unit Owner, the New Unit Owner shall simultaneously succeed to the former Unit Owner's membership in the Association. The aggregate number of votes for all members of the Association shall be One Hundred (100) and shall be divided among the respective Unit Owners in accordance with their

respective percentages of ownership interest in the Common Elements, as set forth in Exhibit C attached hereto.

(b) Non-Liability of the Directors, Board, Officers, Developer, and Declarant and beneficiaries of the Trustee. Neither the Directors, Board, officers of the Association, Developer, Declarant, Trustee nor the beneficiary of the Trustee shall be personally liable to the Unit Owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such directors, Board, officers, Developer, Declarant, Trustee nor the beneficiary of the Trustee, except for any acts or omissions found by a court to constitute gross negligence or fraud. The Unit Owners shall indemnify and hold harmless each of the Directors, Board, officers, Developer, Declarant, Trustee or the beneficiary of the Trustee, and their respective heirs, executors, administrators, successors and assigns in accordance with the provisions of the Bylaws.

(c) Units Reserved for Building Personnel and/or Activities Director. The Board shall have authority to lease, purchase and mortgage a Unit, Units or other residential quarters for a Building manager and engineer and/or activities director. All rental or debt service paid by the Association pursuant to a lease agreement or mortgage shall be a Common Expense of the Association.

(d) Managing Agent. The Board shall have the authority to engage the services of an agent (herein sometimes referred to as the "Managing Agent") to maintain, repair, replace, administer and operate the Condominium, or any part thereof, to the extent deemed advisable by the Board, subject to the provisions of subparagraph (e) below. The cost of such services shall be a Common Expense of the Association.

(e) Initial Management Contract. The First Board, appointed as provided herein, shall ratify and approve the Management Agreement between the Developer or Declarant, on behalf of the Association, and Encore Real Estate Co., to act as Managing Agent for the Condominium for a term commencing on the date this Declaration is recorded and terminating two (2) years thereafter, at a rate of fourteen dollars (\$14.00) per Unit per month, (or a total amount of four hundred (\$400) per month, which ever is greater) for each completed Unit which has been subjected to the Declaration, whether originally or by Amendment as set forth in Paragraph 19 hereof, which has been conveyed to a Purchaser, which is inhabited by an Occupant, or which is unsold, which ratification and approval shall not be subject to the provisions of Article IV of the Bylaws of the Association. Such Management Agreement shall provide for cancellation of said Management Agreement by the Board for cause on 30 days written notice without any cancellation fee, or without cause on 60 days written notice without any cancellation fee; provided, however, any management contract executed by or on behalf of the Association during the period of the Declarant's right to control the Association shall be subject to cancellation and termination at any time following expiration of such control period by the affirmative vote of a majority of the Unit Owners.

6. Board's Determination Binding. In the event of any dispute or disagreement between any Unit Owners relating to the Condominium, or any questions of interpretation or application of the

provisions of the Declaration or Bylaws, the determination thereof by the Board shall be final and binding on each and all such Unit Owners.

7. Common Elements.

(a) Ownership of the Common Elements. Each Unit Owner shall be entitled to the percentage of ownership in the Common Elements allocated to the respective Unit owned by such Unit Owner, as set forth in Exhibit "C" attached hereto and made a part hereof. The percentages of ownership interests set forth in Exhibit "C" have been computed and determined in accordance with the Act, and shall remain constant unless hereafter changed by recorded amendment to this Declaration and either consented to in writing by the Unit Owners, in accordance with Paragraph 24 below, or consented to in writing by those parties whose consent is required by the Act if the change in percentage is part of a subdivision or combination of Units in accordance with Paragraph 4 above, or made in accordance with the provisions of Paragraph 19 in connection with the exercise of rights of the Developer or Declarant to add Additional Property to the terms hereof. Said ownership interest in the Common Elements shall be an undivided interest and the Common Elements shall be owned by the Unit Owners as tenants in common in accordance with their respective percentages of ownership. The ownership of each Unit shall not be conveyed separate from the percentage of ownership in the Common Elements corresponding to said Unit. The undivided percentage of ownership in the Common Elements corresponding to any Unit shall be deemed conveyed or encumbered with that Unit, even though the legal description in the instrument conveying or encumbering said Unit may refer only to the fee title to that Unit.

(b) Use of the Common Elements. Each Unit Owner shall have the right to use the Common Elements (except the Limited Common Elements and portions of the Condominium subject to leases made by or assigned to the Board) in common with all other Unit Owners, as may be required for the purposes of access, ingress to, egress from, use, occupancy and enjoyment of the respective Unit owned by such Unit Owner. Such right to use the Common Elements shall extend to not only each Unit Owner, but also to his or her agents, servants, family members, customers, invitees and licensees. However, each Unit Owner shall have the right to the exclusive use and possession of the Limited Common Elements, if any, contiguous to and serving such Unit alone or with adjoining Units. Such rights to use the Common Elements, and the Limited Common Elements, including the garage or parking area, decks or patios, shall be subject to and governed by the provisions of the Act, Declaration, Bylaws and rules and regulations of the Association, recorded easement grants and use restrictions, and all applicable ordinances, resolutions or other official governmental authority documents. In addition, the Association shall have the authority to lease, grant concessions or grant easements with respect to parts of the Common Elements, subject to the provisions of the Declaration and the Bylaws. All income derived by the Association from leases, concessions or other sources shall be held and used for the benefit of the members of the Association, pursuant to such rules, resolutions or regulations as the Board may adopt or prescribe.

(c) Scope of Common Elements. As set forth in Paragraph 1(h) above, and unless otherwise expressly set forth elsewhere in this Declaration, the Common Elements encompass and include all portions of the Condominium (including the Limited Common Elements, if any) except those portions of the Condominium which are part of the Units, as said Units are depicted on the

Plat or Plans or otherwise defined in this Declaration. Any references to "Common Elements" appearing on the Plat or Plans (except for references to Limited Common Elements) shall be deemed solely for purposes of general information and shall not be limiting in any way, nor shall any such reference define the Common Elements in any way. Without limitation, the Common Elements include (and the definition of a Unit expressly excludes) all structural components of the Building in which a Unit is located, and all pipes, wires, conduits, ducts, flues, shafts, or public utility lines, situated within the boundaries of such Unit and forming part of any system serving one or more other Units or the Common Elements.

(d) Common Water and Electric. If applicable, all common water and electric usage for the Building shall be separately metered and shall be a Common Expense of the Association.

(e) Dedication Rights Reserved. In addition to all easements and rights previously granted by recorded documents against the Condominium, Developer hereby reserves the right at its sole discretion to dedicate or otherwise convey portions of the Parcel (but not those portions on which a Building is situated) to any public agency or governmental authority or quasi-public utility for purposes of streets, roads, roadways, utilities, recreation areas, historical areas, storm detention basins, storm outfall, storm trunk piping, water, sidewalks and other benefits and improvements, and rights-of-way and easements therefor. Such right to make such dedications or conveyances shall not require the consent, approval or signatures of either the Board or any Unit Owner, and such dedication or conveyance shall be considered fully accomplished and conclusively binding upon each of said Unit Owners and upon the Association when set forth in writing or in a Plat of Dedication executed by the Developer which has been recorded in the Office of the Clerk of the Superior Court of Cobb County, Georgia, provided, however, that nothing in this paragraph shall be construed to in any manner require or obligate Developer to make any such conveyance or dedication. Notwithstanding the foregoing, no dedication of privately maintained features may occur without the written acceptance by the public agency to which the maintenance responsibility is proposed to be transferred.

In furtherance of the foregoing, an irrevocable power coupled with an interest is hereby granted to the Developer, and each of them singly, as agent and attorney-in-fact to make such dedications or conveyances. Each deed, mortgage, trust deed or other instrument with respect to a Unit and the acceptance thereof shall be deemed a grant and acknowledgement of and consent to such power to each of said attorneys-in-fact and shall be deemed to reserve to each of them the foregoing powers and rights.

(f) Landscaping. All Common Element landscaping shall be maintained by the Association in accordance with the plans approved by County of Cobb.

8. Limited Common Elements.

(a) Designation and Reservation to Use of Certain Units. The Limited Common Elements shall be those portions of the Common Elements, which are either (i) so designated on the Plat or Plans by the words "Limited Common Element" or "L.C.E.", or (ii) so expressly designated in this paragraph 8, or elsewhere in this Declaration, as being Limited Common Elements. The

enjoyment, benefit and use of any Limited Common Element is reserved, in the case of those Limited Common Elements which are contiguous to and serve exclusively a single Unit or one or more adjoining Units as an inseparable appurtenance thereto, to said single Unit or one or more adjoining Units, unless the enjoyment, benefit and use of such Limited Common Element is expressly reserved to some other Unit or Units either on the Plat or in this Paragraph 8 or elsewhere in this Declaration.

(b) Garages and Parking Spaces as Limited Common Elements. Each Unit with a two-(2) car garage has been provided a minimum of four (4) designated off-street parking stalls; two (2) stalls will be within the attached two-(2) car garage that are a part of the Unit according to the Plans and two (2) stalls will be on the driveway in front of each garage, provided no vehicles shall block or encroach upon a sidewalk, road or other driveway. Each Unit with a one-(1) car garage has been provided a minimum of two (2) designated off-street parking stalls; one (1) stall will be within the attached one-(1) car garage that is a part of the Unit according to the Plans and one (1) stall will be on the driveway in front of each garage, provided no vehicle shall block or encroach upon a sidewalk, road or other driveway. To the extent any parking stalls are not a part of a Unit, such parking stalls shall be Limited Common Elements. Parking spaces that are designated as a Limited Common Element on the plat, plans or elsewhere in the Declaration are hereby expressly designated as Limited Common Elements. The parking stalls that are immediately adjacent to a garage are reserved exclusively for the use and benefit of that particular Unit. Each garage that is a part of a Unit shall be used exclusively for parking stalls and nothing shall be contained therein which interferes with the use of the parking stalls. Owners are not entitled to make any change to the walls and floor of the garage other than maintaining and repairing same. Declarant and/or the Association reserve the right to create and enforce rules and regulations pertaining to the use, maintenance and repair of garages and driveways, and the Owners consent to same.

