

Type: STATE LAND RECORDS
Recorded: 12/11/2019 3:41:00 PM
Fee Amt: \$170.00 Page 1 of 81
Forsyth County, GA
Greg G. Allen Clerk Superior Ct

Participant ID(s): 1358594985,
7067927936

UPON RECORDING RETURN TO:
Katharine A. Dyott
DOROUGH & DOROUGH, LLC
Attorneys at Law
160 Clairemont Avenue, Suite 650
Decatur, Georgia 30030
(404) 687-9977

BK 9143 PG 1 - 81

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
HALCYON GARDEN TOWNHOMES

THIS INSTRUMENT ESTABLISHES A MANDATORY MEMBERSHIP HOMEOWNERS ASSOCIATION, BUT DOES NOT SUBMIT THE COMMUNITY TO THE PROVISIONS OF THE GEORGIA PROPERTY OWNERS' ASSOCIATION ACT, O.C.G.A. § 44-3-220, *ET SEQ.* OR THE PROVISIONS OF THE GEORGIA CONDOMINIUM ACT, O.C.G.A. § 44-3-70, *ET SEQ.*

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
HALCYON GARDEN TOWNHOMES
- TABLE OF CONTENTS -

	<u>Page Number</u>
ARTICLE 1 <u>DEFINITIONS</u>	1
1.1 "AMENITY AREA"	1
1.2 "ARTICLES OF INCORPORATION"	2
1.3 "ASSOCIATION"	2
1.4 "BOARD OF DIRECTORS" OR "BOARD"	2
1.5 "BYLAWS"	2
1.6 "COMMON PROPERTY"	2
1.7 "COMMUNITY"	2
1.8 "COMMUNITY-WIDE STANDARD"	2
1.9 "DECLARANT"	2
1.10 "LOT"	3
1.11 "MASTER ASSOCIATION"	3
1.12 "MASTER DECLARATION"	3
1.13 "MORTGAGE"	3
1.14 "MORTGAGEE"	3
1.15 "OCCUPANT"	4
1.16 "OWNER"	4
1.17 "PERSON"	4
1.18 "RESIDENTIAL ASSOCIATION"	4
1.19 "RESIDENTIAL DECLARATION"	4
1.20 "SUPPLEMENTARY DECLARATION"	4
1.21 "TAKEDOWN AGREEMENT"	4
1.22 "TOTAL ASSOCIATION VOTE"	5
ARTICLE 2 <u>PROPERTY SUBJECT TO THIS DECLARATION</u>	5
2.1 <u>PROPERTY HEREBY SUBJECTED TO THIS DECLARATION</u>	5
2.2 <u>UNILATERAL ANNEXATION BY DECLARANT</u>	5
2.3 <u>ANNEXATION BY ASSOCIATION</u>	6
2.4 <u>WITHDRAWAL OF PROPERTY</u>	6
2.5 <u>MASTER DECLARATION</u>	6
2.6 <u>RESIDENTIAL DECLARATION</u>	6
ARTICLE 3 <u>ASSOCIATION MEMBERSHIP AND VOTING RIGHTS</u>	7
3.1 <u>MEMBERSHIP</u>	7
3.2 <u>VOTING</u>	7
3.3 <u>VOTING UNDER MASTER DECLARATION</u>	7
3.4 <u>VOTING UNDER RESIDENTIAL DECLARATION</u>	7
ARTICLE 4 <u>ASSESSMENTS</u>	8
4.1 <u>PURPOSE OF ASSESSMENTS</u>	8
4.2 <u>CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS</u>	8
4.3 <u>BUDGET</u>	9
4.4 <u>GENERAL ASSESSMENTS</u>	9

