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Atlanta, Georgia 30305 Attention: Jay Lazega

STATE OF GEORGIA COUNTY OF FULTON Reference: Deed Book 16552 Page 22

AMENDED AND RESTATED DECLARATION OF CONDITIONS, COVENANTS, RESTRICTIONS AND EASEMENTS REGARDING AUTUMN CHACE

IMPORTANT NOTICE:

THIS AMENDMENT SUBMITS THE PROPERTY TO THE PROVISIONS OF THE GEORGIA PROPERTY OWNERS' ASSOCIATION ACT, O.C.G.A., SECTION 44-3-220. ET SEQ.

CLOSING ATTORNEYS SHOULD CONTACT THE ASSOCIATION FOR ESTOPPEL CERTIFICATES REGARDING BOTH ASSESSMENTS/CHARGES DUE ON LOTS AND ANY UNCURED ARCHITECTURAL VIOLATIONS OR UNAUTHORIZED IMPROVEMENTS ON LOTS, PURSUANT TO THE PROVISIONS HEREOF.

This Amended and Restated Declaration of Protective Covenants for Autumn Chace may be used only in connection with the ownership and sale of property at Autumn Chace**n and the operation of Autumn Chace Homeowner's Association, Inc.

PREPARED BY:



Jay S. Lazega, Esquire

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WHEREAS, the Amended and Restated Declaration of Conditions, Covenants, Restrictions and Easements Regarding Autumn Chace was recorded on May 10, 1993, in Deed Book 16552, Page 20, et seq., Fulton County, Georgia land records (hereinafter referred to as the "Original Declaration") as may be amended; and

WHEREAS, Article XIV, Section 4 of the Original Declaration provides that the Original Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Autumn Chace Homeowner's Association, Inc. ("Association") holding 2/3 of the total eligible Association vote; and

WHEREAS, members of the Association holding 2/3 of the total eligible Association vote desire to amend the Original Declaration and have approved this Amended and Restated Declaration; and

WHEREAS, in accordance with Article VII, Section 3 of the Bylaws of Autumn Chace Homeowner's Association, Inc. ("Original By-Laws"), the Original By-Laws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding 2/3 of the total eligible Association vote; and

WHEREAS, members of the Association holding 2/3 of the total eligible Association vote desire to amend the Original By-Laws and have approved these Amended and Restated Bylaws; and

NOW, THEREFORE, the Original Declaration, the Original By-Laws, and all exhibits thereto, are hereby stricken in their entirety and this Amended and Restated Declaration and the attached Amended and Restated Bylaws are simultaneously substituted therefor:

DECLARATION OF PROTECTIVE COVENANTS FOR AUTUMN CHACE

IMPORTANT NOTICE
THIS AMENDMENT: SUBMITS THE PROPERTY TO THE PROVISIONS OF THE GEORGIA PROPERTY OWNERS'
ASSOCIATION ACT, O.C. G.A. SECTION 44-3-220. ET SEQ.

CLOSING ATTORNEYS SHOULD CONTACT THE ASSOCIATION FOR ESTOPPEL CERTIFICATES REGARDING BOTH ASSESSMENTS/CHARGES DUE ON LOTS AND ANY UNCURED ARCHITECTURAL VIOLATIONS OF UNAUTHORIZED IMPROVEMENTS ON LOTS, PURSUANT TO THE PROVISIONS HEREOF.

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PREPARED BY:

Jay S. Lazega, Esquire

The name of the Community is Autumn Chacesm, which is a residential property owners' development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq. (Michie 1982), as may be amended.

2. **DEFINITIONS**

Unless the context otherwise requires, capitalized terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall be defined as set forth in this Paragraph 2. Otherwise, the terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the Georgia Nonprofit Corporation Code.

- Act means the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq. (Michie 1982), as may be amended.
- Architectural Control Committee or ACC means the committee established to exercise the architectural review powers set forth herein, which shall be the Board of Directors of the Association unless the Board appoints a separate Architectural Control Committee.
- Area of Common Responsibility means the Common Property, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other Person become the maintenance responsibility of the Association. Any public rights-of-way within or adjacent to the Community may be considered by the Board of Directors to be part of the Area of Common Responsibility.
- Articles of Incorporation or Articles means the Articles of Incorporation of Autumn Chace Homeowner's Association, Inc., filed with the Secretary of State of the State of Georgia.
- Association means Autumn Chace Homeowner's Association, Inc., a Georgia nonprofit corporation, its successors or assigns.
- Association Legal Documents means this Declaration and all exhibits hereto, the Bylaws, the Articles of Incorporation, the plats and all rules and regulations and architectural guidelines for the Association, all as may be supplemented or amended.
- Board or Board of Directors means the body responsible for management and operation of the Association.
- Bylaws means the Bylaws of Autumn Chace Homeowner's Association, Inc., attached to this Declaration as Exhibit "B" and incorporated herein by this reference.
- Common Property means any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.
- Common Expenses means the expenses incurred or anticipated to be incurred for the general benefit of all Lots, including, but not limited to, those expenses incurred for maintaining, repairing. replacing, and operating the Common Property.
- Community means that real estate which is submitted to the Act and the provisions of this Declaration, as described in Exhibit "A" attached hereto and incorporated herein by reference. The Community is a residential property owners' development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, et seq. (Michie 1982), as may be amended.

- L. <u>Community-Wide Standard</u> means the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board of Directors.
- M. <u>Covenant Oversight Committee or COC</u> means the committee established to oversee and enforce the Association Legal Documents. The COC shall be the Board of Directors of the Association unless a separate committee is established by the Board.
- N. <u>Declaration</u> means this Declaration of Protective Covenants and Easements for Autumn Chace.
 - O. Director means a member of the Association's Board of Directors.
- P. <u>Domestic Partner</u> means any adult who cohabitates with an Owner, and who has been designated as the Owner's Domestic Partner in a written statement, signed by the Owner and filed with the Association's Secretary or property manager. A person shall no longer be a Domestic Partner upon the Secretary's or property manager's receipt of a written termination notice, signed by either the Owner or the Domestic Partner.
- Q. <u>Effective Date</u> means the date that this Declaration is recorded in the Fulton County, Georgia land records.
- R. <u>Eligible Mortgage Holder</u> means a holder of a first Mortgage secured by a Lot who has submitted a request in writing to the Association to be deemed an Eligible Mortgage Holder. Such notice must include the mortgage holder's name and address and the Lot number or address of the property in the Community secured by such mortgage.
- S. Lot means a portion of the Community intended for ownership and use as a single-family dwelling site subject to this Declaration, as may be shown on the Plats for the Community recorded in the Fulton County, Georgia land records. Any attachments to the exterior walls of a dwelling which protrudes beyond the boundaries of the Lot shall be deemed part of the Lots, so long as such attachment was constructed in accordance with the original design of the dwelling or has been approved by the Board of Directors. There shall be no horizontal boundaries. The vertical boundaries shall be shown on plats recorded in Plat Book 104, Page 95 and Plat Book 105, Pages 53 and 73, Fulton County, Georgia records. All conduits, pipes, ducts, plumbing, wiring and other facilities for the furnishing of utilities or services to more than one of the dwellings and/or to the Common Property are Common Property and are excluded from the Lot although located within the boundaries thereof.
 - T. <u>Majority</u> means fifty-one percent of those Owners eligible to vote.
- U. Mortgage means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance of fee title for such purpose.
 - V. Mortgagee or Mortgage Holder means the holder of any Mortgage.
- W. Occupant means any person staying overnight in a dwelling on a Lot for a total of more than 30 days, either consecutive or nonconsecutive, in any calendar year.
- X. Officer means an individual who is elected by the Board of Directors to serve as President, Vice President, Secretary, or Treasurer, or to hold such other office as may be established by the Board of Directors.

- Y. <u>Owner</u> means the record title holder of a Lot, but shall not include a Mortgage Holder. For purposes hereof, the holder of a tax deed on a Lot shall be deemed the Owner thereof, notwithstanding the fact that there may exist a right of redemption on such Lot.
- Z. <u>Person</u> means any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity.
- AA. Plats means those plats of the survey relating to the Community filed in Plat Book 104, Page 95; and Plat Book 95, Pages 53 and 73 of the Fulton County, Georgia land records, as amended or supplemented. All of the Plats of survey are incorporated herein by this reference.
- BB. <u>Violator</u> means any Owner who violates the Association Legal Documents and any Owner's family member, guest or Occupant who violates such provisions; provided, however, if an Owner's family member, guest or Occupant violates the Association Legal Documents, the Owner of the relevant Lot also shall be considered a Violator.

3. SUBMITTTED PROPERTY AND ADDITIONAL PROPERTY

A. Submitted Property

The real property in the Community subject to this Declaration and the Act is located in Land Lots 35 and 36, of the 17th District of Fulton County, Georgia, being more particularly described in Exhibit "A" attached to this Declaration, and incorporated herein by this reference and as may be shown on the Plats.

B. Additional Property

Property not shown on any Plat may be submitted to this Declaration with the approval of Owners holding at least a majority of the eligible vote of the total Association membership and by recording a consent form executed by the owner of such property and by the Board of Directors.

4. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

A. <u>Membership</u>

The Association has one class of membership. Each Lot Owner shall be a member of the Association. This does not include persons who hold an interest merely as security for the performance of an obligation. The giving of a security interest shall not terminate an Owner's membership. No Owner, whether one or more Persons, shall have more than one membership per Lot owned in the Community. An Owner's spouse or Domestic Partner may exercise all membership rights and privileges of the Owner.

B. Voting

The Owner(s) of the Lot shall be entitled to one equally weighted vote for such Lot, which vote may be exercised and suspended as provided in this Declaration and the Bylaws.

5. ALLOCATION OF LIABILITY FOR COMMON EXPENSES

A. General Allocations

Except as provided below, or elsewhere in the Act or the Association Legal Documents, the amount of all Common Expenses shall be assessed against all the Lots equally.

B. Individual Allocations

Notwithstanding the above, the Board of Directors shall have the power to charge a portion of the Common Expenses against a Lot in accordance with Section 44-3-225(a) of the Act and as, in its discretion,

it shall deem appropriate. Failure of the Board to do so shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to do so in the future.

6. ASSESSMENTS

A. Purpose of Assessment

The Association shall have the power to levy assessments as provided herein and in the Act. Assessments shall be used for any purpose the Board of Directors determines will benefit the Owners or the Community.

B. Creation of the Lien and Personal Obligation For Assessments

Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association all assessments and other charges levied pursuant to this Declaration and the Bylaws.

All assessments, and charges levied against a Lot and its Owner, together with interest, costs and reasonable attorneys' fees actually incurred (including post-judgment attorneys' fees, costs and expenses), in the maximum amounts permitted under the Act, shall be: (1) a charge and a continuing lien against such Lot; and (2) the personal obligation of the Person who is the Owner of the Lot on the due date of the assessment. Each Owner and his or her grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance of the Lot. The Association, in the Board's discretion, may record a notice of such lien in the Fulton County, Georgia land records evidencing the lien created under the Act and this Declaration. The lien provided for herein shall have priority as provided in the

Assessments shall be paid in such manner and on such dates as determined by the Board of Directors. No Owner may exempt himself or herself from liability, or otherwise withhold payment of assessments, for any reason whatsoever.

C. <u>Delinquent Assessments</u>

All assessments and charges not paid on or before the due date shall be delinquent, and the Owner shall be in default. In addition to the powers set forth below for collection of unpaid assessments and charges, the Association shall be entitled to exercise all other rights and remedies provided by law and in equity to satisfy an Owner's debt.

If any assessment or charge, or any part or installment thereof, is not paid in full within 15 days of the due date, or such later date as may be provided by the Board of Directors:

- (1) a late charge equal to the greater of \$10.00 or 10% of the amount not paid, or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner;
- (2) interest at the rate of 10% per annum, or such higher rate as may be authorized by the Act, shall accrue from the due date;
- (3) the Board may accelerate and declare immediately due any unpaid installments of that Owner's assessments and charges. Upon acceleration, the Owner shall lose the privilege of paying such assessments and charges in installments, unless the Board otherwise reinstates such privilege in writing. If the Association has pending legal action against an Owner for unpaid assessments or charges, then no notice shall be required to accelerate unpaid installments of any annual or special assessments that come due during any fiscal year after such legal action commences, until all amounts owed are paid in full or the Board otherwise reinstates such privilege in writing; and
- (4) the Association may bring legal action or other lawful action to collect all sums owed under the Declaration and Georgia law.

If assessments or other charges, or any part thereof, remain unpaid more than 30 days after the due date, the Owner's right to vote and use the Common Property are suspended automatically until all amounts owed are paid in full or the Board of Directors otherwise reinstates such rights in writing; provided, however, the Board may not deny ingress or egress to or from a Lot.

If part payment of assessments or other charges is made, the amount received may be applied first to post-judgment attorneys' fees, costs and expenses, then to costs and attorneys' fees not reduced to a judgment, then to interest, then to late charges, then to delinquent assessments and then to current assessments. Late charges may be assessed on delinquencies that are created by the application of current payments to outstanding delinquent assessments or charges.

D. Computation of Operating Budget and Assessment

To establish the annual assessment for a fiscal year, the Board of Directors shall prepare a budget covering the estimated costs of operating the Community, which may include a reserve contribution as provided below. The Board shall provide the budget to the Owners at least 21 days before the end of the fiscal year. The budget and the assessment shall become effective unless a Majority of the total Association membership votes to disapprove them at a duly called membership meeting. The membership has 21 days after the budget is provided by the Board in which to request a meeting of the membership for the purpose of voting on the budget.