(c) Patios and Decks as Limited Common Elements. In addition to any other portion of the Common Elements which may be designated as a Limited Common Element, either on the Plat or elsewhere in this Declaration, the patios or decks adjoining the Units (where applicable) are hereby expressly designated as Limited Common Elements, and the use and benefit thereof is reserved to the particular Unit or Units which said patio or deck adjoins.

(d) Assignment of Limited Common Elements. The Limited Common Elements are assigned in accordance with Section 44-3-82 of the Act and the Plans. The Board of Directors, without a membership vote, is hereby authorized to assign and to reassign Limited Common Elements, provided that any such assignment or reassignment shall be made in accordance with the provisions of Section 44-3-82(b) and (c) of the Act. A Common Element not previously assigned as a Limited Common Element may be so assigned by the Board, without the need for a vote of the Association, upon written application to the Association by the Owner(s) for whose exclusive use such Common Element is requested. Upon such application and approval, the Association shall prepare and execute an amendment to the Declaration assigning the Common Element as a Limited Common Element, which amendment shall be executed by the Owner or Owners making such

application. Such amendment shall be delivered and become effective as provided in Section 44-3-82 of the Act.

(c) Disclaimer of Warranties pertaining to the Parcel, Common Elements and Limited Common Elements. Declarant hereby disclaims and excludes any and all warranties, expressed or implied, (including, without limitation, any implied warranty of habitability, merchantability, quality or fitness for a particular purpose), with respect to the Parcel, Condominium, Buildings, Common Elements, and Limited Common Elements. The Owners, by accepting conveyance of a Unit subject to this Declaration, hereby knowingly agreed to waive any and all rights that they may have pursuant to any warranties, including implied warranties. The Unit Owners and the Association hereby acknowledge that the only warranties that exist pertaining to Parcel, Condominium, Buildings, Common Elements, and Limited Common Elements is the limited warranty administered by HBW Insurance Services, L.L.C., or similar warranty, provided by Declarant at each closing with a Unit Owner. In any event, Declarant shall not be liable for any personal injury, emotional distress, loss of income, loss of value and adverse health affects or other consequential or secondary damages and/or losses which may arise from or out of any and all defects, and the Unit Owners' and Association's remedies are limited to repair as set forth in HBW Limited Warranty.

9. Use by Developer. During the period of development, construction and sale by the Developer and its beneficiary and said beneficiary's agents, employees, contractors and subcontractors, their respective agents and employees, and invitees shall be entitled to access, ingress to and egress from the Buildings, Common Elements and Condominium as may be required for purposes of said development, construction and sale of Units. While the Developer owns any of the Units and until each Unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection therewith.

10. Common Expenses.

(a) Responsibility for Common Expenses. Except as provided below, or elsewhere in the Act or Condominium Instruments, each Unit Owner shall be responsible for their share of all Common Expenses in accordance with his or her percentage of ownership in the Common Elements. The Board of Directors shall have the power to assess specially pursuant to this Article and Section 44-3-80(b) of the Act as in its discretion it deems 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. Except for expenses incurred for maintenance and repair of items, which are the Association's maintenance responsibility under the Condominium Instruments, any Common Expenses benefiting less than all of the Units or significantly disproportionately benefiting all Units may be specially assessed equitably among all of the Units which are benefited according to the benefit received. Any

Common Expenses occasioned by the conduct of less than all of the Owners or by the Occupant(s), licensees or invitees of any Unit(s) may be specially assessed against such Unit(s).

Except as elsewhere provided herein, each Unit Owner, including the Developer, and including the Developer as to completed Units it has not yet sold, but which are subjected to this Declaration whether originally or by Amendment as set forth in Paragraph 19 hereof, shall pay his or her proportionate share of the expenses of the administration and operation of the Common Elements and of any other expenses incurred in conformance with the Declaration and Bylaws (which expenses are herein sometimes referred to as "Common Expenses"), including, but not limited to, the maintenance and repair thereof and any and all replacements and additions thereto. Except for its responsibilities as a Unit Owner, as provided here, the Developer, nor its beneficiary shall have any responsibility for the maintenance, repair or replacement of any part of the Common Elements after the date this Declaration is recorded. Notwithstanding the foregoing, the Developer shall remain responsible for its warranty obligations as provided by a V.A. contract rider, if applicable, and as additionally set forth in a Limited Warranty.

Such proportionate share of the Common Expenses for each Unit Owner shall be in accordance with his or her percentage of ownership in the Common Elements, except that, with respect to any meters measuring the use of light or heat or water on the basis of the consumption thereof in a Building, at the option of the Board and at its sole discretion, the expenses therefor may be allocated to and assessed against the Unit or Units located within that Building. In such an event, all of the Units in each said Building shall be responsible for the total cost of said metered expense for said Building, and among themselves each of said Units shall be responsible for that proportion of said cost equal to the proportion which the Percentage Ownership of Common Elements of said Unit bears to the total Percentage Ownership of Common Elements of all of the Units in the Building. Payment of Common Expenses, including any prepayment thereof required by the contract for sale of a Unit, shall be in such amounts and at such times as determined in the manner provided by the Bylaws.

The Easement Area Assessments (herein defined) and the Easement and Restriction Assessments (herein defined) shall be equally shared among the Unit Owners, as a Common Expense. Until the last Unit of the Condominium as fully expanded is sold or leased by Declarant to a Unit Owner for occupancy, the maximum annual amount of the Easement Area Assessment and Easement and Restriction Assessment included in the Common Expenses shall be \$270.00 per Unit. After the last Unit is leased or sold, the maximum annual amount of the Easement Area Assessment and Easement and Restriction Assessment included in the Common Expenses shall be \$500.00 per Lot, subject to a yearly increase of five percent (5%). Easement Area Assessments shall not commence until sale or lease of a Unit by Declarant to a Unit Owner for occupancy, but the Easement and Restriction Assessment shall commence for each Unit upon recording of the Declaration.

(b) Penalty for non-payment of Common Expenses. No Unit Owner shall be exempt from payment of his or her proportionate share of the Common Expenses by waiver or non-use or enjoyment of the Common or Limited Common Elements or by abandonment of his or her Unit. If any Unit Owner shall fail or refuse to make any such payment of the Common Expenses when due,

the amount thereof together with interest thereon at the rate of 8% per annum, or such greater percentage as may then be permitted under the law of the State of Georgia, after said Common Expenses become due and payable, shall constitute a lien on the interest of such Unit Owner in the Property as provided in the Act, provided, however, that such lien shall be subordinate to the lien of a prior recorded first mortgage on the interest of such Unit Owner, except for the amount of the proportionate share of Common Expenses which become due and payable from and after the date on which the same mortgage owner or holder either takes possession of the Unit, accepts a conveyance of any interest therein (other than as security) or takes possession pursuant to court order under the Georgia foreclosure law or accepts a deed in lieu of foreclosure for its mortgage and causes a receiver to be appointed in suit to foreclose its mortgage. This provision shall not be amended, changed, modified or rescinded without the prior written consent of all lien holders of record. Where the Developer has a majority of seats on the Board, and the Board fails to record notice of such lien on the interest of the delinquent Unit Owner, then a Unit Owner may record such lien.

(c) Working Capital Fund ("Capitalization Fee"). The Developer shall establish a working capital fund with the Association, which shall be comprised of three (3) months' estimated Common Expenses for each Unit. Amounts paid into this fund shall not be considered as advance payments of regular assessments. The Developer shall collect each Unit's share of the working capital fund from the Owner at the time the sale of the Unit is closed and then shall transfer to the Association such monies for deposit to a segregated fund.

(d) Easement Area Initiation Fee. At the time the sale of the Unit is closed, Developer shall collect from each Unit Owner a one time initiation fee of Five Hundred Dollars (\$500.00) for the Easement Area, paid to Shiloh Valley Homeowners Association, Inc. or Shiloh Valley Investments, LLC the developer thereof.

(e) 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 reasonable fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Unit as of the date specified therein.

(f) Surplus Funds and Common Profits. Pursuant to Section § 44-3-108 of the Act, common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, either be distributed to the Owners or credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Unit, or added to the Association's reserve account, if any.

11. Mortgages. Each Unit Owner shall have the right, subject to the provisions herein, to make separate mortgages, otherwise known as deeds to secure debt, for his or her respective Unit together with his or her respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to make or create, or cause to be made or created from the date hereof, any mortgage or other lien on or affecting the Condominium or any part thereof, except only to the extent of his or her own Unit and the respective percentage interest in the Common Elements corresponding thereto.

12. Separate Real Estate Taxes. Real estate taxes shall be separately taxed to each Unit Owner for his or her Unit and his or her corresponding percentage of ownership in the Common Elements, as provided in Section 44-3-96 of the Act. In the event that such taxes for any year are not separately taxed to each Unit Owner ("undivided taxes"), then each Unit Owner shall pay his or her proportionate share thereof in accordance with his or her respective percentage of ownership interest in the Common Elements, and, in said event, such undivided taxes shall be a Common Expense. Should a Unit Owner fail to pay his or her share of a tax bill, the Association or the Developer shall have the same lien rights pursuant to Article IV, Section 10 of the Bylaws.

13. Insurance.

(a) Condominium Damage. The Board shall have the authority to and shall obtain insurance for the Condominium, exclusive of the additions within, improvements to and decorating of the Units or Limited Common Elements by the Unit Owners, against loss or damage by fire, vandalism, malicious mischief and such other hazards as are covered under standard extended coverage all risk endorsement provisions for the full insurable replacement cost of the Common Elements and the Units, and against such other hazards and for such amounts as required by Section 44-3-107 of the Act, as amended, and as the Board may deem advisable or FNMA guidelines may require. Insurable replacement cost shall be deemed the cost of restoring the Common Elements, Units or any part thereof to substantially the same condition in which they existed prior to damage or destruction. Such insurance coverage shall be written in the name of, and the proceeds thereof shall be payable to, the Board of the Association, as the trustee for each of the Unit Owners in direct ratio to said Unit Owner's respective percentage of ownership in the Common Elements, as set forth in the Declaration, and for the holders of mortgages on his or her Unit, if any. The policy of insurance should also contain, if possible, a waiver of subrogation rights by the insurer against individual Unit Owners. The maximum deductible amount shall be the lesser of Ten Thousand Dollars (\$10,000) or one percent (1%) of the policy face amount. The premiums for each insurance shall be a Common Expense. However, at the option of the Board, and upon written notice to all Unit Owners, premiums for such insurance shall be separately billed to each Unit Owner for his or her Unit and corresponding percentage of ownership in the Common Elements. If additional premiums are charged on insurance policies reflecting increased charges for coverage on certain, but not all the Units, the Board, at its discretion, may assess these additional premiums to the specific Units for whose coverage they are applicable.