4.5	<u>SPECIAL ASSESSMENTS</u>	10
4.6	<u>SPECIFIC ASSESSMENTS</u>	10
4.7	<u>MASTER DECLARATION ASSESSMENTS</u>	10
4.8	<u>RESIDENTIAL DECLARATION ASSESSMENTS</u>	11
4.9	<u>SUBORDINATION OF LIENS TO MORTGAGES</u>	11
4.10	<u>REMEDIES OF THE ASSOCIATION</u>	12
4.11	<u>DATE OF COMMENCEMENT OF ASSESSMENTS</u>	13
4.12	<u>BUDGET DEFICITS DURING DECLARANT CONTROL</u>	13
4.13	<u>FAILURE TO ASSESS</u>	13
4.14	<u>ESTOPPEL LETTER</u>	13
4.15	<u>WORKING CAPITAL CONTRIBUTION</u>	14
4.16	<u>SUSPENSION OF SERVICES PROVIDED BY ASSOCIATION</u>	14
ARTICLE 5 <u>MAINTENANCE: COMMON PROPERTY</u>		15
5.1	<u>ASSOCIATION'S MAINTENANCE RESPONSIBILITY</u>	15
5.2	<u>EXTERIOR LOT MAINTENANCE</u>	15
5.3	<u>LANDSCAPE MAINTENANCE</u>	17
5.4	<u>PRIVATE STREET AND SIDEWALK MAINTENANCE</u>	18
5.5	<u>STORM WATER DRAINAGE FACILITY MAINTENANCE</u>	18
5.6	<u>FAILURE TO MAINTAIN</u>	18
5.7	<u>CONVEYANCE OF COMMON PROPERTY BY DECLARANT TO ASSOCIATION; NO IMPLIED RIGHTS</u>	18
5.8	<u>PARTITION</u>	19
5.9	<u>CONDEMNATION</u>	19
5.9	<u>LIABILITY</u>	19
5.10	<u>GARBAGE PICK-UP AND RECYCLING</u>	20
5.11	<u>PARTY WALLS</u>	20
5.12	<u>MEASURES RELATED TO INSURANCE COVERAGE</u>	21
5.13	<u>PEST CONTROL</u>	21
ARTICLE 6 <u>ARCHITECTURAL STANDARDS</u>		22
6.1	<u>GENERAL</u>	22
6.2	<u>GUIDELINES AND PROCEDURES</u>	23
6.3	<u>ARCHITECTURAL GUIDELINES</u>	23
6.4	<u>LIMITATION OF LIABILITY</u>	24
6.5	<u>NO WAIVER</u>	24
6.6	<u>VARIANCES</u>	24
6.7	<u>ENFORCEMENT</u>	25
6.8	<u>ARCHITECTURAL REVIEW BY DECLARANT</u>	25
ARTICLE 7 <u>USE RESTRICTIONS AND RULES</u>		26
7.1	<u>RULES AND REGULATIONS</u>	26
7.2	<u>RESIDENTIAL USE</u>	26
7.3	<u>SIGNS</u>	27
7.4	<u>VEHICLES; PARKING</u>	28
7.5	<u>ANIMALS AND PETS</u>	29
7.6	<u>NUISANCE</u>	30
7.7	<u>UNSIGHTLY OR UNKEMPT CONDITIONS</u>	31
7.8	<u>ANTENNAE</u>	31
7.9	<u>TREE REMOVAL</u>	31
7.10	<u>DRAINAGE</u>	31
7.11	<u>SIGHT DISTANCE AT INTERSECTIONS</u>	32
7.12	<u>GARBAGE CANS, WOODPILES, ETC.</u>	32
7.13	<u>SUBDIVISION OF LOT</u>	32
7.14	<u>FENCES</u>	32
7.15	<u>UTILITY LINES</u>	33
7.16	<u>AIR-CONDITIONING UNITS</u>	33