If the membership disapproves the proposed budget or the Board of Directors fails for any reason to determine a new budget, the budget then in effect shall continue until a new budget is adopted as provided herein. If the Board discovers, for any reason during the year, that the budget set for the year was not sufficient to cover the expenses, the Board may adopt an adjusted budget following the procedure specified above and the membership shall have 21 days after any such revised budget is provided by the Board in which to request a meeting of the membership for the purpose of voting on the revised budget.

The budget shall not operate as a limitation on expenditures by the Board of Directors. The budget is merely an estimate of Common Expenses on which the Board establishes the annual assessment.

Services provided to the individual Lots such as garbage, recycling, water, sewer and cable shall be paid for as a Common Expense and shall be included in the budget.

E. Special Assessments

In addition to the all other assessments, which includes all annual assessments, and other charges provided for herein, the Board of Directors may levy a special assessment against all Owners for any purpose. Special assessments totaling more than \$300.00 per Lot in any fiscal year must first be approved by at least a Majority of those Owners either voting by written consent or ballot pursuant to the Bylaws, or at least a Majority of those Owners present or represented by proxy at a duly called meeting of the members, notice of which shall specify the purpose of such meeting.

F. Capital Budget and Contribution

The Board of Directors may prepare an annual or multi-year capital reserve budget and may establish a capital reserve fund contribution based on such budget. Capital reserve budgets should take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost.

G. Foreclosure Administration Fee

It is recognized that foreclosures of mortgages on Lots create substantial administrative and other burdens on the Association. These additional burdens on the Association include, but are not limited to, having to monitor the status of mortgages and legal periodicals to determine when foreclosures occur, searching the Fulton County, Georgia land records to determine the names of the purchasers at foreclosure sales, contacting the foreclosure purchasers/owners regarding foreclosure-purchaser responsibilities and

assessment obligations and updating Association records multiple times to deal with just a single Lot. Pursuant to this Declaration and Section 44-3-225(a) of the Act, the Association is authorized to assess individual Owners certain fees and expenses occasioned by and benefiting just those Owners or those Owners' Lots. In accordance with these provisions, and in addition to annual assessments, special assessments, and other charges provided for in this Declaration, any Person who acquires a Lot at a foreclose sale of the mortgage on such Lot, or by deed in lieu of a foreclosure, will be required to pay the Association a Foreclosure Administration Fee of \$500.00 at the time the foreclosure deed or deed in lieu of foreclosure is recorded in the Fulton County, Georgia records. The Foreclosure Administration Fee shall constitute a specific assessment as described in this Declaration.

H. Statement of Account

Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments and charges due and unpaid, including but not limited to any late charges, interest, fines, attorneys' fees or other charges against such Lot. The Association shall respond in writing within five 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 Lot as of the date specified therein, if such statement is reasonably relied upon in connection with the issuance of any Mortgage on such Lot.

I. Surplus Funds and Common Profits

Common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, be: (1) added to the Association's capital reserve account; (2) credited to the next assessment chargeable to the Owners; or (3) distributed to the Owners.

7. MAINTENANCE RESPONSIBILITY

A. Owner's Responsibility

Each Owner is responsible for reviewing the survey for his or her Lot and determining the boundaries of his or her Lot. Each Owner shall maintain and keep all portions of his or her Lot and dwelling in good repair, condition and order, except those portions that are expressly identified as the Association's maintenance responsibility below. Each Owner also is responsible for maintaining, repairing and, as necessary, replacing:

- (1) All water, sewer and storm water drainage pipes and lines serving only the Owner's Lot, from the point of entry into the dwelling on a Lot. For the purpose of this provision, point of entry shall mean the exterior of the slab foundation of a dwelling or the exterior wall of the dwelling;
 - (2) hose bibs located on or in the exterior wall of the dwelling on the Lot;
- components, security lines and components, electrical boxes, meters, flues, or other apparatus which serve only the Lot, whether located inside or outside a Lot's boundaries, including but not limited to: (i) the exterior light fixtures served by electricity from the Lot; (ii) the exterior electrical outlets served by electricity from the Lot; (iii) any attic fan serving the Lot; (iv) all portions of the heating and air condition system serving the Lot; and (v) the dryer vent, range vent and other vents serving the Lot and penetrating the exterior walls or roof of the dwelling on the Lot. As examples, under this provision, the Owner is responsible for maintaining and repairing all portions of a dryer vent, including any portions outside the dwelling, and for maintaining and repairing an electrical line serving only the Lot from and including the point where that line tees or branches off of a common line or main line serving multiple Lots;
 - (4) all portions of party walls and party fences dividing two Lots, including, but not

limited to retaining walls between courtyards or patios and carport dividing walls or fences; provided, however any portion of a wall or fence that does not adjoin a neighboring lot and that forms a portion of the carport of a dwelling on a Lot shall not be considered a party wall or fence for the purposes hereof, but rather shall constitute a part of the carport within the Lot Owner's responsibility to maintain and repair. For purposes hereof, each wall or fence built as a part of the original construction of the Lots, or any replacement thereof, which shall serve and separate any two adjoining Lots shall constitute a party wall. The general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto;

- all portions of any rear deck or rear balcony serving the Owner's Lot, including, but not limited to all decking surfaces, support posts or rails; and
- any and all other portions of the Owner's Lot not listed within the Area of Common Responsibility in Subsection B below.

All maintenance, repair and replacements performed by an Owner hereunder shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. Each Owner shall perform his or her responsibility hereunder in such manner so as not to unreasonably disturb other Lot Owners.

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

В. Association's Responsibility

The Association shall maintain, keep in good repair, replace and, in the Board of Directors' discretion, improve or alter the Area of Common Responsibility, which shall include the following:

(1) Common Property

The Association shall maintain, keep in good repair and, in the Board's discretion, improve or alter the Common Property. The Association shall also maintain and keep in good repair all water and sewer pipes or facilities which serve the Common Property, to the extent that such pipes and facilities are not maintained by public, private, or municipal utility companies.

Lots/Area of Common Responsibility

The Association shall also maintain and keep in good repair the Area of Common Responsibility on Lots, which includes the following:

- water and sewer lines up to the point of entry into a dwelling on the Lot. For the (i) purpose of this provision, point of entry shall mean the exterior of the slab foundation of a dwelling or the exterior wall of the dwelling;
- stormwater drainage pipes located outside the boundaries of the Lot; (ii)
- paint the exterior painted surfaces of garage doors and garage door frames; (iii)
- maintain, repair and, as appropriate, paint the visually exposed surfaces of unenclosed garages and carports, limited to the carport roof (subject to (iv) subparagraph (v) below), the wood ceilings, the wood siding, the wood trim, and the brick surface of the support columns, but excluding the support column

structure footings, the carport slab or flooring, and the carport dividing walls and fences, all of which are the Owner's responsibility;

- (v) maintain, repair and, as necessary, replace all roofs of dwellings and carports, limited to the roof shingles, felt paper or underlayment, decking, flashing, vent boots and chimney caps, but excluding attic fans and vents serving the lot, which are the Owner's responsibility;
- (vi) maintain, repair and, as necessary, replace downspouts and gutters serving the dwellings on the Lots;
- (vii) maintain, repair and paint, where applicable, the visible exterior building surfaces of dwellings on Lots, excluding hardware, glass, windows, doors, decks, maintaining and waterproofing foundations either above or below grade, and maintaining the footings, which are the Owner's responsibility;
- (viii) paint the exterior painted surfaces of window units, to include the window jambs, sills, casing and window sashes, (excluding viny) windows unless painting is requested by Owner) and door units, to include the doors (excluding storm doors), door jambs and casing;
- (ix) maintain, repair and replace architectural fenestration on dwellings on Lots;
- (x) maintain and repair driveways leading to carports or garages;
- paint and repair visible exterior painted surfaces of front balconies on Lots that (xi) have front balconies, including rails; provided, however, the Association shall not be responsible for maintaining any portion of rear decks or rear balconies;
- (xii) maintain, repair and replace of mailboxes and posts, exterior house numbers and wood plaques on which numbers are posted;
- (xiii) maintain a repair and replacement termite bond on the Lots; and
- (xiv) maintain and repair the brick veneer and firewalls at the Lot, provided that any condition that is the responsibility of the Owner that causes the need for repair is repaired by the Owner, or Owners in the case of a party wall, prior to a repair of the brick veneer or firewall.

Specifically excluded from the Area of Common Responsibility are the following: (1) within patios or courtyards, if any, of the Lots, walkways, steps, patio surfaces, landscaping and planters; (2) HVAC or similar equipment located outside the dwelling on the Lot; (3) all doors (except for painting of exterior painted surfaces as noted in subsection (iii) and (viii) above), including screen and storm doors, garage doors, hinges, hardware, frames and thresholds which are part of the entry system of the Lot; (4) hose bibs contained in exterior walls of the dwelling on the Lot; (5) lighting fixtures pertaining to a particular Lot and being located outside an entryway or in a carport or garage; (6) windows, (except for painting of exterior painted surfaces as noted in subsection (viii) above), screens, hardware and glass; (7) foundations and footings on Lots, including waterproofing either above or below grade; (8) cleaning of carports and garages; (9) attic vents and vent fans, if any, and (10) decks.

General Maintenance Provisions and Maintenance Guidelines

The Board of Directors has adopted Maintenance Guidelines further defining maintenance obligations at the Community, which are available to any Owner. The Board of Directors, without a vote of the membership, may revise, update or amend the Maintenance Guidelines as it determines appropriate to further interpret and/or define maintenance obligations at the Community, upon written notice to the Owners.

Upon Board resolution and approval of a majority of the members present or represented by proxy at a duly constituted meeting of the members, the Association may assume responsibility for providing additional exterior maintenance upon Lot improvements. Additionally, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association where the Board has determined that such maintenance would benefit all Owners. All maintenance performed by the Association shall be performed consistent with the Community-Wide Standard.

The Association shall have the right, but not the obligation, to maintain public rights of way adjacent to the Community and other property not owned by the Association, if the Board of Directors, in its sole discretion, determines that such maintenance would benefit the Community; provided, however, if any such maintenance exceeds \$5,000, the Association must first obtain the approval of a Majority of the membership present at a duly called Association meeting. At any point thereafter, the Board can cease to maintain such property and such maintenance obligation will revert back to the party originally responsible therefore.

The foregoing maintenance shall be performed consistent with the Community-Wide Standard.

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

If the Board of Directors determines that the need for maintenance or repair on the Common Property or Area of Common Responsibility is caused through the willful or negligent act of any Owner or Occupant or his or her family, guests, tenants, or invitees, then the Association may charge the cost of any such maintenance, repair, or replacement as a specific special assessment against the Owner's or Occupant's Lot and the Owner thereof.

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

It is understood that, even if damage within a dwelling is caused by an exterior condition for which the Association is responsible hereunder, the Owner shall be responsible for repairs within his or her dwelling (including but not limited to, drywall, flooring and other repairs), unless such damage was caused solely by or resulted solely from the negligence or gross negligence of the Association, or such damage is covered under insurance maintained by the Association hereunder (solely to the extent of proceeds actually paid under such insurance). Lot Owners are required to perform periodic inspections of their Lot and to report Common Property or Area of Common Responsibility conditions requiring maintenance by the Association to the Board or the property manager as soon as possible, or within twenty four hours of their discovery of such condition. It also is understood that any failure of an Owner to report

Common Property or Area of Common Responsibility conditions causing damage to his or her dwelling. Lot or the Common Property within twenty four hours of the discovery of such condition, when the Owner has knowledge or notice of such condition, or to provide the Association with all necessary access into the dwelling to investigate any such condition, could result in unnecessary damage to the Community, and the Owner may be held responsible for such damages. Except to the extent of proceeds of insurance available under the hazard insurance policy maintained by the Association under this Declaration, each Owner and Occupant hereby releases and fully indemnifies the Association for all claims of damage or liability related to or resulting from such Owner's and/or Occupant's failure to discharge maintenance, repair and reporting obligations existing under this Paragraph.

C. Failure to Maintain

Lot Owners are required to perform periodic inspections of their Lot and all areas within their responsibility in accordance with Subsection A of this Paragraph. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her maintenance, repair or replacement obligations pursuant to this Paragraph, then the Association shall give the Owner written notice of: (1) the Owner's failure or refusal; (2) the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense; and (3) the maintenance, repair, or replacement deemed necessary by the Board.

Unless the Board determines that an emergency exists or a violation is re-occurring for which notice previously has been issued hereunder, the Owner shall have 10 days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within 10 days. If the Board determines that an emergency exists, a violation is re-occurring for which notice has been previously issued hereunder or an Owner has not complied with the demand given by the Association hereunder, the Association may provide any such maintenance, repair or replacement, the costs of which shall be a specific special assessment against the Owner and the Lot.

D. Maintenance Standards and Interpretation

The Board of Directors may establish, interpret and enforce maintenance standards for the Community. These standards may vary over time, however, the variances shall not constitute a waiver by the Board of the right to establish and enforce maintenance standards under this Paragraph. No Board decision or interpretation regarding maintenance standards shall constitute a binding precedent with respect to subsequent Board decisions or interpretations.