The Board shall have the authority to obtain any special endorsements or additional coverage, which may from time to time be, required pursuant to FNMA, FHA, or VA guidelines.

(b) Liability. The Board shall have the authority and duty to obtain comprehensive public liability insurance (providing coverage of at least one million dollars for bodily injury and property damage for any single occurrence) against claims and liabilities arising in connection with the ownership, existence, use or management of the Condominium, in amounts deemed sufficient by the Board and as provided in Section 44-3-107 of the Act, insuring such parties as are required to be so insured by the provisions of the Act. The insurance shall cover claims of one or more insured parties against other insured parties. The insurance shall contain a waiver of any rights to subrogation by the insuring company against any of the other insured parties.

(c) Other Policies of Insurance. The Board shall also have authority to and may obtain, in such amounts as it deems desirable, worker's compensation insurance and other liability insurance as it deems desirable, insuring each Unit Owner, mortgagee of record, if any, the Association, its officers, Directors, Board and employees, the Developer and the Managing Agent, if any, from liability in connection with the Condominium. The premiums for such insurance shall be a Common Expense. However, at the option of the Board, and upon written notice to all Unit Owners, premiums for such insurance shall be separately billed to each Unit Owner for his or her corresponding percentage of ownership in the Common Elements. The Board shall retain in safekeeping any such public liability policy for twenty-three (23) years after the expiration date of the policy.

The Board shall have the authority and shall be required to obtain blanket fidelity bonds in amounts required by FNMA guidelines for any one who either handles or is responsible for funds held or administered by the Association. The premium for such fidelity bonds shall be a Common Expense.

The Board shall also have authority to and may obtain such insurance as it deems desirable, in such amounts, from such sources and in such forms as it deems desirable, insuring the Condominium and each member of the Board and officer of the Association, and member of any committee appointed pursuant to the Bylaws of the Association from liability arising from the fact that said person is or was a director or officer of the Association, or a member of such committee. The premiums of such insurance shall be a Common Expense.

(d) Insurance to be Obtained by Individual Unit Owners. Each Unit Owner shall be responsible for obtaining his or her own insurance on the contents of his or her own Unit and the Limited Common Elements serving his or her Unit, as well as his or her additions and improvements thereto, decorating, furnishings and personal property therein, and the personal property stored elsewhere on the Condominium. In addition, in the event the Unit Owner desires to insure against his or her personal liability and loss or damage by fire or other hazards above and beyond the extent that his or her liability loss or damage is covered by the liability insurance and insurance against loss or damage by fire and such other hazards obtained by the Board for all of the Unit Owners as part of the Common Expenses, as above provided, said Unit Owner may, at his or her option and expense, obtain additional insurance.

14. Maintenance, Repairs and Replacements. Each Unit Owner, at his or her own expense, shall furnish and be responsible for all maintenance of, repairs to and replacements within his or her

own Unit. Maintenance of, repairs to and replacements within the Common Elements shall be the responsibility of and shall be furnished by the Association. The cost of maintenance of, repairs to and replacements within the Common Elements shall be part of the Common Expenses, subject to the Bylaws, rules and regulations of the Association. However, at the discretion of the Board, maintenance of, repairs to and replacements with the Limited Common Elements (including without limitation a garage within the building or parking spaces and patios or decks), may be assessed in whole or in part to the particular Unit or Units, to which said Limited Common Elements are assigned, and, further, at the discretion of the Board, the Board may direct Unit Owners who stand to be benefited by such maintenance of, repairs to and replacement within the Limited Common Elements to arrange for such maintenance, repairs and replacement in the name and for the account of such benefited Unit Owners, pay the cost thereof with their own funds, and procure and deliver to the Board such lien waivers and contractor's and subcontractor's sworn statements as may be required to protect the Condominium from all mechanics' or materialmen's lien claims that may arise therefrom.

If, due to the act or neglect of a Unit Owner, or of his or her agent, servant, family member, invitee, licensee or household pet, damage shall be caused to the Common Elements or to a Unit or Units owned by others, or maintenance, repair or replacement are required which would otherwise be a Common Expense, then such Unit Owner shall pay for such damage or such maintenance, repair and replacements, as may be determined by the Association, to the extent not covered by the Association's insurance.

The authorized representatives of the Association, Board or of the Managing Agent with the approval of the Board shall be entitled to reasonable access to the individual Units and Limited Common Elements as may be required in connection with the preservation of any individual Unit or Limited Common Elements in the event of an emergency, or in connection with maintenance of, repairs or replacements within the Common Elements, Limited Common Elements or any equipment, facilities or fixtures affecting or serving other Units, Common Elements and Limited Common Elements, or to make any alteration required by any recorded easement, covenant or restriction or governmental authority.

15. Alterations, Additions or Improvements. Except as provided herein, or in the Act, no alteration of any Common Elements, or any addition as or improvements thereto, shall be made by any Unit Owner without the prior written approval of the Board. The Board may authorize and charge as Common Expenses alterations, additions and improvements of the Common Elements as provided in the Bylaws. Any Unit Owner may make alterations, additions or improvements within the Unit of the Unit Owner without the prior written approval of the Board, but such Unit Owner shall be responsible for any damage to other Units, the Common Elements, the Condominium, or any part thereof, resulting from such alterations, additions or improvements.

That part of the Common Elements separating and located between and exclusively serving two or more adjacent Units used together, (including, without limitation, portions of any hallway and any walls) may be altered to afford ingress and egress to and from such Units and to afford privacy to the Occupants of such Units when using such Common Elements, and that part of the Common Elements so altered may be used by the Unit Owner or Owners of such Units as a licensee

pursuant to a license agreement with the Association, provided (a) the expense of making such alterations shall be paid in full by the Unit Owner or Owners making such alteration; (b) such Unit Owner or Owners shall pay in full the expense of restoring such Common Elements to their condition prior to such alteration in the event such Units shall cease to be used together, as aforesaid; (c) such alteration shall not interfere with use and enjoyments of the Common Elements (other than the aforesaid part of the Common Elements separating such adjacent Units), including without limitation, reasonable access and ingress to and egress from the other Units in the hallway affect by any such alteration, and shall not weaken, impair or endanger any other Common Elements or Units. The Unit Owner shall notify the Board of the nature of said alteration at least ten (10) days prior to commencing work.

16. Decks, Patios, Fences and Sheds. A Unit Owner is prohibited from installing or causing the installation of any decks, patios, fences or sheds on the Condominium or Common Elements. Only those decks, patios, fences and sheds installed by the Developer and the Association are permitted.

17. Decorating. Each Unit Owner, at his or her own expense, shall furnish and be responsible for all decorating within his or her own Unit and Limited Common Elements serving his or her Unit, as may be required from time to time, including painting, wall papering, washing, cleaning, paneling, floor covering, draperies, window shades, curtains, lighting and other furnishings and decorating. Each Unit Owner shall be entitled to the exclusive use of the interior surfaces of the perimeter walls, doors, floor and ceilings, and such Unit Owner shall maintain said interior surfaces in good condition at his or her sole expense. Decorating of the Common Elements (other than interior surfaces within the Units as above provided and other than interior surfaces of Limited Common Elements), and expressly including without limitation, the exterior surfaces of all outside doors (including garage doors) to each of the Buildings, and any redecorating of Units, to the extent such redecorating of Units is made necessary by damage to Units caused by maintenance, repair or replacement of the Common Elements by the Association, shall be furnished by the Association as part of the Common Expenses. The interiors and exteriors of all windows forming part of the perimeter wall of a Unit shall be cleaned and washed at the expense of the Unit Owner of that Unit.

The exterior of all Buildings shall be maintained in good condition, in accordance with the elevations and plans approved by the County of Cobb.

18. Easements.

(a) Encroachments. In the event that, by reason of the construction, settlement or shifting of a Building, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements or any other Unit, or, if by reason of the design or construction of any Unit, it shall be necessary or advantageous to a Unit Owner to use or occupy any portion of the Common Elements for any reasonable use appurtenant to that Unit, which will not unreasonably interfere with the use or enjoyment of the Common Elements by other Unit Owners, or, if by reason of the design or construction of utility and ventilation systems, any main pipes, ducts or conduits serving more than one Unit encroach or shall hereafter encroach upon any part of any Unit, valid easements for the maintenance of such encroachment and for such use of the Common Elements

are hereby established and shall exist for the benefit of such Unit or the Common Elements, as the case may be, so long as all or any part of such Building shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Elements be created in favor of any Unit Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Condominium by the other Unit Owner and if it occurred due to the willful conduct of any Unit Owner.

(b) Utility Easements. The County of Cobb cable television company and all other public utilities serving the Condominium are hereby granted the right of access to the Condominium to lay, construct, renew, alter, remove, operate and maintain conduits, cables, pipes, sewers, drains, ditches, swales, water mains, manholes, wires, transformers, switching apparatus and other equipment, into and through the Common Elements for the purpose of providing utility services to the Condominium. The Board may hereafter grant other or additional utility easements over, under, along and on any portion of the Common Elements either (1) for the benefit of the Condominium or (2) for the benefit of other real property not included within the Condominium (regardless of whether such other real property is contiguous to or separated from the Condominium), and each Unit Owner hereby grants to the Board an irrevocable power of attorney to execute, acknowledge, register and record for and in the name of all the Unit Owners, such instrument as may be necessary to effectuate the foregoing.

(c) Developer's Easements. During the period that Declarant or Developer owns any Unit or has the unexpired option to add the Additional Property to the Condominium, Declarant shall have the right and easement on, over, through, under and across the Condominium and Common Elements for the purpose of constructing Units and other improvements in the Condominium and in the Additional Property and for installing, maintaining, repairing, and replacing such other improvements (including any portion of the Common Elements) as are contemplated by this Declaration or as Declarant desires, in its sole discretion and for the purpose of doing all things reasonably necessary and proper in connection with the development of the Condominium and the Additional Property. Declarant and Developer have the alienable, transferable, and perpetual right and easement to have access, ingress and egress to the Common Elements and improvements therein for such purposes as Declarant deems appropriate, provided Declarant shall not exercise such right so as to unreasonably interfere with the Owners right to use the Common Elements.