7.17	<u>LIGHTING</u>	33
7.18	<u>ARTIFICIAL VEGETATION, GARDENS, PLAY EQUIPMENT, EXTERIOR SCULPTURE, WATER FEATURES AND SIMILAR ITEMS</u>	33
7.19	<u>FLAGS</u>	33
7.20	<u>CONSERVATION EQUIPMENT</u>	33
7.21	<u>SWIMMING POOLS</u>	34
7.22	<u>CLOTHESLINES</u>	34
7.23	<u>ENTRY FEATURES</u>	34
7.24	<u>WINDOW TREATMENTS</u>	34
7.25	<u>STORM AND SCREEN DOORS AND WINDOWS; PET DOORS</u>	34
7.26	<u>GARAGE SALES</u>	34
7.27	<u>OUTBUILDINGS AND SIMILAR STRUCTURES</u>	34
7.28	<u>DECKS, PATIOS AND PORCHES</u>	34
7.29	<u>EXTERIOR DRAPERY</u>	35
7.30	<u>EXTERIOR SPEAKERS</u>	35
7.31	<u>STORM WATER DETENTION/RETENTION PONDS, CREEKS AND STREAMS</u>	35
ARTICLE 8 <u>RESTRICTION ON LEASING</u>		35
8.1	<u>GENERAL</u>	35
8.2	<u>LEASING PERMITS</u>	36
8.3	<u>HARDSHIP LEASING PERMITS</u>	36
8.4	<u>TRANSIENT RENTALS</u>	37
8.5	<u>LEASING PROVISIONS</u>	37
8.6	<u>MORTGAGEE EXEMPTION</u>	39
8.7	<u>RIGHTS RESERVED FOR THE DECLARANT</u>	39
ARTICLE 9 <u>INSURANCE AND CASUALTY LOSSES</u>		39
9.1	<u>INSURANCE OBTAINED BY ASSOCIATION</u>	39
9.2	<u>INSURANCE OBTAINED BY LOT OWNERS</u>	40
9.3	<u>DAMAGE AND DESTRUCTION</u>	40
9.4	<u>INSURANCE DEDUCTIBLE</u>	41
ARTICLE 10 <u>EASEMENTS</u>		41
10.1	<u>GENERAL</u>	41
10.2	<u>EASEMENTS FOR USE AND ENJOYMENT</u>	41
10.3	<u>EASEMENTS FOR UTILITIES</u>	42
10.4	<u>LOT OWNER – EASEMENT FOR UTILITIES</u>	43
10.5	<u>EASEMENT FOR EMERGENCY ENTRY</u>	43
10.6	<u>EASEMENT FOR ASSOCIATION MAINTENANCE</u>	44
10.7	<u>EASEMENT FOR LOT MAINTENANCE</u>	44
10.8	<u>EASEMENT FOR ENTRY FEATURES AND STREETSCAPES</u>	44
10.9	<u>EASEMENT FOR DRAINAGE</u>	44
10.10	<u>EASEMENT DURING CONSTRUCTION AND SALE PERIOD</u>	45
10.11	<u>EASEMENT FOR PRIVATE STREETS, SIDEWALKS AND SIGNS</u>	45
10.12	<u>EASEMENT FOR ENCROACHMENT AND OVERHANG</u>	46
ARTICLE 11 <u>GENERAL PROVISIONS</u>		46
11.1	<u>ENFORCEMENT</u>	46
11.2	<u>OCCUPANTS BOUND</u>	47
11.3	<u>SELF-HELP</u>	47
11.4	<u>DURATION</u>	47
11.5	<u>TERMINATION OF RIGHTS OF DECLARANT</u>	48
11.6	<u>RIGHTS RESERVED FOR THE BENEFIT OF CL-RP</u>	48
11.7	<u>AMENDMENT</u>	48
11.8	<u>GENDER AND GRAMMAR</u>	50
11.9	<u>SEVERABILITY</u>	50

11.10	<u>CAPTIONS</u>	50
11.11	<u>NO MERGER</u>	50
11.12	<u>PREPARER</u>	50
11.13	<u>NOTICES</u>	50
11.14	<u>NO DISCRIMINATION</u>	51
11.15	<u>SECURITY</u>	51
11.16	<u>INDEMNIFICATION</u>	51
11.17	<u>NOTICE OF SALE OR ACQUISITION</u>	52
11.18	<u>AGREEMENTS</u>	52
11.19	<u>VARIANCES</u>	52
11.20	<u>LITIGATION</u>	52
11.21	<u>DISCLOSURES</u>	52
11.22	<u>CUMULATIVE EFFECT; CONFLICT</u>	53

EXHIBIT "A" - PROPERTY DESCRIPTION

EXHIBIT "B" - ADDITIONAL PROPERTY WHICH MAY BE UNILATERALLY SUBMITTED TO THIS
DECLARATION BY DECLARANT

EXHIBIT "C" - BYLAWS OF HALCYON GARDEN TOWNHOME ASSOCIATION, INC.