8. ARCHITECTURAL CONTROLS

A. <u>Architectural Control Committee</u>

The Architectural Control Committee ("ACC") shall constitute a standing committee of the Association. The ACC shall consist of the Board of Directors unless the Board of Directors delegates to other Persons the authority to serve on the ACC. In the event an ACC is established, the ACC's sole function shall be to receive and review applications for modifications and to make recommendations to the Board of Directors. The Board of Directors shall be the sole arbiter of all applications submitted.

B. <u>Limitation on Exterior Modifications</u>

Except as otherwise provided herein, no Owner, Occupant, or any other person may, without written approval of the Board:

- (1) construct any dwelling or other improvement on a Lot;
- (2) make any change or alteration that affects the exterior appearance of the Lot; or
- (3) erect, place or post any object or thing on the Lot that affects the exterior appearance of the Lot.

Additionally, no modification shall encroach onto the Common Property unless expressly approved in writing by the Board.

C. Standards and Interpretation

The Board of Directors may establish, amend and publish written Community-Wide Standards for modifications that affect the exterior appearance of Lots. Any standards established by the Board hereunder may be amended or vetoed by a Majority of the total Association vote. No Board decision or interpretation regarding such standards shall constitute a binding precedent with respect to subsequent Board decisions or interpretations.

D. Application Process and Review

The Board of Directors may establish procedures, forms, conditions and requirements for the submission of applications for modifications to the exterior appearance of a Lot. Such applications shall be in writing and, unless otherwise provided by the Board, submitted to the ACC. If the application requests any variance from provisions of this Declaration or published Community-Wide Standards related to the exterior appearance of the Lot, the Owner must expressly identify such variance in the application. No approval issued hereunder shall authorize such a variance unless that variance is expressly identified in the application and specifically approved in writing by the Board.

The Board shall be the sole arbiter of such application.

The standard for approval of such modifications shall include, but not be limited to: (1) aesthetic consideration; (2) materials to be used; (3) compliance with the Community-Wide Standards, this Declaration, or the design standards which may be established by the Board; (4) harmony with the external design of the existing dwellings. Lots and structures, and the location in relation to surrounding structures and topography; and (5) any other matter deemed to be relevant or appropriate by the Board or ACC. The Board shall approve any request that it determines, in its reasonable discretion, to be in substantial compliance with such standard for approval.

E. Ruling on Application

If the Board fails to approve or to disapprove such application within 45 days after the application and all required information have been submitted, the Owner submitting the application may issue written notice, via certified mail, to the Association President, informing the President of the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within 10 days of receipt of the Owner's notice, the approval will not be required and this subparagraph will be deemed complied with as to the items specifically identified in the application. However, even if the requirements of this subparagraph are satisfied, nothing herein shall authorize anyone to construct or maintain any modification that is otherwise in violation of the Association Legal Documents, or of any applicable zoning or other laws. Except as provided in this subparagraph, no approval of a modification shall be valid unless issued in writing. Owners may not rely on any verbal approval or statements from any person as the approval required for a modification.

F. Appeal

If the Board disapproves any application or part thereof, an Owner may, in writing, appeal the Board's decision. The notice of appeal must be sent to the Board by certified mail and received by the Board within 14 days from the date of its original disapproval notice, or the decision of the Board shall become final and all rights of appeal shall terminate. Within 45 days of receipt of a timely appeal, the Board shall approve, disapprove, or conditionally approve the Owner's application, and such ruling shall be final and binding on the Owner.

G. Commencement and Completion of Construction

All modifications approved hereunder must be commenced within six months from the date of approval, or such approval shall be deemed revoked, unless the Board or the property manager gives a

H. Professional Consultants and Fees

The Board of Directors shall be authorized to charge, as a specific special assessment, against any Owner and Lot reasonable fees for any architect, engineer or other professional consultant engaged by the Board to assist with review of modifications on, or submitted plans for, such Lot. Any professional consultants fees shall constitute specific assessments as described in this Declaration.

I. <u>Limitation of Liability</u>

The Association, Board of Directors, ACC, and members thereof, are not responsible for ensuring, and shall not be held liable for any injury, damage or loss arising out of: (1) the quality, structural integrity or soundness of any modification on a Lot; or (2) any modification's compliance with building codes, zoning regulations or other governmental requirements.

9. USE RESTRICTIONS

Each Owner shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of the Association Legal Documents. In addition to the following use restrictions, the Board of Directors may establish rules and regulations in accordance with the terms hereof and as specified in the Bylaws.

A. Residential Use

Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any portion of the Community, except that the Owner or Occupant residing in a dwelling on a Lot may conduct ancillary business activities within the dwelling so long as:

- (1) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the dwelling;
- (2) the business activity does not involve visitation or deliveries to the Lot by employees, clients, customers, suppliers, couriers, mail carriers, or other business invitees in greater volume than would normally be expected for a Lot without business activity;
- (3) the business activity does not involve use of the Common Property, except for necessary access to and from the Lot by permitted business invitees;
- (4) the business activity is legal and conforms to all zoning requirements for the Community;
- (5) the business activity does not increase any insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage; and
- (6) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other Owners or Occupants, as determined in Board of Director's discretion.

The Association has no liability for any business activity in the Community. The Association also has no liability for any action or omission by it, its Directors, Officers, agents, representatives and/or vendors, that may adversely impact an Owner's or Occupant's business activity. Each Owner and Occupant hereby releases and holds harmless the Association, its Directors, Officers, agents, representatives and/or vendors, for any interruption or suspension of, or any damages to, any business activities conducted on a Lot. Owners and Occupants shall obtain whatever supplemental insurance may be necessary to protect their business assets, business continuity and business interests on their Lots. The

Association is not obligated to obtain any insurance coverage for any Owner's or Occupant's business activity.

The term "business," as used in this provision, shall include, without limitation, any occupation, work or activity that involves the provision of goods or services to persons other than the provider's family for a fee, compensation, or other form of consideration, regardless of whether. (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefore.

B. Number of Occupants

No more than two Occupants per bedroom are permitted in the dwelling, as such bedrooms are depicted on the plans for such dwelling approved by the applicable governmental agency; provided, however, in no event shall there be more than 6 occupants per dwelling. This occupancy restriction shall not apply to require the removal of any person lawfully occupying a dwelling on the Effective Date hereof. Upon written application, the Board of Directors shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988.

If an Owner is a corporation, limited liability company, partnership, trust or other legal entity not being a natural person, the Owner shall designate in writing to the Board the name(s) of the person(s) who will occupy the dwelling on the Lot. The designated person(s) to occupy the dwelling may not be changed more frequently than once every 12 months without the Board's written consent.

C. Subdivision of Lots

No Lot may be subdivided into a smaller Lot without the prior approval of a Majority of the membership.

D. <u>Use of Common Property</u>

There shall be no obstruction of the Common Property, nor shall anything be kept, parked or stored on or removed from any part of the Common Property without the express written consent of the Board of Directors. The Association may remove and either discard or store any unauthorized personal property left or kept on the Common Property and the Association shall have no obligation to return, replace or reimburse the Owner for such property. The Association is not liable to any Person for any loss of, theft of, or damage to any personal property.

E. <u>Prohibition of Damage and Illegal Conduct</u>

Without prior written consent of the Board of Directors, nothing shall be done or kept in the Community which would increase the Common Expenses, damage the Common Property, increase the rate of insurance on the Community or any Lot or any part thereof or cause it to be cancelled, or be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body. Noxious, destructive, offensive, hazardous, or unsanitary activity shall not be carried on in the Community, as such activity or conduct may be defined in the Association's rules and regulations.

F. Firearms

The display or discharge of firearms on the Common Property is prohibited, except by law enforcement officers. Notwithstanding the foregoing, Lot Owners and Occupants may transport lawful firearms across the Common Property to or from a Lot. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types.'

G. Pets

Owner and Occupants may keep and maintain pets subject to the following conditions:

(i) No animals, livestock or poultry of any kind shall be raised, bred or kept on any part of the Community, other than a reasonable number of dogs, cats or other generally recognized household pets in the Community, as determined in the sole discretion of the Board of Directors.

- (ii) No Owner or Occupant may keep, breed or maintain any pet for any commercial purpose in the Community;
 - (iii) All dogs and cats must be registered and vaccinated as required by law;
 - Pets may not be left unattended outdoors; (iv)
- Dogs must be kept on a hand held leash or leash and be under the physical control of a (v) responsible person at all times while outdoors;
- Feces left by pets on the Common Property or on any Lot must be removed promptly by the owner of the pet or the person responsible for the pet and placed in a bag and disposed of in a trash receptacle.
- Owners and Occupants shall not place or leave food of any kind, pet food, or bird seed on the Common Property or outside of the dwellings on the Lots.
 - No potbellied pigs are permitted in the Community.

No animals that the Board determines to be dangerous may be brought onto or kept in the Community. If the Board determines that an Owner's or Occupant's pet endangers any person or other pet or creates a nuisance or unreasonable disturbance in the Community, the Board may require that the pet be permanently removed from the Community upon seven days' written notice to such Owner or Occupant. If the Owner or Occupant fails to comply with such notice, the Board may remove the pet and/or obtain a court order requiring the Owner or Occupant to do so. Notwithstanding the above, the Board may remove any pet without prior notice to the pet's owner if, in the Board's sole discretion, the pet presents an immediate danger to health, safety or property in the Community. In the event the Board removes a pet or obtains a court order requiring the removal of a pet, the Owner and/or Occupant shall be responsible for all costs incurred by the Association in doing so, including all reasonable attorney's fees actually incurred.

Any Owner or Occupant who keeps or maintains any pet in the Community agrees to indemnify and hereby holds harmless the Association, its Directors, Officers, and agents, from any loss, damage, claim or liability of any kind or character whatsoever related to such pet. The Board may establish additional rules regarding pets in the Community; provided, however, the Board may not publish any restrictions on the breeds and/or size of permitted pets.

Parking

No Owner or Occupant may keep or bring into the Community more than a reasonable number of vehicles per Lot, as determined in the sole discretion of the Board of Directors. No Owner or Occupant shall park his or her motor vehicle on any part of the Community, other than within the garage or carport serving the Lot, unless the maximum number of motor vehicles which can be parked in the garage or carport according to its design capacity are already parked in the garage or carport. Owners may temporarily park approved vehicles in the driveway serving their respective lots, but no vehicles may be parked in driveways overnight except with the written approval of the Board of Directors. Vehicles may only be parked in garages, carports, designated parking spaces, or other areas authorized in writing by the Board. Vehicles may not be parked on any grass or landscaped areas on Lots. If an Owner or Occupant of a Lot wishes to keep more than 2 vehicles in the Community, said Owner or Occupant must obtain prior written approval from the Board of Directors to park any additional vehicles in a designated parking space. Such approval shall be granted solely in the discretion of the Board of Directors and as space allows. Guests of Owners or Occupants may temporarily park approved vehicles in the driveway serving the Owner or Occupant's Lot for a period not to exceed 72 consecutive hours, except with the written approval of the Board of Directors or property manager.

Disabled and stored vehicles are prohibited from being parked in the Community, except in garages. For purposes of this subparagraph, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains in the Community, other than in a carport or garage, for 14 consecutive days or longer without prior written consent of the Board. For the purpose of this subparagraph, a vehicle shall furthermore be considered "stored" if an Owner or Occupant establishes a monthly pattern parking the vehicle in the Community in any location other than a carport or garage, regardless of whether such vehicle is moved after 14 consecutive days or sooner. Vehicles may be stored in a carport if such vehicle has current registration, is clean and is operable and in good repair.

Boats, jet-skis, trailers, buses, taxis, hearses, timousines, recreational vehicles, motor homes, campers, panel trucks, trucks with a cargo-load capacity of one ton or more, full-size vans (excluding vans used by handicapped persons, mini-vans or sport utility vehicles used as passenger vehicles and receiving a "car" or "passenger vehicle" classification by the Georgia Department of Motor Vehicles), vehicles over 20 feet in length or containing more than four wheels, vehicles containing visible evidence of commercial use (such as tool boxes, tool racks, ladders, ladder racks or tow winches), and vehicles with commercial writings on their exteriors (except for law enforcement vehicles marked as such) are also prohibited from being parked in the Community, except: (1) in garages or as otherwise approved by the Board; or (2), in the case of service vehicles, on a temporary basis during daytime business hours or during emergencies for the purpose of serving a Lot. The Board may establish additional rules regarding vehicles and parking in the Community, which may include restrictions on the number of vehicles which may be parked in the Community.

If any vehicle is parked in the Community, including a carport, in violation of this Paragraph or the Association's rules, the Board or agent of the Association may tow or boot the vehicle after 24 hours written notice. Such notice shall: (1) be placed on the vehicle; (2) specify the nature of the violation; (3) warn of possible towing or booting; and (4) state the name and telephone number of a person to contact regarding the violation. If 24 hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six months of such notice, the Board or agent of the Association may have the vehicle towed or booted at the vehicle owner's expense, in accordance with the original notice and without further notice. If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Lot or dwelling, is obstructing the flow of traffic, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed or booted immediately at the Owner's expense.

The Association has no liability for any towing or booting in accordance with this subparagraph. Each Owner and Occupant hereby releases and holds harmless the Association, its Directors, Officers, agents and representatives, for any claim or damage from any such towing or booting. The Association's right to tow or boot is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines.