(d) Storm Water Management Easement Provisions. An easement is hereby reserved for and granted to the County of Cobb, and its successors and assigns, over all areas marked "Stormwater Management Easement" or "SME" on the Plat for the perpetual right, privilege and authority to construct, reconstruct, repair, inspect, maintain, and operate storm sewers and stormwater management facilities, as well as any and all manholes, catch basins, connections, ditches, swales, and other structures and appurtenances as may be deemed necessary by said County over, upon, along under and through said indicated easement together with the rights of access across the property for necessary people and equipment to perform any of the above work. The right is also granted to cut, trim or remove trees, shrubs or other plants on the easement that interfere with the operation of the sewers or other utilities. No permanent building shall be placed on said easement and no changes to the topography or stormwater management structures within

the easement area shall be made without the express written consent of the County of Cobb, but same may be used for purposes that do not then or later interfere with aforesaid uses or rights.

(e) Association's Easement. The Association and its representatives shall have an alienable and transferable right and easement on, over, through, under and across the Common Elements and Units to perform all of its obligations, duties and responsibilities as set forth in this Declaration and the Act.

(f) Sales, Construction and Other Offices. Notwithstanding any provision or restrictions herein to the contrary, it is hereby reserved for the benefit of Declarant, Developer, and its successors and assigns the alienable and transferable right and easement in and to the Condominium for the maintenance of signs, sales offices, construction offices, business offices and model units, together with such other facilities as in the sole discretion of Declarant or Developer may be reasonably required, convenient, or incidental for the completion, improvement, and/or sale of Units for so long as Declarant owns any Unit or has the right to add Additional Property to the Condominium.

(g) Easement Area. The Easement Area is the amenity area owned by Shiloh Valley Homeowners Association, Inc., which contains a clubhouse, a pool, tennis courts, basketball courts and other recreational facilities. The Unit Owners shall have a permanent, irrevocable easement to use and enjoy the Easement Area, subject to the rules and regulations pertaining thereto. For the privilege of the use and enjoyment of the Easement Area, the Association shall pay the prorata share of the costs and expenses of maintaining, repairing and replacing the Easement Area. The Unit Owners shall pay to the Association their proportionate amount determined under this Declaration of such prorata share ("Easement Area Assessments"), which shall constitute a portion of the Common Expenses. Easement Area Assessments shall not commence until conveyance (lease or sale) of a Unit by Declarant to a Unit Owner for occupancy.

(h) Agreement Regarding Easements and Restrictions. The Parcel is subject to an Agreement Regarding Easements and Restrictions recorded on July 25, 2000 in Deed Book 13279, Page 5733 as Instrument No. 2000-0096623 by the Clerk of the Superior Court, Cobb County, Georgia which requires the payment of amounts for the benefits of easements and restrictions governing the Parcel and adjacent properties benefiting therefrom ("Easement and Restriction Assessment"). The Unit Owners shall pay their proportionate share to the Association from time to time pursuant to the terms of this Declaration as a Common Expense, and the Association shall pay over such amounts to the appropriate person or entity from time to time.

(i) Easements to Run with the Land. All easements and rights described herein are easements appurtenant, running with the Parcel, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any Unit Owner, purchaser, mortgagee and other person having an interest in the Condominium, or any part or portion thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this paragraph

18, or described in any other part of this Declaration, shall not be necessary, and any such deed of conveyance, mortgage, trust deed or other evidence of obligation shall automatically create and reserve such easements and rights to the respective grantees, mortgagees and trustees of such Unit Ownerships as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

19. Expansion Condominium.

(a) The Developer hereby reserves for itself and its beneficiaries the right to add within seven (7) years from the recording of this Declaration Additional Property to that which has been hereby submitted to the provisions of the Act, and in the event of any addition, to reallocate percentage interest in the Common Elements in accordance with the provisions of the Act and these Condominium Instruments, by recording a Plat and Plans, together with an amendment to this Declaration, in accordance with the Act. No approval of Unit Owners shall be required in connection with the exercise of said right to add the Additional Property.

(b) In connection with the aforesaid right to add Additional Property to the terms of this Declaration in accordance with the Act:

(1) The Developer hereby expressly reserves the option to add Additional Property to the Condominium established hereby, which option may be exercised in accordance with, and shall be governed by, the terms of this Declaration and the Act.

(2) If additional Units are added, or if additional Common Elements are added, or both, the method by which the reallocation of percentage interests, adjustments to voting rights, and rights, and changes in liability for Common Expenses shall be determined shall be as follows. Each Amended Declaration shall include (i) an amended Exhibit "C" which shall amend Exhibit "C" hereto by setting forth the amended legal description of the Parcel to include the additional parcel or parcels annexed hereto, as well as a separate legal description of such addition, (ii) an amended Plat showing the boundaries of such addition and of the entire Parcel as amended, and delineating the additional Units on such addition, and (iii) an Amended Exhibit "C" which shall amend Exhibit "C" hereto by setting forth the amended percentages of the undivided interests in the Common Elements (as amended and added to by such Amended Declaration) allocated to each Unit (including all previous Units and the additional Units added by such Amended Declaration). The percentages of the undivided ownership interest in the Common Elements as amended by each Amended Declaration, and as set forth in the amended Exhibit "C", shall be determined and adjusted in the following manner:

A. The Common Elements as amended by such Amended Declaration shall be deemed to consist of:

(i) The Common Elements as existing immediately prior to the recording of such Amended Declaration (hereinafter referred to as the "Existing Common Elements"); and

(ii) The Common Elements added by such Amended Declaration (hereinafter referred to as the "Added Common Elements").

B. The Units as amended by such Amended Declaration shall be deemed to consist of:

(i) The Units as existing immediately prior to the recording of such Amended Declaration (hereinafter referred to as the "Existing Units"); and

(ii) The Units added by such Amended Declaration (hereinafter referred to as the "Added Units").

The value of each of the Added Units shall be added to the current aggregate value of the Existing Units and the total thereof shall be deemed to be the new value of the Condominium as a whole. "Value" as used in this paragraph and this Declaration shall be determined by the Developer as of the date of the recording of the Amended Declaration and shall be based on the square feet of a Unit and the square feet of all Units. Such determination by the Developer shall be conclusive and binding upon all Unit Owners, mortgagees and other parties who then or in the future have any interest in the Condominium, and each Owner consents to the use of square feet to determine value.

C. The percentages of undivided ownership interest, as amended and adjusted by such Amended Declaration, in the entire Common Elements, consisting of the Existing Common Elements, plus the Added Common Elements, to be allocated among all the Units, consisting of the Existing Units plus the added Units, shall be computed by taking as a basis the value of each Unit in relation to the value of the Condominium as a whole, determined as aforesaid.

The Existing Units shall be entitled to their respective percentages of ownership, as amended and adjusted and set forth in amended Exhibit "C" attached to such Amended Declaration, in the Added Common Elements, as well as in the Existing Common Elements.

D. Each and all of the provisions of this Declaration and the Exhibits attached hereto, as amended by each such successive Amended Declaration and the amended Exhibits attached thereto, shall be deemed to apply to each and all of the Units, including all such Added Units as well as all Existing Units, and to all of the Common Elements, including all such Added Common Elements as well as all Existing Common Elements.

E. The recording of an Amended Declaration shall not alter or affect the amounts of any liens for Common Expenses due from any Existing Unit Owners prior to such recording, nor the respective amounts theretofore assessed to or due from Existing Unit Owners for Common Expenses or other assessments.

F. The lien of any mortgage encumbering any Existing Unit, together with its appurtenant percentage of undivided ownership interest in the Existing Common Elements, shall automatically be deemed to be adjusted and amended when an Amended Declaration is recorded, in accordance with the respective percentage of undivided ownership interest in the Common Elements for such Existing Unit as set forth in the amended Exhibit "C" attached to such Amended Declaration, and the lien of such mortgage shall automatically attach in such percentage to the Added Common Elements.

(3) The legal description of all land, which may be added to the Condominium, hereinafter referred to as "Additional Property", is set forth on Exhibit "B" attached and made a part hereof.

(4) The option to add Additional Property shall expire seven (7) years from the date of the recording of this Declaration, unless two-thirds (2/3) of the Owners, excluding Declarant, consent (within the last year) to extend such deadline. The option shall terminate on the earlier of (a) said expiration date, or (b) the recording of a written notice by Developer, expressly releasing all of its option rights hereunder. There are no limitations on the option except as set forth herein.

(5) Portions of the Additional Property may be added to the Condominium at different times, at the sole discretion of the Developer, subject to the approval of FNMA, FHA, HUD or VA, if applicable. There are no limitations or restrictions either (a) on the order in which any part of the Additional Property may be added, or (b) fixing the boundaries of portions of Additional Property to be added, or (c) on whether any particular portion of the Additional Property must be added; all of the foregoing matters are in the sole discretion of the Developer.

(6) There are no limitations imposed by this Declaration on the location of improvements, if any, which may be made on all or any portion of the Additional Property added.

(7) The maximum number of Units that may be created on the Additional Property shall be One Hundred Thirty Seven (137).

(8) The structures, improvements, Buildings and Units will be of the same style, construction and quality as that of the pre-existing improvements.

(9) No plat, site plan or other graphic material is herein set forth to further supplement or explain the information provided in this paragraph 19.

(10) The effective date for assigning assessments and granting voting rights to the Add-on Units shall be the date of the closing for each Add-on Unit.

(11) All improvements intended for the Additional Property will be substantially completed prior to its addition.

(12) The Developer shall have the unlimited right to assign portions of the Additional Property as Limited Common Elements.

(c) The Developer and its successors and assigns shall have and are hereby granted an appurtenant easement over and on the Common Elements for the purpose of making improvements on the Parcel and Additional Property, and for that purpose doing what is reasonable, necessary and proper in conjunction therewith.

(d) No provisions of the Condominium Instruments shall be construed to be binding upon or obligate the Developer to exercise its option to make additions, and the Additional Property legally described herein shall not be bound thereby; except that in the case of any covenant, restriction, limitation or other representation of commitment in the Condominium Instruments, or in any other agreement made with, or by, the Developer, requiring the Developer to add all or any portion of the Additional Property, or imposing any obligation with regard to anything that is or is not to be done on or with regard to the property or any portion thereof, this paragraph shall not be construed to nullify, limit or otherwise affect any such obligation.