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,

RESTRICTIONS AND EASEMENTS

FOR

HALCYON GARDEN TOWNHOMES

THIS DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR HALCYON GARDEN TOWNHOMES ("Declaration") is made on the date hereinafter set forth by **EA HOMES, LP**, a Delaware limited partnership (hereinafter sometimes called "Declarant" or "EAH") and **CL-RP MCFARLAND, LLC**, a Georgia limited liability company (hereinafter sometimes called "CL-RP");

W I T N E S S E T H

WHEREAS, Declarant and CL-RP collectively own all of the real property described in Exhibit "A" hereof; and

WHEREAS, Declarant and CL-RP desire to subject the real property described in Exhibit "A" hereof to the provisions of this Declaration to create a residential community of single-family housing and to provide for the subjecting of other real property to the provisions of this Declaration;

NOW, THEREFORE, Declarant and CL-RP hereby declare that the real property described in Exhibit "A" attached hereto and by this reference incorporated herein is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied, mortgaged and otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments and liens, hereinafter set forth, which are for protecting the value and desirability of and which shall run with the title to the real property hereby and hereafter made subject hereto and shall be binding on all persons having any right, title or interest in all or any portion of the real property now and hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title and assigns and shall inure to the benefit of each owner of all or any portion thereof.

Article 1
Definitions

The following words, when used in this Declaration or in any Supplementary Declaration, shall have the following meanings:

1.1 "Amenity Area" means the swimming pool, clubhouse and related facilities and parking areas which are owned (or will be owned upon the conveyance thereof) and maintained by the Residential Association pursuant to the Residential Declaration.

1.2 "Articles of Incorporation" means the Articles of Incorporation of Halcyon Garden Townhome Association, Inc., filed with the Georgia Secretary of State and incorporated herein by this reference, as may be amended from time to time.

1.3 "Association" means Halcyon Garden Townhome Association, Inc., a Georgia nonprofit corporation, its successors and assigns.

1.4 "Board of Directors" or "Board" means the appointed or elected body of the Association, vested with the authority to operate and manage the affairs of the Association under the Georgia Nonprofit Corporation Code, O.C.G.A. Section 14-3-101, *et seq.*

1.5 "Bylaws" means the Bylaws of Halcyon Garden Townhome Association, Inc., attached to this Declaration as Exhibit "C" and incorporated herein by this reference, as may be amended from time to time.

1.6 "Common Property" means any and all real and personal property, including, without limitation, easements and other interests therein, and the facilities and improvements located thereon now or hereafter owned by the Association for the common use and enjoyment of the Owners.

1.7 "Community" refers to that certain real property described in Exhibit "A", attached hereto, and such additions thereto as may be made by Supplementary Declaration as provided herein.

1.8 "Community-Wide Standard" 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 of the Association and may be articulated in the Architectural Guidelines established pursuant to Article 6 hereof, but must be consistent with the Community-Wide Standard originally established by the Declarant.

1.9 "Declarant" means **EA HOMES, LP**, a Delaware limited partnership, and its successors, successors-in-title or assigns taking title to any portion of the property described in Exhibit "A" or Exhibit "B" hereof for the purpose of development and/or sale and designated as Declarant in a recorded instrument by the then holder of the rights of Declarant hereunder. Any or all of the rights of Declarant set forth in this Declaration, the Articles of Incorporation or the Bylaws may be transferred or assigned in whole or in part to other Persons. No transfer or assignment of the rights of Declarant provided for herein shall be effective unless it is in a written instrument signed by Declarant and recorded in the Forsyth County, Georgia land records.