Garages/Carports

Garage doors should remain closed when not in use for ingress, egress or garage use, or when the Owner or Occupant is not outside on the Lot. Garage conversions are prohibited; provided, however, that all garage conversions in existence on the Effective Date, and made in compliance with all of the terms of the Original Declaration, shall not constitute a violation of this requirement.

All garages and carports shall be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible. Except with written approval from the Board of Directors, nothing may be kept or stored within carports, except: (i) vehicles authorized above; (ii) bicycles; (iii) neatly stacked firewood; (iv) appropriately screened trash receptacles and recycling bins; and (v) for not more than 60 consecutive days, building materials required for, and being used for, renovation or repair of the Lot. Grills may not be stored or used in the carports or garages. The Board may establish additional rules regarding garages and carports.

Except as may be provided for herein or as may be required by legal proceedings or any governmental construction permitting process, no signs, advertising posters, political placards or billboards of any kind shall be erected, placed, or permitted to remain in the Community without the prior written consent of the Board of Directors or ACC, other than: (1) one professional security sign not to exceed 12" by 12", not to exceed a height of 30" when posted and placed within 2' of the residence, in addition to one sticker displayed in a window not to exceed 4" by 4"; (2) one professionally lettered "For Sale" sign not to exceed 24" by 30" in size displayed on the grass area of a Lot being offered for sale (but not in a window on the Lot), and (3) one professionally lettered political candidate endorsement placard not to exceed 24" by 24" in size displayed on the grass area of a Lot (but not in a window on the Lot) from 21 days before an

election to five days after such election. Notwithstanding the foregoing, signs with wood posts are prohibited. The Board may establish rules permitting temporary signs on Lots announcing open houses or other events for limited periods of time. The Board shall have the right to erect signs on the Common Property.

K. Rubbish and Trash

Trash cans and recycling bins shall be stored in garages or appropriately screened areas within carports, so as not to be visible from other Lots or from the Common Property. Owners and Occupants shall regularly remove all rubbish and trash from the Lot. No rubbish or trash shall be placed on the Common Property, except as provided herein. Rubbish and trash shall be disposed of in appropriate sealed bags and placed in proper receptacles for collection. Trash cans and recycling bins may be brought out from their appropriately screened locations only the night before scheduled pickup and returned to their appropriately screened location the day of pickup. The Board may establish additional rules regarding placement of trash cans for pick-up and/or storage, including requiring trash removal in the Community from a single vendor and establishing schedules for trash can placement and trash pickup.

Construction dumpsters shall be permitted to be placed on a Lot or the Common Property for a limited period of time and solely for the purpose of renovating, reconstructing or repairing a dwelling. An Owner or Occupant must submit a request and receive prior written approval from the Board of Directors or the property manager before placing a construction dumpster on the Owner's Lot or the Common Property. Any and all debris around the construction dumpster site must be removed daily. All construction dumpsters must be removed within 21 days of placement unless the Owner or Occupant receives a prior written extension from the Board of Directors or the property manager. The Association shall not be responsible for or liable for any items placed in or about a construction dumpster.

L. Unsightly or Unkempt Conditions

Owners and Occupants are prohibited from engaging in activities which cause disorderly, unsightly or unkempt conditions on the Common Property or outside of a dwelling in the Community, such as the assembly and disassembly of motor vehicles and other mechanical devices. Clothing, bedding, rugs, mops, appliances, indoor furniture, water bottles, tools, and other household items shall not be placed or stored outside the dwelling. Only appropriate outdoor items, such as neatly stacked firewood which must be elevated and away from any structure or dwelling, potted plants, patio furniture and grills may be kept outside the dwelling on any Lot, and only in such areas as are authorized by the Board of Directors. Owners and Occupants shall maintain such items in a neat and attractive condition, as determined in the Board's sole discretion.

M. <u>Drainage</u>

Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. Each Owner and Occupant shall ensure that any drainage grating on the Owner's Lot is clear of obstruction and debris. Furthermore, no Owner or Occupant may obstruct or rechannel the drainage flows across the Owner's Lot.

N. <u>Impairment of Easements</u>

No Owner or Occupant shall impair any easement existing in the Community, or do any act or allow any condition to exist which will adversely affect the other Lots or their Owners or Occupants.

O. Mailboxes

Only one mailbox may be located on each Lot.

P. Yard Sales

No yard sale, garage sale, estate sale, moving sale, flea market or similar activity inviting the public to the Community for the purchase of goods from an Owner or Occupant shall be conducted in the

Community. Recognizing the significant disruption to the Community caused by a violation of this provision, the Board may fine any violator of this provision \$500 per day that any such violating activity is conducted.

Q. Windows and Window Treatments

Unless otherwise approved in writing by the Board of Directors, all windows on a dwelling on a Lot shall have customary and appropriate window treatments, other than garage windows, which shall not be covered without written approval of the Board of Directors. Towels, sheets, temporary paper, window covers, and similar items shall not be used as window treatments. Security bars and similar devices are not permitted to be installed on the exterior of windows or window frames. No tinting of windows is permitted except with written approval of the Board. Windows shall contain mullions with nine sections per window pane and Owners may not remove window mullions, other than for very brief periods during window cleaning. The Board may establish additional rules regarding window treatments, such as requirements for the location, type and exterior color of window treatments.

R. Antennas and Satellite Dishes

Except as provided below or otherwise approved by the Board of Directors, no antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained outdoors in any portion of the Community. Direct broadcast satellite ("DBS") antennas and multi-channel multi-point distribution services ("MMDS") one meter or less in diameter and television broadcast service antennas may be installed only on a Lot in accordance with rules and regulations of the Federal Communication Commission ("FCC") and the Association. Any such devices shall be installed in the least conspicuous location available on the Lot that permits reception of an acceptable quality signal. Owner assumes all responsibility for damage to the roof and dwelling and any leaks related to the installation, existence or removal of such DBS or MMS devices.

S. Heating of Dwellings to Minimize Pipe Bursts

To minimize breakage of water pipes during colder months of the year resulting in damage to any portion of the Community, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the dwellings on Lots shall be maintained with the heat in an "on" position and at a minimum temperature setting of 55 degrees Fahrenheit (except during power failures) whenever the temperature is forecasted to or does reach 32 degrees Fahrenheit or below. Owners and Occupants shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. The Board may cause the water service to the violator's Lot to be discontinued for violation of this subparagraph, in addition to any other remedies of the Association.

T. Solar Devices

No artificial or man-made device which is designed or used for collection of or heating by solar energy or other similar purposes shall be placed, allowed, or maintained upon any Lot without prior written approval of the Board of Directors, except that Owners or Occupants may install no more than one solar tube-like device which requires a dome structure on roof of the dwelling and has a height of no more than 15 inches and a diameter of no more than 14 inches. Owner assumes all responsibility for damage to the roof and dwelling and any leaks related to the installation, existence or removal of such solar devices.

U. Skylights

No skylights shall be installed in any roof of a dwelling on a Lot. However, Owners or Occupants may install one solar tube-like device which requires a dome structure on roof of the dwelling and has a diameter of no more than 14 inches; provided the Lot Owner assumes all responsibility for damage to the roof and dwelling and any leaks related to the installation and existence of such solar tube.

٧. Landscaping

Except for landscaping installed by Owners or Occupants within patios and courtyards and in accordance with Association regulations, no Owner or Occupant may install any trees, shrubbery or landscaping in the Community. To minimize risks of rodent or critter infestation, Owners and Occupants may not plant vegetables or fruits in the Community, maintain birdfeeders in the Community, or maintain similar animal feeding items outside of their dwellings in the Community.

Flags

Notwithstanding Paragraph 8 hereof, Owners and Occupants can install or erect one properly maintained American Flag, not greater than two feet by three feet in size, on a mast, mounted on the dwelling, not longer than four feet in length, adjacent to the front or rear door of the dwelling on the lot. The Board of Directors may establish further regulations on the placement of American Flags. All other flags shall be prohibited.

X. **Community Website**

The Association may maintain a community website for the use and enjoyment of the Lot Owners and Occupants within Autumn Chace. The content and use of the website shall be governed by any rules and regulations that the Board of Directors may promulgate from time to time.

10. LEASING AND OCCUPANCY

To preserve the character of the Community as predominantly owner-occupied, the Leasing of Lots is prohibited, except as provided herein.

"Leasing" means the occupancy of a Lot by any person(s) other than: (1) the Owner or a parent, child or spouse of an Owner (collectively referred to as "Authorized Occupant"); (2) an Authorized Corporate Occupant (defined below); or (3) a roommate of an Authorized Occupant or Authorized Corporate Occupant, when the Authorized Occupant or Authorized Corporate Occupant also occupies the Lot as his or her primary residence.

An Authorized Corporate Occupant shall be an officer, director, shareholder, member or employee of an Owner that is a corporation; a manager or member of an Owner that is a limited liability company; a partner of an Owner that is a partnership; or a trustee or beneficiary of an Owner that is a trust, provided the Owner receives no rent or other consideration for any such occupancy. The name of each Authorized Corporate Occupant shall be designated in writing to the Board and may not be changed more frequently than once every 12 months without the Board's written consent. A person's designation as an Authorized Corporate Occupant shall terminate automatically upon the termination of such person's relationship with the entity holding record title to the Lot.

Permitted Leasing

Leasing of Lots is allowed only by: (1) a Grandfathered Owner (as further defined herein); (2) a non-Grandfathered Owner who has received a Leasing Permit as provided below; (3) a non-Grandfathered Owner who has received a Hardship Permit as provided below, or (4) the Association. Leasing Permits and Hardship Permits shall be valid only as to a specific Owner and Lot and shall not be transferable between either Lots or Owners (including a subsequent Owner of a Lot where such permit was issued to the Owner's predecessor-in-title).

(1) **Leasing Permits**

The Board of Directors shall approve an Owner's request for a Leasing Permit if the total number of current, outstanding Leasing Permits plus Grandfathered Lots is less than 10%, provided, however, a Leasing Permit shall not be issued to any Owner if the Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge or if the Owner is in violation of the Association Legal Documents. Owners who have been denied a Leasing Permit shall be

placed on a waiting list to be issued such a permit, if they so desire, when the above conditions have been satisfied. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

(2) Hardship Permits

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

A "hardship" as described herein shall include, but not be limited to, the following situations: (1) when the Board determines that an Owner must relocate his or her residence outside the greater Atlanta metropolitan area and cannot, within six months from the date that the Lot was placed on the market, sell the Lot, except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) when the Board determines that an Owner must temporarily relocate out of the metropolitan-Atlanta area for employment purposes and intends to return to reside in the Lot within one year; or (3) an Owner dies and the Lot is being administered by his or her estate.

Unless otherwise determined by the Board, a Hardship Permit authorizes an Owner to lease the Lot once for a term not to exceed one year.

(3) Expiration and Revocation of Permits

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

A Hardship Permit shall be revoked automatically if, during the term of such permit, the Owner is approved for and receives a Leasing Permit. An Owner may apply for an additional Hardship Permit at the expiration or revocation of a previous one.

B. General Leasing Provisions

(1) Notice and Approval

At least seven days before entering into a lease, the Owner shall provide the Board or the property manager with: (1) the names of all of the proposed Occupants of the Lot; (2) the Owner's primary residence address and phone number; (3) a copy of the proposed lease; and (4) such other information required by the Board. Nothing herein gives the Board the right to approve or disapprove a proposed Occupant. Within 10 days after executing a Lease for a Lot, the Owner shall provide the Board or property manager with a copy of the executed lease.

(2) Lease Terms

Lots may be leased only in their entirety, no rooms or fractions of Lots may be leased without prior written Board approval. There shall be no subleasing of Lots or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than one year, except with written Board approval.

(3) <u>Liability for Assessments; Compliance</u>

The Owner must provide the Occupant copies of the Association Legal Documents. Any Owner leasing his or her Lot shall incorporate and state the following provisions in the Lease for the Lot. Notwithstanding this requirement, the following provisions are incorporated into each lease of any Lot, whether or not expressly stated therein, and into the terms of any tenancy or occupancy even if no written lease or agreement exists between the Owner and the Occupant:

(a) Compliance with Association Legal Documents

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

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

(b) Use of Recreational Facilities

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

(c) Liability for Assessments

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

C. <u>Enforcement</u>

If a Lot is leased or occupied in violation of the Association Legal Documents, or if the Owner, Occupant or guest violates the Association Legal Documents, such violation is deemed to be a default

under the terms of any lease or occupancy and the Association may require the Owner to evict the Occupants. In addition to all other remedies permitted by this Declaration, such default authorizes the Owner and/or the Association, as the Owner's delegate and attorney-in-fact, to terminate the lease and/or occupancy and to evict all Occupants, without liability, in accordance with Georgia law. In any such eviction action by the Association, the Association may terminate the Occupancy rights upon 15 days notice, notwithstanding any notice requirement in the lease or occupancy terms. Once the Association invokes its right to terminate the lease or occupancy and evict the Occupant(s), the Owner no longer has the right to extend or revive the terminated occupancy in any way.

D. Grandfathering Definitions

(1) Grandfathered Owner

"Grandfathered Owner" means an Owner who is lawfully leasing his or her Lot on the Effective Date. To qualify as a Grandfathered Owner, the Owner must, within 30 days of the Effective Date, provide the Board with a copy of the lease in effect on the Effective Date. Grandfathering shall apply only to the Lot owned by such Grandfathered Owner on the Effective Date. Grandfathering shall automatically expire and any lease of the Lot shall automatically terminate on the date the Grandfathered Owner conveys title to the Grandfathered Lot to any Person (other than the Owner's spouse).