(e) Any amendment to the Declaration adding any portion of the Additional Property may contain such complementary additions and modifications of the provisions of the Declaration affecting the Additional Property which are necessary to reflect the differences in character, if any, of the Additional Property and the improvements thereto. In no event, however, shall any such amendment to the Declaration revoke, modify or add to the covenants established by the Declaration for the property already subject to the Declaration.

(f) Each and all of the Unit Owners, of all Existing Units and of all Added Units hereafter, and their respective mortgagees, grantees, heirs, administrators, executors, legal representatives, successors and assigns, by their acceptance of any deed or mortgage or other interest in or with respect to any of such Units, shall be deemed to have expressly agreed, assented and consented to each and all of the provisions of this Declaration, with respect to the recording of any and all Amended Declarations as aforesaid which may amend, adjust, and reallocate from time to time their respective percentages of undivided ownership interest in the Common Elements, including the existing Common Elements and Added Common Elements, from time to time hereinabove provided; and hereby further agrees to each and all of the provisions of each and all of said Amended Declarations which may hereafter be recorded in accordance with the foregoing provisions of this Declaration.

(g) Each and all of the Unit Owners, or all Existing Units and all Added Units hereafter, and their respective mortgagees, grantees, heirs, administrators, executors, legal representatives, successors and assigns, by their acceptance of any deed or mortgage or other interest in or with respect to any of such Units, further acknowledges, consents and agrees, as to each such Amended Declaration that is recorded, as follows:

(1) The portion of the Additional Property described in each such Amended Declaration shall be governed in all respect by the provisions of this Declaration.

(2) The percentage of ownership in the Common Elements appurtenant to each Unit shall automatically be shifted and reallocated to the extent set forth in each such recorded Amended Declaration and upon the recording of each such Amended Declaration, the amount by which such percentage appurtenant to a Unit is reduced, as set forth in each such recorded Amended Declaration, shall thereby be and be deemed to be released and divested from such Unit Owner and reconveyed and reallocated among the other Unit Owners as set forth in each such recorded Amended Declaration.

(3) Each deed, mortgage or other instrument affecting a Unit shall be deemed given subject to the conditional limitation that the percentage of ownership in the Common Elements appurtenant to each Unit shall, upon the recording of each Amended Declaration, be divested pro tanto to the reduced percentage set forth in such Amended Declaration and vested among the other Owners, mortgagees and others owning an interest in the other Units in accordance with the terms and percentages of each such recorded Amended Declaration.

(4) A right of revocation is hereby reserved by the grantor in each such deed, mortgage or other instrument of a Unit to so amend and reallocate the percentages of ownership in the Common Elements appurtenant to each Unit.

(5) The percentage of ownership in the Common Elements appurtenant to each Unit shall include and be deemed to include any additional Common Elements annexed hereto by a recorded Amended Declaration and each deed, mortgage or other instrument affecting a Unit shall be deemed to include such additional Common Elements and the ownership of any such Unit and lien of any such mortgage shall automatically include and attach to such additional Common Elements as such Amended Declarations are recorded.

(6) Each Owner shall have a perpetual easement, appurtenant to his or her Unit, for the use of any additional Common Elements annexed thereto by and described in any recorded Amended Declaration, for the purposes therein set forth, except as to any portion the use of which is limited by exclusive easements or by designation as Limited Common Elements granted to the Owners of specific Units as may be provided in any such Amended Declaration, or this Declaration and the Act, any changes in the respective percentages of ownership in the Common Elements as set forth in each such Amended Declaration shall be deemed to be made by Agreement of all Unit Owners.

(7) Each Owner by acceptance of the deed conveying his or her Unit, agrees for himself and all those claiming under him, including mortgagees, that this Declaration and each amended Declaration is and shall be deemed to be in accordance with the Act and for purposes of Declaration and the Act, any changes in the respective percentages of ownership in the Common Elements as set forth in each such Amended Declaration shall be deemed to be made by agreement of all Unit Owners.

(8) The Developer reserves the right to amend this Declaration in such a manner, and each Owner agrees to execute and deliver such documents necessary or desirable to cause the provisions of this paragraph to comply with the Act as it may be amended from time to time.

(9) The foregoing provisions of this Declaration and deeds and mortgages of the Units and Common Elements contain and will contain clauses designed to accomplish a shifting of the Common Elements. None of said provisions shall invalidate the other toward the end that a valid shifting of the percentage interest in the Common Elements can be accomplished.

20. Rules and Regulations. The use and enjoyment of the Condominium, Units and Common Elements shall at all times be subject to reasonable rules and regulations duly adopted by the Association from time to time.

(a) Initial Rules and Regulations. Upon the recording of this Declaration, the following rules and regulations shall be in place:

(1) General. No unlawful, noxious or offensive activities shall be carried on in any Unit or elsewhere on the Condominium, nor shall anything be done therein or thereon which shall constitute a nuisance or which shall in the judgment of the Board cause unreasonable noise or disturbance to others. Each Unit Owner shall maintain his Unit in good condition and in good order and repair, at his own expense, and shall not do or allow anything to be done in his Unit, which may increase the cost or cause the cancellation of insurance on other Units or on the Common Elements. No Unit Owner shall display, hang, store or use any clothing, sheets, blankets or other article outside his Unit, or which may be visible from the outside of his Unit (other than draperies, curtains, or shades of a customary nature and appearance, subject to the rules and regulations of the Board), or paint or decorate or adorn the outside of his Unit, or install outside his Unit any canopy or awning, or outside radio or television antenna, or other equipment, fixtures or items of any kind, without the prior written permission of the Board or the written permission of the Managing Agent, acting in accord with the Board's direction. No owner of a Unit shall display, hang, store or use any sign outside his Unit, in a hallway or elsewhere, or which may be visible from the outside of his Unit without the prior written permission of the Board or the written permission of the Managing Agent, acting in accord with the Board's direction.

(2) Animals. No animals shall be raised, bred or kept in any Unit, except for dogs, household cats and small birds owned by Unit Owner, provided said pet is not kept for any commercial purposes, and provided that said pet shall be kept in strict accordance with the administrative rules and regulations relating to household pets from time to time adopted by the Board, and provided that said pet shall not in the judgment of the Board constitute a nuisance to others. The Board, in its discretion, may adopt rules or regulations prohibiting the keeping of household pets altogether, or limiting the permissible number or kind of animals. The administrative rules and regulations shall include at a minimum the following: (i) pets shall be kept on a leash at all times while outside a Unit; (ii) all forms of excrement of such pets shall be immediately removed from lawns, Common Elements, driveways and parking areas; and (iii) any Owner or Occupant who houses a pet which is the subject of three (3) or more justifiable complaints of violations of the Association's rules and regulations shall forthwith permanently remove the pet from the Unit upon notice from the Board. The Board shall have the authority to make regular assessments against any and all Owners of Units which house pets for the purpose of paying any additional costs which may be involved in maintaining and/or repairing the Condominium as a direct or indirect result of the housing of pets, which assessments may be enforced by the same collection means of enforcing assessments for Common Expenses.

(3) Trash. Trash, garbage and other waste shall be kept only in sanitary containers, and shall be disposed of in a clean sanitary manner as prescribed from time to time in rules and regulations of the Board. Owners and Occupants shall only use trash receptacles with an attached lid which have been approved by the Association as sanitary containers.

(4) Use by Developer. During the period of development, construction and sale by the Developer of any Units, the Developer and its agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from the Buildings and Condominium as may be required for purposes of said development, construction and sale of Units. While the Developer owns any of the Units and until each Unit sold by it is occupied by the purchasers, the Developer and its employees may use and show one or more of such unsold or unoccupied Units as a model Unit or Units and may use one or more of such unsold or unoccupied Units as a sales office, and may maintain customary signs in connection therewith.

(5) Storage. Articles of personal property belonging to any Unit Owner, such as baby carriages, bicycles, wagons, toys, furniture, clothing and other articles, shall not be stored or kept in the corridors, hallways, lobby or other Common Elements, except in such areas, if any, which have been specifically designated for such purposes.

(6) Wiring. No Unit Owner shall overload the electrical wiring in a Building, or operate any machines, appliances, accessories or equipment in such manner as to cause, in the judgment of the Board, an unreasonable disturbance to others, or connect any machines, appliances, accessories or equipment to the heating or plumbing system, without the prior

written consent of the Board or the prior written consent of the Managing Agent, given in accord with the Board's discretion.

(7) Parking Restrictions. All off-street parking is un-assigned and is intended for the use of visitors and guests. The parking of any mobile home, trailer, motor home, tractor, truck (other than a pick-up truck), campers, boats or other water-craft, or any other related forms of transportation, in the off-street parking, including the driveways appurtenant to each assigned garage, is hereby prohibited, except that such vehicles may be parked temporarily for not more than forty-eight (48) hours.

(8) Residence. Subject to the provisions of the Bylaws, no part of the Condominium, with the exception of any clubhouse, may be used for purposes other than as a residence and the related common purposes for which the Condominium was designed. Each Unit shall be used as a residence or such other use permitted by this Declaration, and for no other purpose, including monthly lease for Hotel-Like operations, except that professional and quasi-professional people may use their residence as an ancillary or secondary facility to an office elsewhere. The foregoing restrictions as to residence shall not, however, be construed in such manner as to prohibit a Unit Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; or (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incidental to the residential use and not in violation of said restrictions.

(9) Leases. Any lease or rental agreement for a Unit shall be in writing, and be subject to this Declaration and Bylaws any amendments thereto, and the Association. No Unit may be leased or rented for less than thirty (30) days. In addition, all restrictions contained in any documents recorded against the Condominium prior to the date hereof or ordinances, resolutions or other regulations of governmental authorities affecting the Condominium shall apply to the use of any part of the Condominium. Unit Owners shall deliver a copy of a signed lease to the Board or memorandum of the lease if it is oral not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first. The Association shall have the right to seek to enjoin a tenant from occupying a Unit or seek to evict a tenant under the provisions of Georgia law for failure of the Owner to comply with the leasing requirements set forth in these bylaws. Further, the Association may proceed directly against the tenant, at or in equity, for any other breach by tenant of any of the Condominium Instruments.

(10) Use of Common Elements. Subject to the Developer's right to have models, sales offices, construction offices and other related offices, the Common Elements shall be used only by the Unit Owners and their agents, servants, tenants, family members, customers, invitees and licensees for access, ingress to and egress from the respective Units and for such other purposes incidental to use of the Units; provided, however, recreational areas and other areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged, or unreasonably interfered with by any Unit Owner, and shall be

subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part or all of said Common Elements.