Notwithstanding the foregoing, in the event (a) the "Buyer" (as such term is defined in each Takedown Agreement) under any Takedown Agreement is in breach of such Takedown Agreement, after any applicable notice and cure periods have run and such Takedown Agreement has been terminated, or (b) the "Buyer" under any Takedown Agreement has terminated such Takedown Agreement before purchasing all of the property contemplated to be

purchased under the Takedown Agreement, CL-RP may, but shall not be obligated to, with ten (10) days prior written notice to Declarant, unilaterally assume all rights of Declarant arising under this Declaration by filing for record a document evidencing the assumption of such rights. Upon the date of the recording of said document by CL-RP assuming the rights of Declarant under the Declaration in the Office of the Clerk of Superior Court of Forsyth County, Georgia, then and thereafter, all rights of EAH, as Declarant, arising hereunder shall automatically cease and such rights shall be vested with CL-RP. Notwithstanding the foregoing or anything herein to the contrary, EAH shall remain exempt from the provisions of Article 6 for any Lot owned by EAH, shall remain exempt from the payment of assessments under Article 4 for any Lot owned by EAH, and shall retain the easement rights of Declarant set forth in Article 9 hereof, to facilitate the development, construction and sale of the Lots owned by EAH. Declarant's right to terminate EAH's rights as Declarant hereunder shall expire when EAH has purchased all of the property described in the Takedown Agreements. Until such time as all Lots have been purchased by EAH pursuant to the Takedown Agreements, EAH shall have no right to assign, pledge or encumber such Declarant rights to any Person other than to CL-RP or a party designated by CL-RP without the consent of CL-RP and any purported assignment, pledge or encumbrance of such rights without the written consent of CL-RP shall be void.

1.10 "Lot" shall mean any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site, as shown on the subdivision plat(s) for the Community recorded in the Forsyth County, Georgia land records. The residential dwelling located on each Lot shall be attached by one or more party wall(s) to one or more other residential dwellings located on adjacent Lots so that the boundary between such residential dwellings is a line running along the center of the party wall separating said residential dwellings. The ownership of each Lot shall include, and there shall automatically pass with the title to each Lot as an appurtenance thereto, whether or not separately described, membership in the Association and all of the rights and interest of an Owner in and to the Common Property, as provided herein.

1.11 "Master Association" means Halcyon Owners Association, Inc., a Georgia nonprofit corporation established pursuant to the Master Declaration, to be the entity named as having the power and authority set forth therein.

1.12 "Master Declaration" means that Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Halcyon, recorded on September 7, 2017 in Deed Book 8320, Pages 366 - 444, Forsyth County, Georgia records, as may be supplemented and amended from time to time, which document establishes certain easements, covenants and restrictions for Halcyon, including the property described on Exhibit "A" attached hereto.

1.13 "Mortgage" means any and all instruments used for the purpose of encumbering or conveying title to real property in the Community as security for the payment or satisfaction of an obligation, including, without limitation, any mortgage, deed to secure debt or deed of trust.

1.14 "Mortgagee" means the holder of a Mortgage.

1.15 "Occupant" means any Person occupying all or any portion of a Lot for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

1.16 "Owner" means the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.

1.17 "Person" includes any individual, individual acting in a fiduciary capacity, corporation, limited partnership, limited liability company, general partnership, joint stock company, joint venture, association, company or other organization, recognized as a separate legal entity under Georgia law.

1.18 "Residential Association" means Halcyon Residential Community Association, Inc., a Georgia nonprofit corporation established pursuant to the Residential Declaration, to be the entity named as having the power and authority set forth therein.

1.19 "Residential Declaration" means that Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Halcyon Residential, recorded April 3, 2019 in Deed Book 8843, Pages 367 – 416, Forsyth County, Georgia land records, as may be supplemented and amended from time to time, which document establishes certain easements, covenants and restrictions for the single-family residential neighborhoods located within Halcyon, including the property described on Exhibit "A" attached hereto.