(2) Grandfathered Lot

"Grandfathered Lot" means the Lot owned by a Grandfathered Owner on the Effective Date hereof.

11. SALE OF LOTS AND CHANGE OF OWNERSHIP

In accordance with Section 44-3-232 of the Act, an Owner intending to transfer or sell a Lot or any interest in a Lot shall give the Board of Directors or property manager written notice of such intention at least 5 days prior to the closing or transfer of the Lot for the purpose of obtaining a written statement of account from the Association, setting forth the amount of assessments and charges due and unpaid, including but not limited to any late charges, interest, fines, attorneys' fees or other charges against such Lot. The Board may also provide a statement giving notice to all future purchasers of any violations existing on the Lot that must be corrected and for which the Association is entitled to seek enforcement.

In addition to the foregoing, an Owner obtaining title to a Lot through marriage, divorce or death shall give the Board of Directors or the property manager written notice of such change in ownership at least 5 days after the closing or the transfer of the Lot.

12. INSURANCE

A. <u>Hazard Insurance on Common Property and Lots</u>

The Board of Directors shall obtain hazard insurance for all insurable improvements on the Common Property and blanket insurance for all insurable improvements on Lots. This insurance shall include, at a minimum, coverage for fire, wind, storm, hail, vandalism, malicious mischief and civil commotion and shall be in an amount sufficient to cover the full replacement cost of such insurable improvements. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

Unless such coverage is not reasonably available, the Board shall obtain coverage for water damage from pipe leaks, pipe bursts, and similar items, under such terms and deductible amounts as the Board determines are appropriate.

The Association's insurance shall not include the Owners' personal property unless the Association advises the Owners of such coverage in writing.

B. Association Liability Insurance

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The Board shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, in their capacities as such, with a combined single limit of at least \$1,000,000.00.

C. <u>Directors' and Officers' Liability Insurance</u>

The Board shall obtain a Directors' and Officers' liability insurance policy with a limit of at least \$1,000,000.00.

D. Fidelity Insurance

The Board shall obtain a fidelity bond or dishonesty insurance on Directors, Officers, employees, and other persons handling or responsible for the Association's funds, regardless of whether they are compensated by the Association. If reasonably available, the fidelity bond or dishonesty insurance shall cover at least one-quarter of the annual assessments from all members plus the reserve funds in the custody of the Association at any time during the term of the bond or policy. The bond or policy must provide that it may not be canceled, substantially modified or subject to non-renewal without at least 30-days prior written notice to the Association.

E. <u>Betterments and Improvements</u>

The Association shall carry coverage for improvements and betterments made to Lots by Owners. In the event of a casualty for which the Association has insurance coverage, a Lot Owner must be able to show proof of the installation of a betterment or improvement in order to receive coverage for such betterment or improvement. Such proof may include, but is not limited to, receipts, contractor statements or photographic evidence.

F. Additional Association Insurance

The Board may obtain such additional insurance as it deems appropriate.

G. Premiums and Deductibles on Association Policies

Premiums for all Association insurance shall be a Common Expense. The policies may contain deductibles. Deductibles shall not be subtracted from the face amount of the policies in determining whether the insurance equals the full replacement cost of the insurable improvements.

H. General Insurance Provisions

In addition to any other terms the Board deems appropriate, all Association insurance shall be governed by the following provisions:

- (1) All policies shall be written with a company licensed to do business in Georgia;
- (2) All policies on the Common Property shall be in the name of the Association for the benefit of itself and its members:
- (3) The Board shall have exclusive authority to adjust losses under all Association insurance policies;
- (4) The insurance carried by the Association shall be primary and shall not be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees; and
- (5) All hazard insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if reasonably available.

I. Individual Lot Owner Insurance

Each Owner shall carry such insurance on personal property and on betterments and improvements, to the extent not covered by the Association's insurance. If the Owner fails to do so, he or she does so at his or her own risk. Each Owner has an obligation to ensure that he or she maintains adequate coverage to cover all damage which is not covered by the Association's insurance.

Insurance Deductibles

In the event of an insured loss under the Association's casualty policy, any required deductible shall be considered a maintenance expense to be paid by the Person(s) who would be responsible for such loss in the absence of insurance. If the loss affects more than one Lot or a Lot and the Common Property, the cost of the deductible may be apportioned and assessed equitably by the Board among the parties suffering loss in accordance with the total cost of repair, or otherwise as the Board reasonably determines equitable, unless the insurance policy provides that the deductible will apply to each Lot separately. If any Owner fails to pay the deductible when required hereunder, then the Association can pay the deductible and assess the cost to the Owner or Owners pursuant to Paragraphs 5(B) and 6 hereof.

K. **Payment of Claims to Delinquent Owners**

Notwithstanding anything to the contrary herein, in the event of an insured loss under the Association's master hazard insurance policy for which the Association receives from the insurer payment for a loss sustained by an Owner who is delinquent in the payment of assessments owed to the Association under Paragraph 6 hereof, then the Association may retain and apply such proceeds to the delinquency. Any surplus remaining after application of the proceeds to any delinquency shall be paid by the Association to the affected Owner.

13. REPAIR AND RECONSTRUCTION AFTER CASUALTY DAMAGE

A. Common Property

In the event of damage to or destruction of any structure on the Common Property, the Board of Directors shall arrange for and supervise the prompt repair or reconstruction of such structure, with such improvements or modifications it deems appropriate, unless 75% of the Owners vote not to do so. Any such vote must be held within 21 days of the date of such damage or destruction.

Construction Fund

Any insurance proceeds collected on a claim against any Association hazard policy and any special assessments collected pursuant to subparagraph (2) below shall constitute a construction fund to be used by the Board for repair or restoration pursuant to this Paragraph.

If the proceeds of insurance are not sufficient to defray the Board's estimated or actual costs of repair or reconstruction, including, but not limited to, any professional fees and premiums for construction bonds the Board deems necessary, the Board may levy a special assessment against all Owners without the necessity of a membership vote or compliance with any other requirements for approval of special assessments in this Declaration. Any surplus funds remaining after the repair or reconstruction is completed shall be common funds of the Association to be used as determined by the Board.

В. <u>Lots</u>

In the event of damage to or destruction of any structure on a Lot, unless 75% of the Owners. including the Owner(s) of any damaged Lot(s), vote not to proceed with the reconstruction and repair of the structure, the Owner shall, within 180 days, repair or reconstruct such structure in accordance with plans and specifications approved by the Board of Directors; provided, however, that the Board of Directors may allow an extension for such time to complete the repairs or reconstruction as circumstances may dictate.

14. EMINENT DOMAIN

Whenever any Common Property is taken by, or conveyed in lieu of condemnation to, any authority having condemnation or eminent domain power, the Board of Directors shall give notice thereof to each Owner. If any structure on the Common Property is so taken or conveyed, the Board shall arrange for and supervise the prompt reconstruction of such structure, to the extent sufficient Common Property is available, with such improvements or modifications it deems appropriate, unless 75% of the Owners vote not to do so.

If proceeds from the condemning authority are not sufficient to defray the Board's estimated or actual costs of reconstruction, including, but not limited to, any professional fees and premiums for construction bonds the Board deems necessary, the Board may levy a special assessment against all Owners without the necessity of a membership vote or compliance with any other requirements for approval of special assessments in this Declaration. Any surplus funds remaining after the reconstruction is completed shall be common funds of the Association to be used as determined by the Board.

15. EASEMENTS

Easements for Use and Enjoyment A.

Every Owner shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to his or her Lot, subject to the Association's right to:

- (1)limit the number of Owners' guests who may use the Common Property;
- (2)provide for the exclusive use and enjoyment of specific portions of the Common Property at certain designated times by an Owner;
- (3)suspend Owners' rights to use the Common Property as set forth in this Declaration:
- borrow money as provided in the Bylaws, subject to the rights, interests, easements and privileges of the Owners set forth in this Declaration;
- grant permits, licenses or easements across the Common Property; and dedicate or transfer all or any portion of the Common Property subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by an affirmative vote or written consent of Owners holding at least two-thirds (2/3) of the total Association vote.

The Owners' rights and easements granted in this Paragraph are subject to: (1) all other rights of the Association and other Owners set forth in this Declaration, the Bylaws or the Articles of Incorporation; and (2) all encumbrances and other matters of public record affecting title to the Common Property.

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other person, or resulting from any use or operation of the Common Property or any of its improvements, fixtures, and facilities, unless such injury or damage results directly and solely from the negligence or gross negligence of the Association. It shall be the affirmative duty and responsibility of each Owner, tenant, guest, invitee or any other person using the Common Property to continuously inspect the same for any defects or perils or other unsafe conditions or circumstances, prior to and during such use or enjoyment thereof. All Owners, tenants, guests, or other persons using the Common Property shall do so at their own risk and peril.

B. Easements for Utilities

There is hereby reserved to the Association, or its designee, blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repair, replacement, and maintenance of: (a) gas, water, sanitary sewer and electricity services and all other utilities serving any portion of the Community; (b) any water runoff and storm drainage systems; and (c) any other services such as, but not limited to, any telephone and telecommunication systems, master television antenna system, cable television system or security system serving the Community. The Board of Directors has the right to grant a specific license or easement by separate recordable document to any party furnishing such utilities or services.

C. Easement for Entry

There is hereby reserved to the Association and its designee, an easement and right, but not the obligation, to enter onto any Lot for emergency, life-safety, security and safety. The right may be exercised by the Association's Board of Directors, Officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner or Occupant. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event that an Owner fails or refuses to cure the condition upon request by the Board. No one exercising the easement and rights granted in this Paragraph shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights. The failure to exercise the rights herein or to exercise said rights in a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a Lot shall exist.

D. <u>Easement for Association Maintenance</u>

There is hereby reserved to the Association and its designee an easement and right across all portions of the Community, to allow the Association to fulfill the maintenance obligations described in this Declaration. This easement shall be exercised with a minimum of interference to the quiet enjoyment of the Owner's property, reasonable steps shall be taken to protect the Owner's property, and any Person causing damage to the Owner's property shall repair the damage at its sole expense.

E. Easements for Owners' Maintenance and Repair

There is hereby created reciprocal appurtenant easements over and upon adjacent Lots for the purpose of maintaining or repairing the improvements and landscaping on each Lot. This easement shall extend into each Lot not more than five feet from any point on the common boundary line between the Lots. Owners may exercise this easement only for the reasonable period of time necessary to complete the needed maintenance or repair. The Owner exercising this easement right shall be liable for the prompt repair of any damage such Owner caused to the Lot over which this easement is exercised. The damaged portions of such Lot shall be restored to substantially the same condition that existed prior to the damage. This easement shall be exercised with a minimum of interference to the quiet enjoyment of the Owner's property, reasonable steps shall be taken to protect the Owner's property, and any Person causing damage to the Owner's property shall repair the damage at its sole expense.

F. Easements for Encroachment and Overhang

There are reciprocal appurtenant easements for encroachment and overhang between each Lot and such portion(s) of the Common Property adjacent thereto or between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such

encroachment occurred due to willful conduct on the part of any Owner, Occupant or the Association. There are also reciprocal appurtenant easements for encroachment and overhang between each Lot and such portion(s) of the Common Property adjacent thereto or between adjacent Lots for trees planted on a Lot or the Common Area, including any roots or branches thereof; provided, however, in the event any such tree overhanging or encroaching on a Lot or the Common Property is diseased or dead or otherwise poses imminent danger to the adjacent Lot(s) or Common Property or any improvements thereon, the Lot Owner or Association shall be required to remove and/ or cut or trim the tree or take such other necessary action so that the danger is removed.

G. Public in General

The easements and rights created in this Paragraph do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public; provided, however, nothing set forth herein shall in any way limit or restrict any easements or rights already granted to the public as such easements or rights are previously recorded in the Fulton County, Georgia land records. The Board of Directors hereby reserves the right to close temporarily all or any portion of the Community that, in the reasonable opinion of the Board, may be legally necessary to prevent a dedication of such property, or the accrual of any rights to such property, to the general public or to any Person other than the Persons for which such easements are expressly created in this Declaration.

16. AUTHORITY AND ENFORCEMENT

A. Compliance with Association Legal Documents

All Owners, Occupants and their guests shall comply with the Association Legal Documents. The Association, and in an appropriate case, one or more aggrieved Owners, may take action to enforce the terms of the Association Legal Documents directly against all Violators. However, if an Owner's family member, guest or Occupant violates the Association Legal Documents, the Association, in its sole discretion, is permitted to enforce the terms of the Association Legal Documents against: (1) only the Owner; (2) only the violating family member, guest or Occupant; or (3) both the Owner and the violating family member, guest or Occupant. Notwithstanding anything herein to the contrary, the Owner of the Lot is always ultimately responsible for his or her own actions and the actions of all family members, Occupants and guests of such Lot.

Nothing herein shall be construed to affect the rights of an aggrieved Owner or Occupant to proceed independently for relief from interference with his or her personal or property rights against a Person violating the Association Legal Documents. The Board of Directors may, in its discretion, require the aggrieved Owner or Occupant to independently pursue all available remedies under Georgia law against the Violator before the Association intervenes and commences enforcement action against such Violator.