(11) Minimum Temperature. The minimum temperature in a Unit shall not be less than Sixty degrees (60°) Fahrenheit.

(12) Antennae and Satellite Dishes. Radio, television, transmission and reception antennae may not be installed on the roof of a Unit. All antennae must be installed within the attic of a Unit. Satellite dishes may not be installed on the front elevation or front portion on the roof of a Unit to be visible from the adjacent road and sidewalks, and satellite dishes may not be installed in the front yard of a Unit. Satellite dishes less than one meter in diameter may be installed on the rear elevation roof to the extent not visible from the adjacent road and sidewalks. Satellite dishes less than one meter in diameter may be discreetly installed in the ground in a rear yard, in the rear portion of the side yard, to the rear elevation of the Unit or to the side elevations of the Unit (closer to the rear elevation than the front elevation). Notwithstanding the foregoing, satellite dish installation is subject to the ordinances of the County, the rules and regulations of the FCC and the written approval of the Board of Directors.

(13) Architectural Standards. No change in the exterior appearance of a Unit, or the quality of the construction of a Unit, can be changed in any way whatsoever except with the written approval of the Board of Directors. The prohibition of this provision shall include, but not be limited to, the following:

(a) The construction of any exterior addition to any Unit, or the construction of any temporary or permanent improvement or building on the lot on which the Unit is located.

(b) The reconfiguration of any existing structure of a Unit in any manner whatsoever.

(c) The use of any material on the exterior of any Unit or associated structures which is not identical to that which was provided as a part of the original construction, both in quality, color and other appearances.

(d) The erection of satellite dishes, aerials, antennas, clotheslines, awnings, or other similar items or devices.

(e) Storm doors shall not be added to a Unit, except in accordance with written Association specifications.

(f) The erection or maintenance of any fences or other types of barricades, except for those, which are a part of the original construction.

(g) Developer is installing mailboxes per County and Post Office requirements. Any replacement shall be in exact conformance with the standard established.

(h) The construction or placement of structures to house or restrain pets.

In addition to the foregoing prohibitions, each Owner shall have an affirmative obligation to maintain and repair his and/or her Unit in such a manner as to maintain at all times the uniformity of appearance of each Unit with all other in the community.

(14) Maintenance and Repair of Units. Except as provided in the Declaration, it is the Owners sole and exclusive responsibility to maintain and repair his and/or her Unit. The Association's responsibility shall include not only routine maintenance and care of the lawn and landscaped areas, but also the replacement of grass, sod, and trees and shrubbery, which were a part of the original landscaping. Each Owner shall water and sprinkle the landscaping and lawn adjacent to their Unit to keep the area plush and green, and if the Owner fails to water and sprinkle as needed, the Association has the right to attach hoses and sprinklers to the Owner's outside spigot and water the areas as needed. Furthermore, it shall be the Association's responsibility to repair or replace any grass, sodding, or landscaping, which has been damaged or destroyed by the actions or omissions of any Owner, but it shall be the responsibility of the Owner who damaged or destroyed to pay all costs associated therewith.

(15) Signs. No Owner shall display any sign on any part of any Unit, for so long as Declarant owns any Unit or until the expiration of five (5) years. After five (5) years, only temporary but tasteful "For Sale" signs are permitted.

(16) Noise. Loud music or television or any other sound which may be objectionable to any other Owner or Occupant is prohibited at all times.

(17) Owner's Obligation to Provide Information to the Association. All Owners shall advise the Association in writing of (i) the names, residence addresses (if different from that of the Unit owned) and telephone numbers of all Owners, Occupants and all tenants, subtenants and other occupants; (ii) any periods of vacancy exceeding thirty (30) days with addresses and telephone numbers to be reached at during said vacancy; and (iii) the name, business address and telephone numbers of all Mortgagees of record on the Unit owned, and all such information provided in accordance herewith shall be updated in writing by each Owner within fifteen (15) days, upon the request of the Board of Directors.

(18) Unightly Objects. The decks or patios are intended for patio furniture only and no articles are to be stored or hung on the same. No clothes, sheets, blankets, laundry of any kind, or other articles shall be hung out or exposes on any part of the Common Elements.

(b) Notice. Copies of all rules and regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such rules and regulations and amendments thereto. Such rules and regulations shall be binding upon the Owners, Occupants, their families, tenants, guests, invitees, servants, and agents, until and unless any such rule or regulation is specifically overruled, canceled, or modified by the Board or in a regular or special meeting of the Association by the vote of the Owners, in person or by proxy, holding a majority of the total votes in the Association, provided that in the event of such vote, such action must also be approved by Declarant, for so long as Declarant shall have the right to appoint the Board pursuant to this Declaration and the Bylaws.

(c) Authority and Enforcement. Upon the violation of this Declaration, the By-Laws, or any rules and regulations duly adopted hereunder, including, without limitation, the failure to timely pay any assessments, the Board shall have the power (i) to impose reasonable monetary fines which shall constitute an equitable charge and a continuing lien upon the Unit, the Owners or Occupants of which are guilty of such violation, (ii) to suspend an Owner's right to vote in the Association, or (iii) to suspend an Owner's and Occupant's right (and the right of such Owner's family, guests, and tenants and of the co-Owners of such Owner and their respective families, guests, and tenants) to use any of recreational facilities located in the Common Elements, and the Board shall have the power to impose all or any combination of these sanctions. An Owner shall be subject to the foregoing sanctions in the event of such a violation by such Owner, Occupant, his family, guests, or tenants or by his co-Owners or the family, guests, or tenants of his co-Owners. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed thirty (30) days per violation.

(d) Procedure. Except with respect to the failure of an Owner to pay assessments, the Board shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or Occupant for violations of the Declaration, the By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

(1) Written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violation specifying:

- (i) The alleged violation;
- (ii) The action required to abate the violation; and

(iii) A time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of this Declaration, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

(2) Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to

be held by the Board in executive session. The notice shall contain:

- (i) The nature of the alleged violation;
- (ii) The time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice;
- (iii) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and
- (iv) The proposed sanction to be imposed.

(3) The hearing shall be held in executive session of the Board pursuant to the notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director, or other individual who delivered such notice. In addition, the notice requirement shall be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

21. Damage or Destruction and Restoration of Building.

(a) Determining Action to be Taken. In the event of damage to or destruction of the whole or any part of the Condominium, the Association shall repair, rebuild or restore the Condominium or such part as has been damaged or destroyed pursuant to the provisions of Section 44-3-94 of the Act unless Unit Owners entitled to cast two-thirds of the total Association vote agree not to restore.

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

(c) Source and Allocation of Proceeds. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, the additional costs shall be assessed against all Owners in proportion to each Owner's respective undivided interest in the Common Elements. This assessment shall not be considered a special assessment. If there is a surplus of 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.

(d) Plans and Specifications. Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Condominium was originally constructed, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original plans and specifications are approved by the Board of Directors. To the extent insurance proceeds are available, the Association may reconstruct or repair Owner improvements damaged as a result of fire or other casualty.

(e) Encroachments. Encroachments upon or in favor of Units which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with 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 shall stand.

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

22. Eminent Domain. In the event of a taking by condemnation or by eminent domain, the provisions of the Act shall prevail and govern; provided, however, that any proceeds received for a taking of the Common Elements (other than Limited Common Elements) by condemnation or eminent domain shall, at the option of the Board, either be allocated to the Owners pursuant to O.C.G.A. § 44-3-97(a), as amended, or be deposited into the Association's operating account or reserve account to be applied to Common Expenses.

23. Remedies. In the event of any violation of the provisions of the Act, Declaration, Bylaws or rules and regulations of the Board or Association by any Unit Owner (either by his or her own conduct or by the conduct of any other Occupant of his or her Unit) the Association, or its successors or assigns, the Board, its agent, or the Developer shall have each and all of the rights and remedies which may be provided for in the Act, Declaration, Bylaws, or the rules and regulations, or which may be available at law or in equity, and may prosecute an action or other proceedings against such defaulting Unit Owner and/or others for enforcement of any lien and the appointment of a receiver for the Unit and ownership interest of such Unit Owner, or for damages of injunction or specific performance, or for judgment for payment of money and collection thereof, or the right to take possession of the Unit and to sell the same as hereinafter in this paragraph provided, or for any combination of remedies, or for any other relief. All expenses of the Board in connection with any such actions or proceedings, including court costs and attorney's fees and other fees and expenses and all damages, liquidated or otherwise, together with interest thereon at the rate of eight percent (8%) per annum or the maximum rate permitted by law, whichever is higher, until paid, shall be charged to and assessed against such defaulting Unit Owner, and shall be added to and

deemed part of his or her respective share of the Common Expenses, and the Board shall have a lien for all of the same, as well as for nonpayment of his or her respective share of the Common Expenses, upon the Unit and ownership interest in the Common Elements of such defaulting Unit Owner and upon all of his or her additions and improvements thereto and provided, however, that such lien shall be subordinate to the lien of a prior recorded first mortgage on the interest of such Unit Owner owned or held by any insurance company, bank, savings and loan, mortgage banker or FNMA or other lending institution, except for the amount of the proportionate share of said Common Expenses which become due and payable after the date on which the said mortgage owner or holder either (a) takes possession of the Unit, (b), accepts a conveyance of any interest therein (other than as a security), or (c), accepts a deed in lieu of foreclosure for its mortgage or causes a receiver to be appointed in suit to foreclose its mortgage. Notice of such lien may be recorded by the Board, or if the Developer is the manager or has a majority of seats on the Board and the Board fails to do so, any Unit Owner may record such notice. In the event of such a default by any Unit Owner, the Board and the manager or managing agent, if so authorized by the Board, shall have the authority to correct such default, and to do whatever may be necessary for such purpose and all expenses in connection therewith shall be charged to and assessed against such defaulting Unit Owner. Any and all such rights and remedies may be exercised at any time and from time to time, cumulatively or otherwise, by the Board. This paragraph shall not be amended, changed, modified or rescinded without the prior consent of all holders of record of mortgage liens against Units in the Building.