1.20 "Supplementary Declaration" means a supplement to this Declaration which subjects additional property to the provisions of this Declaration and/or imposes additional covenants, conditions, restrictions or easements on the land described therein.

1.21 "Takedown Agreement" means any of: (a) that certain Amended and Restated Agreement of Purchase and Sale (113 Finished Lots) by and between EAH Acquisitions, L.L.C., a Delaware limited liability company, as Buyer, and CL-RP, as Seller, having an effective date of December 1, 2017, as assigned by Buyer to EAH Land Acquisitions, LLC, a Georgia limited liability company, pursuant to an assignment dated January 28, 2019, as further assigned to EAH pursuant to an assignment dated March 29, 2019, as the same may be assigned, amended, restated and supplemented from time to time, pertaining to the purchase and sale of all or a portion of the property which is intended to comprise the Community; and (b) that certain Agreement of Purchase and Sale (30 Townhome Lots) by and between CL-RP, as Seller, and EAH Acquisitions, L.L.C., a Delaware limited liability company, as Buyer, having an effective date of December 1, 2017, as assigned by Buyer to EAH Land Acquisitions, LLC, a Georgia limited liability company, pursuant to an assignment dated January 28, 2019, as further assigned to EAH Acquisitions, LP, a Delaware partnership, pursuant to an assignment dated March 29, 2019, as the same may be assigned, amended, restated and supplemented from time to time, pertaining to the purchase and sale of all or a portion of the property which is intended to comprise the Community.

1.22 "Total Association Vote" means the votes attributable to the entire membership of the Association (including the votes of Declarant) as of the record date for such action, but specifically excluding the votes of any Owners whose voting rights have been suspended as provided herein, whether or not such members are present or represented at the meeting, if any, where such votes are to be cast. If, for example, and without limitation, two-thirds (2/3) of the Total Association Vote is required to approve a matter, such matter must receive more than two-thirds (2/3) of the votes attributable to all existing members of the Association as of the record date for such action (and excluding the votes of any Owners whose voting rights have been suspended as provided herein), whether or not such members are present or represented at the meeting, if any, where such votes are to be cast.

Article 2 Property Subject To This Declaration

2.1 Property Hereby Subjected to This Declaration. The real property which is, by the recording of this Declaration, subject to the covenants, conditions, restrictions and easements hereinafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied and encumbered subject to this Declaration is the real property described in Exhibit "A" attached hereto and by this reference made a part hereof.

2.2 Unilateral Annexation by Declarant. As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time to subject all or any portion of the real property described in Exhibit "B" attached hereto and by this reference incorporated herein, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Forsyth County, Georgia land records a Supplementary Declaration describing the property being subjected. Any annexation shall be effective upon the filing for record of such Supplementary Declaration, unless a later effective date is provided therein. Notwithstanding anything to the contrary herein, any Supplementary Declaration executed by Declarant shall also require the written consent of CL-RP so long as it owns a Lot, which consent shall not be unreasonably withheld, conditioned or delayed. So long as CL-RP owns a Lot, any Supplementary Declaration which is not executed by CL-RP shall be void and of no force and effect. Inclusion of property on Declarant's land plan or in Exhibit "B" shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land plan bar Declarant from subjecting such property to the Declaration. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as the rights of existing Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property. If any land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, regardless of whether such uses are consistent with the covenants and restrictions imposed herein.

2.3 Annexation by the Association. Upon the written consent of: (a) the owner(s) thereof; (b) the Declarant; (c) CL-RP, so long as it owns any Lot; and (d) the Owners of at least two-thirds (2/3) of the Lots, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Forsyth County, Georgia land records a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be executed on behalf of the Association by the President of the Association whose signature shall be attested by the Secretary of the Association. The annexation shall be effective only upon the filing for record of such Supplementary Declaration in the Forsyth County, Georgia land records, unless a later effective date is provided therein.