B. Types of Enforcement Actions

In the event of a violation of the Association Legal Documents, the Association shall have the power to take any or all of the following actions separately or simultaneously; provided, however, all suspensions and fines shall comply with the procedures described below and nothing herein shall authorize the Association or the Board to deny ingress and egress to or from a Lot:

- (1) Suspend all Violators' rights to use the Common Property;
- (2) Suspend the voting rights of a violating Owner;
- (3) Impose reasonable fines against all Violators, which shall constitute a lien on the violating Owner's Lot;
- (4) Bring an action for permanent injunction, temporary injunction and/or specific performance to compel the Violator to cease and/or correct the violation; and

(5) Record in the Fulton County land records a notice of violation identifying any uncured violation of the Association Legal Documents regarding the Lot.

C. Suspension and Fining Procedure

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

(1) Violation Notice

The written violation notice to the Violator shall:

- (a) Identify the violation, suspension(s) and/or fine(s) being imposed; and
- (b) Advise the Violator of the right to request a violation hearing before the Board of Directors to contest the violation or request reconsideration suspension(s) or the fine(s).

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

(2) Violation Hearing

If the Violator submits a written request for a violation hearing within 10 days of the date of the violation notice described above, then the Board of Directors shall schedule and hold, in executive session, a violation hearing. Such hearing shall be held no less than 7 and no more than 21 days after the Board of Directors receives the written request from the Violator, unless the Board of Directors and the Violator agree otherwise. If a Violator fails to timely request a violation hearing, such Violator loses the right to contest the violation and request reconsideration of the suspension(s) and/or the fine(s). If a Violator timely requests a violation hearing, the Violator shall have a reasonable opportunity to address the Board regarding the violation; provided, however, the Board may establish rules of conduct for the violation hearing, including but not limited to, limits on the amount of time one person can speak and limits on the number of participants who may be present at one time. The minutes of the violation hearing shall contain a written statement of the results of such hearing.

(3) No Violation Notice and Hearing Required

No violation notice or violation hearing shall be required to impose late charges on delinquent assessments, or to:

- (a) Suspend a violating Owner's voting rights if the Violator's Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, in which case suspension of the violating Owner's right to vote shall be automatic and shall continue until the violation no longer exists or the Board of Directors otherwise reinstates such rights in writing;
- (b) Suspend a Violator's right to use the Common Property if the Violator's Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, in which case suspension of the Violator's right to use the Common Property shall be automatic (which shall allow the Association to tow and/or boot a Violator's vehicle located on the Common Property without complying with the Suspension and Fining Procedures described above);
- (c) Impose fines for each day of a continuing violation, in which case each day the violation continues or occurs again constitutes a separate violation and fine(s) may be imposed on a per diem basis without any further notice to the Violator; or
- (d) Impose fines if the same violation occurs again on the same Lot, in which case fine(s) may be imposed on a per diem basis without any further notice to the Violator.

D. Right of Abatement

In addition to all other enforcement rights granted herein, the Board of Directors may elect to enforce any provision of the Association Legal Documents by exercising its right of abatement. Any such exercise of its right of abatement does not require compliance with subparagraph C hereof.

By way of example and not limitation, the Association or its duly authorized agent shall have the authority to tow vehicles that are in violation of parking regulations and enter a Lot or any portion of the Common Property to abate or remove any structure, thing or condition that violates the Association Legal Documents. Unless an emergency exists, before exercising its right of abatement, the Association shall give the Violator at least two days prior written notice. Such notice shall request that the Violator remove and abate the violation and restore the Lot to substantially the same condition that existed prior to the structure, thing or condition being placed on the Lot and causing the violation. Such removal, abatement and restoration shall be accomplished at the Violator's sole cost and expense. If the same violation occurs again on the same Lot, the Association may exercise its right of abatement without any further notice to the Violator.

E. <u>Injunctions and Other Suits at Law or in Equity</u>

All Owners agree and acknowledge that there may not be adequate remedies at law to enforce the Association Legal Documents. Therefore, in addition to all other enforcement rights granted herein, the Association is hereby entitled to bring an action for permanent injunction, temporary injunction and/or specific performance to compel a Violator to cease and desist and/or correct any violation.

F. Costs and Attorney's Fees for Enforcement Actions

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

G. Failure to Enforce

The Board of Directors has the sole discretion to decide which, if any, enforcement action to pursue against each Violator. The failure of the Board to enforce any provision of the Association Legal Documents shall not be deemed a waiver of the right of the Board to do so thereafter. No right of action shall exist against the Association for failure to enforce if the Board of Directors determines that:

- (1) the Association's position is not strong enough to justify taking enforcement action;
- (2) a particular violation is not of such a material nature as to be objectionable to a reasonable person;
- (3) a particular violation is not of such a material nature to justify the expense and resources to pursue or continue to pursue enforcement action;
- (4) the aggrieved Owner or Occupant asserting a failure of enforcement has not independently pursued all available individual remedies under Georgia law; or
- (5) the Association enforces only against an Owner for the violation of the Owner's family member, guest or Occupant or the Association does not enforce against the Owner and enforces only against the violating family member, guest or Occupant.

A. <u>Member Approval Procedure</u>

Except where a higher vote is required for action under any other provisions of this Declaration, the Bylaws or by the Act, this Declaration may be amended with the approval of Owners holding 2/3 of the total Association vote. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Fulton County, Georgia land records.

B. <u>Default Approval Procedure After Owner Non-Response</u>

The Act requires all amendments to this Declaration to be approved by Owners holding 2/3 of the total Association vote, regardless of whether all Owners participate in the vote or not. However, as a result of this voting requirement, when Owners fail to participate in an amendment vote because of apathy or other reasons which are not based on any disagreement with a proposed amendment, important and necessary amendments to the Declaration or Bylaws may have no chance of approval. In order to reach an equitable resolution between the requirements of the Act and the consequences of Owners failing to vote, this subparagraph establishes a mechanism which provides every eligible Owner an opportunity to issue a vote of approval, disapproval or abstention on proposed amendments to the Declaration or Bylaws, and also a realistic mechanism for approving important amendments, without the damaging consequences of Owner non-response.

The Board shall issue notice of all proposed amendments to each Owner. With each such notice, the Board shall include a copy of the proposed amendment, along with a consent form or ballot, which complies with the requirements of the Bylaws. Each such consent form or ballot shall give Owners an opportunity to vote for, vote against or abstain from voting on the proposed amendment.

If the amendment is not approved or defeated by sufficient vote within 45 days of the amendment notice described above, then the Board may seek to obtain default approval from Owners under this subparagraph. In such case, the Board shall send default approval notice, by certified mail and to the address consistent with the notice provision of the Bylaws, to all Owners who have not returned consents or ballots on a proposed amendment within that 45-day period. This default approval notice also shall include a consent form or ballot, as provided above, along with a statement that the Owner's failure to return an executed consent form or ballot, marked with a vote for, a vote against, or an abstention from voting on the amendment, within 15 days of the date of such default approval notice, will be deemed consent to such amendment. If the Board does not receive such consent or ballot within that 15-day period, the Owner shall be deemed to have consented to and approved the amendment.

C. Amendments to Comply with Law or Conform Documents

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may arriend this Declaration and the Bylaws to comply with any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), Federal Horne Loan Mortgage Corporation ("Freddie Mac"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA"), or to resolve conflicts between this Declaration, the Bylaws, the Articles, and applicable laws.

D. <u>Validity of Amendments</u>

No Person shall be permitted to bring any legal action to challenge the validity of an amendment to this Declaration or the Bylaws more than one year after the recording thereof in the Fulton County, Georgia land records.

A. Security

The Association may, but shall not be required to, provide measures or take actions which directly or indirectly improve security in the Community. Each Owner, for himself or herself and his or her Occupants, tenants, guests, licensees, and invitees, acknowledges and agrees that the Association is not a provider of security. The Association has no duty to provide security in the Community. Furthermore, the Association does not guarantee that Owners, Occupants and other people will not commit criminal acts in the Community or that unauthorized people will not gain access to the Community. It shall be the responsibility of each Owner to protect his or her person and property, and all responsibility to provide such security shall lie solely with each Owner. The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of measures undertaken.

B. Dispute Resolution

Before filing any lawsuit or administrative proceeding against the Association, the Board of Directors, any Officer or Director, or the Association's property manager, an Owner or Occupant must request in writing and attend a meeting with the Board to discuss an amicable resolution of any dispute. The Owner or Occupant shall, in such request and at the meeting, make a good faith effort to explain the grievance and resolve the dispute. Upon receiving a request for a meeting, the Board shall give notice of the date, time and place of the meeting to the person requesting the meeting. The Board shall schedule this meeting for a date not less than 7 or more than 30 days from the date of receipt of the meeting request, except with the approval of the Owner or Occupant. After the meeting, the Board shall have at least 15 business days to address the Owner's or Occupant's grievance before a suit is filed.

C. No Discrimination

No action shall be taken by the Association or the Board of Directors which would unlawfully discriminate against any person on the basis of race, creed, color, national origin, religion, sex, sexual orientation, familial status or handicap.

D. Implied Rights

In addition to express rights, the Association may exercise any right or privilege implied from the existence of any express right or privilege or reasonably necessary to effectuate any such right or privilege.

E. <u>Electronic Records, Notices and Signatures</u>

Notwithstanding any other portion of this Declaration, records, signatures and notices shall not be denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made or presented electronically. The relevant provisions of the Bylaws shall govern the giving of all notices required by this Declaration.

F. Use of Words "Autumn Chace"

"Autumn Chace" is a service mark of the Association. No person shall use the term "Autumn Chace" or any derivative in any printed or promotional material without the Association's prior written consent. However, Owners may use the terms "Autumn Chace" in printed or promotional matter where such term is used solely to specify that particular property is located within the Community. Any use of the name "Autumn Chace" shall be in a manner in which proprietary rights to such name are protected.

G. Preamble

The preambles and recitals of this Declaration are by reference made a part of this document as if fully stated herein in their entirety.

H. <u>Duration</u>

The covenants and restrictions of this Declaration shall run with and bind the real property in the Community perpetually to the extent provided in the Act.

. <u>Severability</u>

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

19. PREPARER

This Declaration was prepared by Jay S. Lazega, Lazega & Johanson, LLC., 3520 Piedmont Road, N.E. Suite 415, Atlanta, Georgia 30305.

IN WITNESS WHEREOF, the undersigned Officers of Autumn Chace Homeowner's Association, Inc., hereby certify that the above amendment to the Original Declaration and the following amendment to the Original Bylaws were duly adopted by the required Majority of the Association and its membership, with any required notices duly given.

any required notices duly given.

This // day of // neumber 2008

(
Sworn to and subscribed to before me this / 3 day of	AUTUMN CHACE HOMEOWNER'S' ASSOCIATION, INC. By August Washington (Seal) President
Winess Winess Lane	Attest: (Seal)
Notary Bublic Notary Seal Notary Seal Notary Seal Notary Seal Notary Bublic Notary Seal Notary Bublic Notary Seal Notary Bublic Notary Seal Notary Bublic Notar	ICOrdorate Seall "OFFICIAL SEAL" BRYAN E BARNETT Notary Public, State of Illinois My Congrission Expires April 26, 2010
Sworn to and subscribed to before me this / day of / with file 200	AUTUMN CHACE HOMEOWNER'S ASSOCIATION, INC. By: (Seal) President
Witness LShue Witness Low Years Rustic Notary Rustic [Notary Seal]	Attest: (Seal) Secretary "OFFICIAL SEAL" [Corporate SeanNETT Notary Public, State of Illinois My Commission Expires April 26, 2010
Matany Public, De Kalb County, Georgia (1) Matany Public, De Kalb County, Georgia (2) May Commission Expires March 27, 2017	11/18/08

EXHIBIT "B"

BYLAWS

OF

AUTUMN CHACE HOMEOWNER'S ASSOCIATION, INC.

These Bylaws may be used only in connection with the ownership and sale of property at Autumn Chace and the operation of the Autumn Chace Homeowner's Association, Inc.

PREPARED BY:

Lazega Dohanson

Johanson

Jay S. Lazega, Esquire

3520 Piedmont Road N.E. Suite 415, Atlanta, Georgia 30305 Telephone (404) 350-1192 Facsimile (404) 350-1193 www.condoandhoalaw.com

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1. **GENERAL PROVISIONS**

Applicability.

These Bylaws provide for the self-government of Autumn Chace Homeowner's Association, Inc., in accordance with the Georgia Property Owner's Association Act ("Act"), the Articles of Incorporation filed with the Secretary of State of Georgia, and the Declaration of Protective Covenants and Restrictions for Autumn Chace, recorded in the Fulton County, Georgia land records ("Declaration").

<u>Name</u>.

The name of the corporation is Autumn Chace Homeowner's Association, Inc. ("Association").

C. Definitions.

The terms used herein shall have their generally accepted meanings or the meanings specified in Paragraph 2 of the Declaration.

D. Membership.

An Owner of a Lot shall automatically become a member of the Association upon taking title to the Lot and shall remain a member for the entire period of ownership. An Owner's spouse or Domestic Partner may exercise any of the membership powers and privileges of the Owner. If more than one Person holds title to a Lot, the membership shall be shared in the same proportion as the title, but there shall be only one membership and one vote per Lot. Membership does not include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. Membership shall be appurtenant to the Lot and shall be transferred automatically by conveyance of the Lot. Membership may be transferred only in connection with the transfer of the Lot.