The violation of any restriction or condition or regulation adopted by the Board or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to any other rights provided for in this Declaration; (a) to enter upon the Unit, or any portion of the property upon which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the Board, or its employees or agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach; or (c) to take possession of such Unit Owner's interest in the property and to maintain an action for possession of such Unit in the manner provided by law.

If any Unit Owner (either by his or her own conduct or by the conduct of any other Occupant of his or her Unit) shall violate the Act, or any of the covenants or restrictions or provisions of this Declaration, Condominium Instruments or the regulations adopted by the Board, and if such default or violation shall continue for ten (10) days after notice to the Unit Owner in writing from the Board, or shall occur repeatedly during any ten (10) day period after such written notice or request to cure such violation from the Board, then the Board shall have the power to issue to said defaulting Owner a notice in writing terminating the rights of the said defaulting Owner to continue as a Unit Owner and to continue to occupy, use or control his or her Unit, and thereupon an action in equity may be filed by the Board against said defaulting Owner for a decree of mandatory injunction against such defaulting Owner or Occupant, or in the alternative, for a decree declaring the termination of said defaulting Owner's right to occupy, use or control the Unit owned by him on account of said violation, and ordering that all the right, title and interest of said defaulting Owner in the Condominium shall be sold (subject to the lien of any existing mortgage) at

a judicial sale upon such notice and terms as the court shall determine, except that the court shall enjoin and restrain the said default Owner from reacquiring his or her interest at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against said defaulting Owner in said decree. Any balance of proceeds after satisfaction of such charges and any unpaid assessments hereunder or any liens, shall be paid to said defaulting Owner. Upon the confirmation of such sale, the purchaser shall thereupon be entitled to a deed to the Unit and Unit Owner's corresponding percentage of ownership in the Common Elements, and to the immediate possession of the Unit sold and may apply to the court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall so provide, that the purchaser shall take the interest in the Unit Ownership sold subject to this Declaration.

Any Unit Owner shall have a right of action against Unit Owners who fail to comply with the provisions of the Condominium Instruments or the decisions made by the Association.

24. Amendment. Pursuant to the requirements contained in Section 28(d) (3), Unit Owners owning not less than sixty-seven percent (67%) of the total ownership of Common Elements may amend, modify or rescind the provisions of this Declaration by a resolution duly adopted at an annual or special meeting of Unit Owners called for that purpose or by an instrument in writing setting forth such amendment, modification or rescission signed by the requisite number of Unit Owners and duly acknowledged before a notary public; provided, however, that all lienholders of record must be notified by certified mail of such amendment, modification or rescission; and further provided, that during any such time as there shall exist an unexpired option to add any Additional Property to the Condominium or during any such time as the Declarant has the right to control the Association, the agreement shall be that of the Declarant and the Unit Owners of Units to which sixty-seven percent (67%) of the votes in the Association pertain, exclusive of any vote or votes appurtenant to Units owned by the Declarant. An affidavit of the Secretary of the Association shall be sufficient and conclusive evidence of the vote of Unit Owners or the giving of notice to lien holders of record.

However, if the Act, the Declaration or the Bylaws require the consent or agreement of all Unit Owners or of all lien holders for any action specified in the Act or in this Declaration, then any instrument changing, modifying or rescinding any provision of this Declaration with respect to such action shall be signed by all the Unit Owners or all lien holders or both as required by the Act or this Declaration.

The change, modification or rescission, whether accomplished under either of the provisions of the preceding two paragraphs, shall be effective and recording of such instrument in the office of the Clerk of Superior Court of Cobb County, Georgia; provided, however, that no change, modification or amendment which affects the rights, privileges or obligations of the Developer or its beneficiaries shall be effective without the prior written consent of the Developer, Declarant or its beneficiaries, and further provided that no provisions in this Declaration may be changed, modified or rescinded so as to conflict with the provisions of the Act.

The Condominium Instruments may not be amended or merged without the prior written approval of the Veteran's Administration and FHA provided however, that the Declarant may add phases pursuant to Paragraph 19 of the Condominium Declaration without prior approval of the Veteran's Administration and FHA, provided said added phases are made in conformance with said Paragraph 19 and are submitted to the Veteran's Administration and FHA pursuant to the provisions of Paragraph 19.

25. Intentionally deleted.

26. Special Amendment. Developer and/or Declarant reserve the right and power, without the consent, approval or signature of the Board, the Association, any Unit Owners or any mortgagee, to record a special amendment ("Special Amendment") to this Declaration at any time and from time to time which amends this Declaration (i) to comply with requirements of the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Department of Housing and Urban Development, the Federal Housing Administration, the Veteran's Administration or any other governmental agency or any other public, quasi-public or private entity which performs (or may perform) functions similar to those currently performed by such entities, (ii) to induce any of such agencies or entities to make, purchase, sell, insure or guarantee first mortgages covering Unit Ownerships, (iii) to bring this Declaration into compliance with the Act, or (iv) to correct clerical or typographical errors in this Declaration or any Exhibit hereto or any supplement or amendment thereto. In furtherance of the foregoing, a power coupled with an interest is hereby reserved and granted to the Developer and/or Declarant to vote in favor of, make, or consent to a Special Amendment on behalf of each Unit Owner as proxy or attorney-in-fact, as the case may be. Each deed, mortgage, trust deed, other evidence of obligation, or other instrument affecting a Unit and the acceptance thereof shall be deemed to be a grant and acknowledgement of, and a consent to the reservation of, the power to the Developer and/or Declarant to vote in favor of, make, execute and record Special Amendments. The right of the Developer and Declarant to act pursuant to rights reserved or granted under this Section shall terminate at such time as the Declarant or Developer no longer holds or controls title to a Unit and the right of Declarant to submit additional parcels to the Act as provided in Section 19 hereof has expired.

27. Notices. Notices provided for in the Act, Declaration or Bylaws shall be in writing and shall be addressed to the Association or Board, as the case may be, at Suite 100, 6880 North Frontage Road, Burr Ridge, Illinois, 60527 or to the Unit Owner at the address of his or her Unit, or at such other address as hereinafter provided. The Association or Board may designate a different address or addresses for notices to them, respectively, by giving written notice of such change of address to all Unit Owners. Any Unit Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail, or when delivered in person with written acknowledgement of the receipt thereof.

Upon written request to the Board, the holder of any recorded mortgage or trust deed encumbering any Unit shall be given a copy of all notices permitted or required by this Declaration to be given to the Owner or Owners whose Unit is subject to such mortgage or trust deed.

28. Miscellaneous.

(a) Severability. If any provision of the Declaration or Bylaws, or any section, sentence, clause, phrase, word, or the application thereof in any circumstance, is held invalid, the validity of the remainder of the Declaration and the Bylaws and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances shall not be affected thereby and the remainder of this Declaration or the Bylaws shall be construed as if such invalid party was never included therein.

(b) Perpetuities and Restraints on Alienation. If any of the options, privileges, covenants or rights created by this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living lawful descendants of the incumbent President of the United States, and the incumbent Governor of Georgia.

(c) Rights and Obligations. Each Grantee of the Owner, by the acceptance of a deed of conveyance accepts the same subject to all restrictions, conditions, covenants, reservations, lien and charges, and the jurisdiction, rights and powers created or reserved by this Declaration, including but not limited to those imposed by documents recorded against the Condominium prior to the date hereof or ordinances, resolutions of other regulations of governmental authorities affecting the Condominium. All rights, benefits and privileges of every character hereby imposed shall be deemed and taken to be covenants running with the land, and shall bind any person having at any time any interest or estate in said land, and shall inure to the benefit of such grantee in like manner as though the provisions of this Declaration were recited and stipulated at length in each and every deed of conveyance or contract for conveyance.

(d) Other Superseding Provisions. Notwithstanding any other provision to the contrary contained elsewhere herein, each of the following provisions are a part of this Declaration, and in the event of any conflict or ambiguity between the provisions of this paragraph and any other provisions elsewhere in this Declaration, the provisions of this paragraph shall supersede and control, provided, however, that to the extent of any conflict between any of the provisions herein and that Act or state law, the Act or state law shall control and said provision, to that extent, shall be deemed null and void.

(1) The holder, insurer or guarantor of the first mortgage on any Unit in the Condominium is entitled to timely notice of:

(i) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing its first mortgage;

(ii) any sixty day (60) delinquency in the payment of assessments or charges owed by the Owner of any Unit on which it holds the first mortgage;

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

(iv) any proposed action that requires the consent of a specified percentage of first mortgagees that changes the boundaries of any Unit or easement rights appertaining thereto, that changes the interests in the Common Elements or liability for Common Expenses thereto, that changes the voting rights (excluding expansion) or that changes the purposes of the Units or Common Elements; and,

(v) any proposed termination of the Condominium.

In order to obtain this information, the first mortgage holder, insurer or guarantor should send a written request to the Association, stating both its name and address and the unit number or address of the Unit it has the first mortgage on.

(2) Any first mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's unpaid dues or charges, which accrue prior to the acquisition of title to such Unit by the mortgagee.

(3) Unless at least sixty-seven percent (67%) of the first mortgagees (based upon one vote for each mortgage owned), and sixty-seven percent (67%) of Owners (other than the sponsor, Developer or builder) of the individual Units have given their prior written approval (except in some cases a greater majority or unanimous approval may be needed as provided herein or in the Act) the Association shall not be entitled to take any action, or make any change, which materially affects the operation of the Association, including the following:

(i) Voting rights;

(ii) Assessments, assessment liens, or subordination or assessment liens;

(iii) Reserves for maintenance, repair and replacement of Common Elements;

(iv) Responsibility for maintenance and repairs;

(v) Reallocation of interest in the Common or Limited Common Elements, or rights to their use except as permitted by the Add-on provisions in this Declaration;

(vi) Boundaries of any Units:

- (vii) Convertibility of Units into Common Element or visa versa;
- (viii) Expansion or contraction of the Condominium, or the addition, annexation or withdrawal of property to or from the Condominium except as permitted by the Expansion provisions in this Declaration;
- (ix) Insurance or fidelity bonds;
- (x) Imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (xi) A decision by the Association to establish self-management when professional management had existed previously;
- (xii) Restoration or repair of the Condominium (after a hazard damage or partial condemnation) in a manner other than that specified in the documents;
- (xiii) Any action to terminate the legal status of the Condominium after substantial destruction or condemnation occurs;
- (xiv) Provisions that specifically and explicitly expressly benefit mortgage holders, insurers or guarantors;
- (xv) The prorata interest or obligations of any individual Unit for the purpose of: a) levying assessments or charges or allocating distributions or hazard insurance proceeds or condemnation awards or b) determining the prorata share of the ownership of each Unit in the Common Elements, except as provided in the Add-on provisions of paragraph 19;
- (xvi) Dimensions of any Unit by partition or subdivision;
- (xvii) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements except as provided in the Add-on provision of paragraph 19;
- (xviii) Use hazard insurance proceeds for losses to any condominium property (whether to Units or to Common Elements) for other than repair, replacement or reconstruction of such condominium property, except as provided by statute in case of substantial loss to the Units and/or Common Elements of the condominium;
- (xix) Leasing of Units.

Notwithstanding the above, the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the condominium shall not be deemed a transfer within the meaning of this clause.

(4) Any and all claims, disputes and controversies by and between the Association, a Unit Owner, Developer, Declarant, Managing Agent or any other party connected in any way to the Association, or any combination of the foregoing, arising from or related to the Property, the Association, any improvements to the Property, the sale of any Unit on the Property, including, without limitation, any claim of breach of contract, negligence, negligent or intentional misrepresentation or non disclosure in the inducement, execution or performance of any contract, including this arbitration agreement, and breach of any alleged duty of good faith and fair dealings, shall be submitted to arbitration by and pursuant to the rules of Construction Arbitration Services, Inc. (hereinafter CAS) in effect at the time of the request for arbitration or by such other arbitration service as Declarant shall, in its sole discretion select, and pursuant to the rules of that arbitration service in effect at the time of the request for arbitration. This arbitration agreement shall inure to the benefit of, and be enforceable by all successors and assigns of the parties. Any party shall be entitled to recover reasonable attorneys' fees and costs incurred in enforcing this arbitration agreement, and the arbitrator shall have sole authority to award such fees and costs. The decision of the arbitrator shall be final and binding and may be entered as a judgment in any state or federal court of competent jurisdiction. This arbitration agreement shall be deemed to be a self executing arbitration agreement. Any disputes concerning interpretation or the enforceability of this arbitration agreement, including without limitation, its revocability or voidability for any cause, the scope of arbitrable issues and any defense based on waiver, estoppel or laches shall be decided by the arbitrator. The initiation of or participation by any party in any judicial proceedings concerning this arbitration agreement or any matter arbitrable hereunder shall not be deemed a waiver of the right to enforce this arbitration agreement, and notwithstanding provision of law to the contrary, shall not be asserted or accepted as a reason to delay, to refuse to participate in, or to refuse to enforce this arbitration agreement. Any party who shall commence a judicial proceeding concerning a dispute that is arbitrable, however, shall also be deemed a party requesting arbitration within the meaning of this arbitration agreement. The arbitrator's compensation shall be borne equally by the arbitrating parties. Any additional fees may be assessed in accordance with the arbitration rules and fees. Parties expressly agree that this arbitration agreement involves and concerns interstate commerce and is governed by the provisions of the Federal Arbitration Act (9 USC §1 *et seq.*) now in effect as the same may from time to time be amended, supplanted or replaced, to the exclusion of any different or inconsistent state or local law, ordinance or judicial rule; and to the extent that any local law, ordinance or judicial rule may be inconsistent with any provision of the rules of the arbitration service under which the arbitration proceeding shall be conducted, the latter rule shall govern the conduct of the proceedings. If any provision of this arbitration agreement shall be determined by arbitrator or by any court to be (i) non-enforceable or (ii) have been waived, the remaining provision shall be deemed to be severable therefrom and enforceable according to their terms.

(5) Unless at least seventy-five percent (75%) of the first mortgagees (based upon one vote for each mortgage owned), and seventy-five percent (75%) of the Owners (other than the sponsor, developer or builder) of the individual Units have given their prior written approval (except in some cases a greater majority or unanimous approval may be needed as provided herein or in the Act) the Association shall not be entitled to commence any arbitration against the Developer, Declarant, or any other party connected in any way to the Association. No litigation shall be permitted in any circumstance.

(6) First mortgagees shall have the right to examine the books and records of the Association or the Condominium. The Association shall prepare and furnish within a reasonable time audited financial statements of the Association for the immediately preceding fiscal year upon the written request of any of the agencies or corporations which have an interest or perspective interest in the condominium.

(7) Condominium dues or charges shall include reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, and shall be payable in regular installments rather than by special assessments.

(8) All taxes, assessments and charges, which may become liens prior to the first mortgage under local law shall relate only to the individual Condominium Units and not to the Condominium as a whole.

(9) Nothing herein shall give a Unit Owner, or any other party, priority over any rights of first mortgagees of Units pursuant to their mortgages in the case of a distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

(10) All amenities (such as parking, recreation and service areas) if and when constructed shall be part of the condominium project and are covered by the mortgage at least to the same extent, as are the Common Elements.

(11) Assignments by Declarant. All rights which are specified by this Declaration to be the rights of the Declarant are assignable, mortgageable, pledgeable or transferable. Any successor to, or assignee of, the rights of the Declarant hereunder (whether as the result of voluntary assignment, foreclosure, assignment in lieu of foreclosure or otherwise) shall hold or be entitled to exercise the rights of the Declarant hereunder as fully as if named as such party herein. No party exercising rights as Declarant hereunder shall have or incur any liabilities for the acts of any other party which previously exercised or subsequently shall exercise such rights.

(12) Any agreement for professional management of the condominium project, or any other contract providing for services by the Developer, sponsor or builder, must provide for termination by either party without cause or payment of a termination fee on sixty (60) days written notice, and with cause on thirty (30) days written notice without payment of a termination fee; and a maximum contract term of three (3) years.

(13) The Association shall give the Federal Home Loan Mortgage Corporation notice in writing of any loss to, or taking of, the Common Elements of the Condominium if such loss or taking exceeds \$10,000 or damage to a Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000, provided the Servicer of any such mortgage delivers its address in writing to the Association.

(14) Storage of household goods or other material within the attached garage in such a manner as to prevent use of the garage as a designated off-street parking space is prohibited.

(15) Within 12 months of the issuance of the initial occupancy permit, an informal general meeting shall take place. All Unit Owners will be invited and thereafter, these meetings shall take place not less than annually until the first regular annual meeting of Unit Owners is held (as provided herein). Unit Owners will select potential future Board candidates who will form an informal board and meet semi-annually with the first board.

(16) A right of entry is hereby granted to the Common Elements for the County of Cobb law enforcement officers, rescue squad personnel, and fire-fighting personnel while in the pursuit of their duties; and, in the case common driveways, permitting the enforcement of emergency vehicle access.

(17) The Association shall hold the County of Cobb police or other official personnel harmless from civil or criminal action arising through a charge of trespass for entering on the Common Elements in the performance of their duties. In addition, approval is hereby granted to County of Cobb municipal and enforcement officers to enter the Common Elements to enforce County ordinances.

(18) This Declaration, along with all exhibits hereto, is subject to the ordinances and regulations of the County of Cobb.

(19) In addition to the meetings described in this Declaration and the exhibits hereto, the Board (including the board appointed by the Developer) shall meet within one year of the first sale closing, at the latest.

(20) The County of Cobb shall have the right, in its sole discretion, but no obligation where it believes that the Association is unable or unwilling to perform its responsibilities or to assert its rights (as contained herein) to take such actions as the Association could have taken to enforce rights granted to the Association with regard both to Common Elements, and to enforcement actions against Unit Owners or others and to assess for the full cost of enforcing the obligations or fulfilling its rights. If any Unit Owner shall fail to pay his or her proportionate share of such costs, the County of Cobb is hereby granted the same lien rights that are granted to the Association.

(e) Intentionally deleted.

(f) Project Documents. The Association shall have current copies of the Declaration, Bylaws, and other rules concerning the Condominium as well as Association books, records, and financial statements available for inspection by Unit Owners or by holders, insurers and guarantors of first mortgages that are secured by Units in the Condominium. These documents shall be available during normal business hours. Additionally, the Association shall provide an audited statement for the preceding fiscal year if the holder, insurer, or guarantor of any first mortgage that is secured by a Unit and the Condominium submits a written request for it.

29. Severability. Developer intends and believes that each provision in the Declaration and the Bylaws comports with all applicable local, state and federal laws and judicial decisions. However, if any provision or provisions, or if any portion of any provision or provisions, in this Declaration or the Bylaws is found by a court of law to be in violation of any local, state or federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such portion, provision or provisions of this Declaration or the bylaws to be illegal, invalid, unlawful, void or unenforceable as written, then it is Developer's intent that such portion, provision or provisions shall be given force to the fullest possible extent that they are legal, valid and enforceable; that the remainder of this Declaration and the Bylaws shall be construed as if such illegal, invalid, unlawful, void or unenforceable portion, provision or provisions were not contained therein; and that the rights, obligations and interests arising under the remainder of this Declaration and the Bylaws shall continue in full force and effect.

30. Disclaimer of Entities. Unit Owners and the Association acknowledge and understand that their relationship is with the Declarant pursuant to the written terms of this Declaration, and no other entity notwithstanding anything to the contrary in advertising, promotional or other materials. Unit Owners and the Association acknowledge that they have no claim against any entity including affiliates, subsidiaries, parents or otherwise under common control of Declarant, and Unit Owners and the Association waive and release any such claims, if any.

31. Disclaimer of All Warranties. Declarant and Developer hereby disclaim and exclude any and all warranties, expressed or implied (including, without limitation, any implied warranty of habitability, merchantability, quality or fitness for particular purpose), with respect to the Property, Common Elements and the Units. The Association and any Unit Owner knowingly agree to waive any and all rights that they may have pursuant to the implied warranty of habitability. The Association and Unit Owners acknowledge and agree that the sole warranties that apply to the Property, Common Elements and the Units are solely contained within the purchase agreement for the acquisition of the Unit.

IN WITNESS WHEREOF, the Declarant has executed this Declaration under seal, this 2nd day of September, 2003.

DECLARANT: PORTRAIT HOMES-GEORGIA, LLC,
LLC, an Illinois limited liability company

By: _____ (SEAL)
Name: John J. Ramirez
Title: _____

Signed, sealed, and delivered
in the presence of:

Alicia Summers
WITNESS

Patricia H. Jordan
NOTARY PUBLIC

My Commission Expires: 5-19-07

[AFFIX NOTARY SEAL]