Entity Members.

If an Owner is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director or other designated agent of such corporation, manager or member of such limited liability company, partner of such partnership, beneficiary or other designated agent of such trust, or representative of such other legal entity shall be eligible to represent such entity in the affairs of the Association, including, without limitation, serving on the Association's Board of Directors. Such person's relationship with the Association, and any office or directorship held, shall terminate automatically upon the termination of such person's relationship with the entity that is the Owner of the Lot. Termination of the person's relationship with the Association will create a vacancy in any elected or appointed position within the Association in which such person may have been serving and such vacancy may be filled in accordance with these Bylaws.

F. Voting.

Each Lot shall be entitled to one vote, which vote may be cast by the Owner or by a lawful proxy as provided below. When more than one Person owns a Lot, the vote for such Lot shall be exercised as they determine between or among themselves. In no event shall more than one vote be cast with respect to any Lot. If only one co-Owner or only an Owner's spouse or Domestic Partner attempts to cast the vote for a Lot, it shall be conclusively presumed that such vote is authorized for the Lot. If the co-Owners or an Owner and his or her spouse or Domestic Partner disagree about how to cast the Lot's vote, and two or more of them attempt to cast the Lot's vote, such Persons shall not be recognized and such votes shall not be counted.

If a Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge or if any Owner or Occupant of the Lot is in violation of the Association's Legal Instruments and the voting rights for such Lot have been suspended, the Owner of such Lot shall not be eligible to: (1) vote, either in person or by proxy; (2) act as proxy for any other Owner; (3) issue a written ballot or written consent; (4) be elected to the Board of Directors; or (5) vote as a Director (if serving on the Board of Directors). In establishing the total number of eligible votes for a quorum, a Majority, or any other purposes, such Lot shall not be counted as an eligible vote.

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G. Electronic Communications.

(1) Records and Signatures.

Whenever the Association's Legal Instruments require that a document, record or instrument be "written" or "in writing," the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively published regulations permitting an electronic record or document as a substitute for a written item.

Whenever these Bylaws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if. (a) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (b) the electronic signature is easily recognizable as a secure electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (c) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

(2) Verification and Liability for Falsification.

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

2. MEMBERSHIP MEETINGS AND ACTIONS

A. Annual Meetings.

The purpose of the annual membership meeting shall be to elect Directors of the corporation and conduct other business that shall come before the meeting. The regular annual membership meeting shall be called 60 days before the close of the Association's fiscal year, with the date, time, and location to be set by the Board of Directors. No annual membership meeting shall be set on a legal holiday.

B. Special Meetings.

Special membership meetings may be called for any purposes, at any time, by the Board of Directors or upon written petition of 25% of the Owners. Any such written petition by the Owners must identify the special meeting purpose on each page of the petition and must be for a purpose on which the Association membership is authorized to act under these Bylaws or the Declaration. The petition, with original signatures, must be submitted to the Association's Secretary or to the property manager. The Secretary shall then verify that the required number of Owners have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special membership meeting for all lawful purposes stated in the petition, at a date, time and location selected by the President. The Secretary shall send or shall cause to be sent notice of such special membership meeting in accordance with these Bylaws within 30 days of the date of delivery of the petition to the Secretary or the property manager. Except as provided herein, no business may be conducted at a special membership meeting unless notice thereof is included in the meeting notice.

C. Notice of Meetings.

The Secretary shall give or cause to be given notice of each annual or special membership meeting to the record Owner or Owners of each Lot, or to the Lot address, at least 21 days prior to each annual membership meeting and at least seven days prior to each special membership meeting. The notice shall state

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B. <u>Special Meetings</u>.

Special membership meetings may be called for any purposes, at any time, by the Board of Directors or upon written petition of 25% of the Owners. Any such written petition by the Owners must identify the special meeting purpose on each page of the petition and must be for a purpose on which the Association membership is authorized to act under these Bylaws or the Declaration. The petition, with original signatures, must be submitted to the Association's Secretary or to the property manager. The Secretary shall then verify that the required number of Owners have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special membership meeting for all lawful purposes stated in the petition, at a date, time and location selected by the President. The Secretary shall send or shall cause to be sent notice of such special membership meeting in accordance with these Bylaws within 30 days of the date of delivery of the petition to the Secretary or the property manager. Except as provided herein, no business may be conducted at a special membership meeting unless notice thereof is included in the meeting notice.

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the date, time and location of the meeting, and for any special meeting, the purpose of the meeting. Giving notice as provided in these Bylaws shall be considered proper service of notice.

D. Waiver of Notice.

Waiver of notice of a membership meeting shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any membership meeting, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or represented by proxy, shall be deemed a waiver by such Owner of improper notice of the date, time, and location thereof and of any specific business being conducted at such meeting, unless such Owner specifically objects to improper notice at the time the meeting is called to order or the Owner objects to improper notice of the specific business before the business is put to a vote.

E. Quorum.

The presence, in person or by proxy at the beginning of the meeting, of Owners entitled to cast 25% of the eligible vote of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. In establishing the total number of eligible votes for a quorum, if a Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, or if the voting rights for a Lot have been suspended, that Lot shall not be counted as an eligible vote.

F. Adjourned and Reconvened Meetings.

Any membership meeting may be adjourned, to be reconvened at a later date or time not to exceed thirty (30) days, by vote of the Owners holding a Majority of the vote represented at such meeting, regardless of whether a quorum is present. Any business that could have been transacted properly at the original session of the meeting may be transacted at the reconvened session. No additional notice of such reconvened session shall be required if the original session is adjourned for a period not exceeding 10 days.

G. Proxies.

Any Owner entitled to vote may do so by written proxy. To be valid, a proxy must be signed, dated, and presented to the Board of Directors at or before registration at the membership meeting for which it is to be used. The Board may accept proxies by whatever means it deems acceptable. A proxy is revoked only if: (1) the Owner giving the proxy attends the meeting in person and requests the proxy back during registration for the meeting (attendance alone does not invalidate the proxy); (2) the Owner giving the proxy signs and delivers to the Board a written statement revoking the proxy or substituting another person as proxy; or (3) before the proxy is exercised, the Board receives notice of the death or incapacity of the Owner giving the proxy. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

H. Action Taken Without A Meeting.

In the Board's discretion, any action that may be taken by the Owners at any annual or special membership meeting may be taken without a meeting by written ballot or written consent as provided below.

(1) Written Ballot.

A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the vote cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the vote of approval equals or exceeds that which would be required to approve the matter at a meeting at which the total vote cast was the same as the vote cast by ballot.

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

Except for amendments to recorded Association Legal Documents that become effective upon recording, and except for actions that specifically set a later effective date, approval of any action taken by written ballot shall be effective upon the receipt of the affirmative vote necessary to take such action.

(2) Written Consent.

Approval by written consent shall be valid only when the affirmative written consents received equals or exceeds the vote that would be required to approve the matter at a meeting. Consents shall be filed with the minutes of the membership meetings. Except for amendments to recorded Association Legal Documents that become effective upon recording, and except for actions that specifically set a later effective date, approval of any action taken by written consent shall be effective 10 days after sending the notice of approval described below.

(3) Notice to Members of Approval.

If an action of the Association membership is approved by written ballot or written consent, the Board of Directors shall issue notice of such approval to all Owners.

I. Order and Conduct of Business.

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

3. BOARD OF DIRECTORS

A. Composition and Selection.

(1) Number and Eligibility.

A Board of Directors composed of five persons shall govern the affairs of the Association. The Directors shall be Owners. No Owner and his or her spouse, Domestic Partner or co-Owner may serve on the Board at the same time. If, at the time of an election, a Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, or the voting rights for a Lot have been suspended, no person representing such Lot shall be eligible for election to the Board.

(2) <u>Term of Office</u>.

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

(3) Removal of Directors.

(a) Removal by the Owners.

At any duly called membership meeting, for which the notice given called for a vote to remove any Director(s), such Director(s) may be removed with or without cause by Owners holding a Majority of the total Association vote. A successor may then and there be elected to fill the vacancy created. Any Director whose removal has been proposed by the Association membership shall be given an opportunity to be heard at

the meeting. To ensure a Director has a chance to present a statement to the membership, the Owners' vote to remove a Director cannot be accomplished by written ballot or written consent. For the purpose of this Paragraph, no Owner may vote more than his or her own vote and the vote of four proxies. However, any proxies naming the Board of Directors as the default proxyholders shall be divided equally among the directors to vote, with the Secretary of the Association voting any proxies that cannot be divided.

(b) Removal by the Board of Directors.

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

(4) Vacancies.

Vacancies in the Board of Directors caused by any reason, except the removal of a Director by vote of the Association membership, must be filled as soon as possible by a vote of the remaining Directors. Unless earlier removed, the successor so selected shall hold office for the remainder of the term of the Director position being filled.

(5) Compensation.

Directors shall not be compensated for services performed within the scope of their duties as Association Directors unless authorized by a vote of the Association membership. However, Association Directors may be compensated for performing maintenance or other services as set forth in Paragraph 3(A)(6) below. Compensation, as may be authorized herein, can include payment but shall not include a waiver of assessments or other Association charges. Directors also may be reimbursed for the expenses incurred in carrying out their duties as Association Directors upon the approval of such expenses by the Board of Directors. The Association may give the Directors nominal gifts or tokens of appreciation for recognition of services performed by them. For purposes hereof, reasonable food and beverages purchased for meetings of the Board shall not be considered compensation.

(6) <u>Director Conflicts of Interest.</u>

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

(7) <u>Nomination</u>.

Nomination for election to the Board of Directors shall be made from the floor at the annual meeting, or, if elections are conducted by mail-in ballot or electronically in fieu of a meeting, by the method and date prescribed by the Board. The Board also may appoint a nominating committee to make nominations prior to the meeting. Each nominee shall be given a reasonable opportunity to communicate his or her qualifications to the membership prior to the election.

(8) Elections.

Directors shall be elected at the annual membership meeting or by mail-in or electronic ballot in lieu of such meeting. If elections are held at the annual membership meeting, voting shall be by written ballot, unless dispensed with by unanimous consent or unless a slate of candidates is unopposed and is accepted by acclamation. The nominees receiving the most votes shall fill the directorships for which elections are held. There shall be no cumulative voting.

B. <u>Meetings</u>.

(1) Regular Meetings.

Regular meetings of the Board of Directors shall be held at least every three months, at such time and place as determined by the Board.

(2) Special Meetings.

The President is authorized to call a special Board of Directors meeting. In addition, the President is required to call a special Board meeting at the request of at least a majority of the Directors.

(3) Notice of Meetings.

Except as provided in this Paragraph, the President or Secretary shall give each Director at least two days' notice of any Board of Directors meeting. A newly elected Board may meet immediately following their election without notice. Regularly scheduled Board meetings may be held without notice, provided the schedule for such meetings is announced to the Directors.

(4) Waiver of Notice.

Waiver of notice of a Board of Directors meeting shall be deemed the equivalent of proper notice. Any Director may, in writing, waive notice of any Board meeting, either before or after such meeting. A Director's attendance at a Board meeting shall be deemed waiver by such Director of improper notice, unless such Director objects to improper notice at the time the meeting is called to order. If all Directors are present at any Board meeting, no notice shall be required, and any business may be transacted at such meeting.

(5) Quorum and Voting.

The presence of Directors entitled to cast one-half of the eligible votes of the Board of Directors shall constitute a quorum for the transaction of business. One or more Directors who participate in a Board meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, if all persons participating in such meeting can hear each other. Directors may not participate in Board meetings by proxy.

Unless otherwise provided herein, all decisions of the Board of Directors shall be by majority vote. No Director shall participate in any vote of the Board if, at the time of the vote, his or her Lot is shown on the Association's books and records to be more than 30 days past due in any assessment or charge, or the voting rights for such Lot have been suspended.

(6) Conduct of Meetings.

The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all Board of Directors meetings. The President may establish rules of conduct and the order of business for all Board meetings and other Board activities.

If the Board of Directors allows Owners to attend Board meetings, then except as expressly authorized by the Board, only Directors may participate in discussions or deliberations at the Board meeting. Notwithstanding the above, the Directors may adjourn any Board meeting and reconvene in executive session, with only the Directors and other people authorized by the Board present. In executive session, the Board may discuss and vote upon personnel matters, litigation in which the Association is or may become involved, delinquent accounts, violations of the Association Legal Documents, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

The Board of Directors may order the removal of any meeting guest who, in opinion of a majority of the Directors present at the meeting, either disrupts the conduct of business at the Board meeting or fails to leave such meeting upon request after an announcement that the Board will reconvene in executive session.

(7) Action Without a Meeting.

The Board of Directors can take action outside of a properly called meeting if a majority of the eligible Directors consent in writing to such action. Such signed, written consents must describe the action taken outside a meeting and be filed with the minutes of the Board meetings. For the purpose of this provision, written consents may be taken via electronic means, in accordance with Paragraph 1(G) of these Bylaws.

C. Authority.

(1) Powers and Duties.

The Board of Directors shall manage the affairs of the Association and have every right, power and privilege authorized or implied herein and under Georgia law to effectuate such responsibilities. Unless otherwise required by the Declaration, the Act or the Georgia Nonprofit Corporation Code, the Board may perform all of its responsibilities without a vote of the Association membership. The Board may delegate any and all of its functions, in whole or in part, to any other entity. Directors shall discharge their duties and their conduct shall be evaluated in accordance with the business judgment rule as set forth in O.C.G.A. Section 14-3-830. In addition to the duties imposed by these Bylaws, the Board shall have the power to do the following (by way of explanation and not limitation):

- (a) control, manage, operate; maintain, repair, replace, and improve all portions of the Area of Common Responsibility as defined in the Declaration;
- (b) grant and accept permits, licenses, utility easements, leases, and other easements:
- (c) acquire, hold and dispose of tangible and intangible personal property and real property subject to the provisions of Paragraph 15(A)(5) of the Declaration;
- (d) make, delete and amend reasonable rules and regulations governing the use of the Community;
- (e) enforce by legal means the provisions of the Association Legal Documents as provided in the Declaration and the Act;
- (f) bring or defend any actions or proceedings which may be instituted on behalf of or against the Owners concerning the Association or the Area of Common Responsibility;
- (g) prepare and adopt an annual budget and establish the contribution from each Owner to the Common Expenses;
- (h) establish the means and methods of collecting assessments as provided in the Declaration;
- (i) deposit Association funds in a financial depository or institution that the Board of Directors shall approve, or otherwise invest the proceeds in accordance with any limitations set forth in O.C.G.A. Section 14-3-302, and use such funds to administer the Association;
 - (j) designate the signatories of all Association bank and other financial accounts;
- (k) obtain and carry insurance against casualties and liabilities as provided in the Declaration and pay the premium cost thereof;
- (I) make or contract for the making of repairs, additions and improvements to, or alterations of, the Area of Common Responsibility after damage or destruction by fire or other casualty, in accordance with the other provisions of the Declaration and these Bylaws;

(n) purchase equipment, supplies and material to be used by Association personnel in the performance of their duties.

(2) <u>Management Agent</u>.

The Association may, but shall not be required to, hire a professional management agent or agents, to be compensated as established by the Board of Directors, and to perform such duties and services as the Board shall authorize. The Board shall use reasonable efforts to provide for termination of any such management contract with or without cause and without penalty, upon no more than 30 days written notice, and for a term not in excess of one year.

(3) Borrowing.

The Board of Directors, on behalf of the Association, shall have the power to borrow money to maintain, repair, restore or replace the Area of Common Responsibility; provided, however, if the total amount of such borrowing exceeds or would exceed \$25,000 in any fiscal year, the Board shall obtain the prior approval of Owners holding at least a Majority of the vote cast at a duly called membership meeting. The Board, on behalf of the Association, also shall have the power to borrow money for other purposes with the approval of Owners holding at least a majority of the vote cast at a duly called membership meeting, or by ballot or written consent.

(4) <u>Committees</u>.

(a) Nominating Committee.

The Board of Directors may appoint a nominating committee to nominate candidates for election to the Board.

(b) <u>Architectural Control Committee</u>.

The Board of Directors may establish an Architectural Control Committee to administer the architectural controls as provided in the Declaration.

(c) Other Committees.

The Board may establish such other committees as it shall determine, with the powers and duties that the Board of Directors shall authorize.

(d) Service on Committees.

Unless otherwise provided by the Board of Directors, the Board in its discretion may appoint and remove the members and chairpersons of each committee.

D. <u>Liability and Indemnification</u>.

The Association shall indemnify every Director, Officer and committee member against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon such Director, Officer or committee member in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he or she may be made a party by reason of being or having been a Director, Officer, or committee member, whether or not such person is a Director, officer or committee member at the time such expenses are incurred subject to the limitations below.

The Directors, Officers, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such Director, Officer, or committee member in the performance of his or her duties, except for his or her own individual willful misfeasance or malfeasance. The Directors and Officers shall have no personal liability with respect to any contract or other commitment

made by them, in good faith, on behalf of the Association (except to the extent that such Directors or Officers may also be members of the Association), and the Association shall indemnify and forever hold each such Director and Officer free and clear and harmless against any and all liability to others on account of any such contract or commitment.

Any right to indemnification provided for herein shall not be exclusive of any other rights to which any Director, Officer, or committee member, or former Director, Officer, or committee member, may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and, if obtainable, directors' and officers' liability insurance to fund this obligation, and the insurance shall be written as provided in the Declaration.

4. OFFICERS

A. <u>Designation and Qualification</u>.

The principal Officers of the Association shall be the President, Vice President, Secretary, and Treasurer. The President, Vice President and Secretary must be Directors, but the Treasurer need not be a Director. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one office simultaneously.

B. <u>Election and Terms of Offices</u>.

The Board of Directors shall elect the Association Officers annually at the first Board meeting following each annual membership meeting. The Association Officers shall serve until a successor is elected, the Board removes the Officer, or the Officer resigns.

C. Removal of Officers.

The Board of Directors may remove any Officer with or without cause.

D. <u>Vacancies</u>.

The Board of Directors may fill any vacancy in any office arising because of death, resignation, removal, or otherwise. Unless earlier removed, the successor so selected shall hold office for the remainder of the term of the Officer position being filled.

E. President.

The President shall be the chief executive officer of the Association and shall establish the agenda for and preside at all meetings of the membership and the Board of Directors. The President shall have all the general powers and duties that are incident to the office of the president of a corporation organized under the Georgia Nonprofit Corporation Code.

F. <u>Vice President</u>.

The Vice President shall act in the President's absence and shall have the same powers, duties, and responsibilities as the President when so acting.

G. Secretary.

The Secretary shall keep the minutes of all meetings of the membership and the Board of Directors. The Secretary also shall keep all Association books and records and perform all duties incident to the office of the secretary of a corporation organized under the Georgia Nonprofit Corporation Code.

H. Treasurer.

The Treasurer shall have the responsibility for the Association's funds and securities. The Treasurer shall keep full and accurate financial records and books of account showing all receipts and disbursements of the Association, prepare all required financial statements and tax returns, deposit all Association funds in such

depositories as may be designated by the Board of Directors, and prepare the budget as provided in the Declaration. The Treasurer may delegate all or a part of the above responsibilities to a management agent.

I. Other Officers.

The Board of Directors may appoint one or more assistant treasurers, assistant secretaries, or other officers or subordinate officers with such titles and duties as defined by the Board Any assistant, subordinate or other officers shall not be required to be Directors.

Agreements, Contracts, Deeds, Leases, Etc.

At least two Officers of the Association (or such other person(s) as may be designated by resolution of the Board of Directors) shall execute all agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association.

K. Standard of Conduct

Officers shall discharge their duties and their conduct shall be evaluated in accordance with the business judgment rule described in O.C.G.A. Section 14-3-842.

5. MISCELLANEOUS

A. Notices

Method of Giving Notices.

Unless otherwise prohibited by these Bylaws or the Declaration, all notices and other communications required by the Association Legal Documents shall be in writing and shall be given by:

- (a) Personal delivery;
- (b) United States mail, first class, postage prepaid;
- (c) Statutory overnight delivery;
- (d) Electronic mail;
- (e) Facsimile; or
- (f) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

(2) Address For Notices.

Notices given by one of the methods described above shall be given:

- (a) If to a Lot Owner, to the address, electronic mail address or facsimile number that the Owner has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Lot of such Owner;
- (b) If to an Occupant, to the address, electronic mail address or facsimile number that the Occupant has designated in writing with the Secretary or, if no such address has been designated, at the address of the Lot occupied; or
- (c) If to the Association, the Board of Directors or the managing agent, to the postal address, facsimile or electronic mail address of the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary. The Secretary shall promptly provide notice to all Owners of any such change in address.

B. Fiscal Year.

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The fiscal year of the Association shall be the calendar year unless otherwise set by resolution of the Board of Directors.

C. Financial Statements and Reports.

Financial statements shall be prepared annually in the manner provided by the Board of Directors. Financial statements must be made available to Owners and to the holder, insurer or guarantor of any first mortgage on a Lot within 120 days of the end of the Association's fiscal year. The Board of Directors shall give a financial report to the Owners at the annual membership meeting.

D. Financial Audit.

A financial audit of the Association's accounts shall be performed annually in the manner provided by the Board of Directors. The audit shall be made available to the holder, insurer, or guarantor of any first mortgage on a Lot upon submission of a written request therefor.

E. Amendment.

- (1) Member Approval Procedure. Except where a higher vote is required for action under any other provisions of the Declaration, these Bylaws or by the Act, these Bylaws may be amended with the approval of Owners holding 66-2/3% of the total Association vote. Notice of a meeting, if any, at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the Fulton County, Georgia land records.
- amendments to this Declaration to be approved by Owners holding 2/3 of the total Association vote, regardless of whether all Owners participate in the vote or not. However, as a result of this voting requirement, when Owners fail to participate in an amendment vote because of apathy or other reasons which are not based on any disagreement with a proposed amendment, important and necessary amendments to the Declaration of Bylaws may have no chance of approval. In order to reach an equitable resolution between the requirements of the Act and the consequences of Owners failing to vote, this subparagraph establishes a mechanism which provides every eligible Owner an opportunity to issue a vote of approval, disapproval or abstention on proposed amendments to the Declaration or Bylaws, but also a realistic mechanism for approving important amendments, without the damaging consequences of Owner non-response.

The Board shall issue notice of all proposed amendments to each Owner. With each such notice, the Board shall include a copy of the proposed amendment, along with a consent form or ballot, which complies with the requirements of these Bylaws. Each such consent form or ballot shall give Owners an opportunity to vote for, vote against or abstain from voting on the proposed amendment.

If the amendment is not approved or defeated by sufficient vote within 45 days of the amendment notice described above, then the Board may seek to obtain default approval from Owners under this subparagraph. In such case, the Board shall send a default approval notice, by certified mail, to all Owners who have not returned consents or ballots on a proposed amendment within that 45-day period. This default approval notice also shall include a consent form or ballot, as provided above, along with a statement that the Owner's failure to return an executed consent form or ballot, marked with a vote for, a vote against, or an abstention from voting on the amendment, within 15 days of the date of such default approval notice, will be deemed consent to such amendment. If the Board does not receive such consent or ballot within that 15-day period, the Owner shall be deemed to have consented to and approved the amendment.

(3) Amendments to Comply with Law or Conform Documents. Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may amend the Declaration and these Bylaws to comply with any applicable state, city or federal law, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA"), or to resolve conflicts between the Declaration, these Bylaws, the Articles, and applicable laws.

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(4) <u>Validity of Amendments</u>. No Person shall be permitted to bring any legal action to challenge the validity of an amendment to the Declaration or these Bylaws more than one year after the recording thereof in the Fulton County, Georgia land records.

F. Books and Records.

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

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

G. Conflicts.

The duties and powers of the Association shall be those set forth in the Act, the Georgia Nonprofit Corporation Code, the Declaration, the Articles of Incorporation, and these Bylaws, together with those reasonably implied to affect the purposes of the Association. If there is a conflict or inconsistency between the Act, the Georgia Nonprofit Corporation Code, the Declaration, the Articles of Incorporation or these Bylaws, such laws and documents, in that order, shall prevail.

H. No Discrimination.

No action shall be taken by the Association or the Board of Directors that would unlawfully discriminate against any person on the basis of race, creed, color, religion, sex, sexual orientation, national origin, familial status or handicap.

I. Captions.

The captions herein are inserted only as a matter of convenience and for reference. They in no way define, limit, or describe the scope or intent of these Bylaws.

J. Gender and Grammar.

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

K. <u>Severability</u>.

The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability, or effect the balance of these Bylaws or the Declaration.

Deed Book 47375 Pg 221 Cathelene Robinson Clerk of Superior Court Fulton County, Georgia

CERTIFICATION

I, the undersigned, do hereby certify:

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That I am the duly elected and acting Secretary of Autumn Chace Homeowner's Association, Inc., a Georgia corporation;

That the foregoing Bylaws constitute the Amended and Restated Bylaws of said Association, as duly adopted by the Board of Directors and the members of the Association on the 19th day of 1000.

this $\underline{\underline{\gamma}}^{\prime\prime}$ day of $\underline{\underline{N}}^{\prime\prime}$ 00. Association

AUTUMN CHACE HOMEOWNER'S ASSOCIATION, INC.

Secretary

[Corporate Seal]

Deed Book 47375 Pg 222
Filed and Recorded Nov-21-2008 11:46au
2008-0309094
Cathelene Robinson
Clerk of Superior Court
Fulton County, Georgia

Forward for Recording to: Clerk of Superior Court Fulton County (Lot 138 The Falls @ Cascade Palms)

CANCELLATION OF SECURITY DEED

FULTON COUNTY, GEORGIA

The indebtedness referred to in that certain

Security Deed from Silver Creek Communities, Inc., to Citizens and Merchants State Bank, dated the 9th day of January, 2007, and recorded in Deed Book 44266, Page 610, Fulton County, Georgia Records, securing indebtedness in the original principal amount of \$212,402.00, Fulton County Georgia records.

Having been paid in full and the undersigned being the present record holder and owner of such deed, the Clerk of the Superior Court is authorized and directed to cancel that deed of record.

In witness whereof, the undersigned has set his hand and seal this 23rd day of October, 2008.

Signed, sealed and delivered in the presence of:

 $i \times I D$.

Citizens and Merchants State Bank

By: Winifred Breier Title: Authorized Agent

Notary Public

My Commission expires: 14

Note to Clerk of Superior Court
After Recording return to:

Silver Creek Communities, Inc.

PO Box 386

Douglasville, GA 30133-0386