2.4 Withdrawal of Property. Declarant shall have the right to amend the Declaration to remove any portion of the Community from the coverage of this Declaration and the jurisdiction of the Association, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Community, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community. Any withdrawal shall be accomplished by the filing for record of an amendment to this Declaration which describes the property to be removed and is executed by the Declarant and the Owner(s) of the property being removed if not the Declarant. Any withdrawal shall be effective upon filing for record of such amendment in the Forsyth County, Georgia land records, unless a later effective date is provided therein. Such amendment shall be executed by: (a) the Declarant; (b) the Owner(s) of the property being removed; and (c) CL-RP, so long as it owns a Lot in the Community, and shall not require the vote or consent of any other Lot Owners in the Community. So long as CL-RP owns a Lot in the Community, any amendment to withdraw property from the Declaration which is not executed by CL-RP shall be void and of no force and effect.

2.5 Master Declaration. Each Owner and Occupant understands and acknowledges that the Community is subject to the provisions of the Master Declaration and the jurisdiction of the Master Association. Each Owner and Occupant further understands that the covenants, conditions, assessment obligations and restrictions set forth herein are in addition to, not in lieu of, those set forth in the Master Declaration. Each Owner and Occupant shall be obligated to and shall comply with the provisions of this Declaration, the Master Declaration and the Residential Declaration. Notwithstanding anything herein to the contrary, no property shall be made subject to this Declaration unless, at the time it is made subject hereto, it is also subject to or made subject to the Master Declaration and Residential Declaration.

2.6 Residential Declaration. Each Owner and Occupant understands and acknowledges that the Community is subject to the provisions of the Residential Declaration and the jurisdiction of the Residential Association. Each Owner and Occupant further understands that the covenants, conditions, assessment obligations and restrictions set forth herein are in addition to, not in lieu of, those set forth in the Residential Declaration. Each Owner and Occupant shall be obligated to and shall comply with the provisions of this Declaration, the Residential Declaration and the Master Declaration. Notwithstanding anything herein to the contrary, no property shall be made subject to this Declaration unless, at the time it is made subject hereto, it is also subject to or made subject to the Master Declaration and Residential Declaration.

Article 3
Association Membership and Voting Rights

3.1 Membership. Every Person who is the record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration shall have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate an Owner's membership. No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot. Membership shall be appurtenant to and may not be separated from ownership of a Lot. The rights and privileges of membership, including the right to hold office, may be exercised by a member or the spouse of a member, but in no event shall more than one (1) Person representing a single membership hold office at the same time. This Section is not intended to prohibit the same individual from being both an officer and a director of the Association. Nothing in this Section shall restrict the number of votes cast or the number of officers and directors appointed by the Declarant.

3.2 Voting. Members shall be entitled to cast one (1) vote for each Lot owned. When more than one (1) Person holds an ownership interest in a Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary prior to any meeting or referendum. The vote attributable to a Lot shall be suspended in the event more than one (1) Person seeks to exercise it. The Board of Directors may suspend the voting rights of an Owner for any period during which any past due assessment against any Lot of the Owner remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws, rules and regulations of the Association or Architectural Guidelines, established pursuant to Section 6.3 hereof.

3.3 Voting Under Master Declaration. Pursuant to the Master Declaration, the Association shall appoint a Voting Delegate, as such term is defined in the Master Declaration, to represent the Association in the affairs of the Master Association. The Voting Delegate shall be responsible for casting the votes of all of the Lots within the Community for those matters requiring a vote of the Master Association. Unless otherwise determined by the Board, the President of the Association shall be the Voting Delegate and the alternate Voting Delegate shall be the Treasurer and Secretary in that order.

3.4 Voting Under Residential Declaration. Pursuant to the Residential Declaration, the Association shall appoint a Voting Delegate, as such term is defined in the Residential Declaration, to represent the Association in the affairs of the Residential Association. The Voting Delegate shall be responsible for casting the votes of all of the Lots within the Community for those matters requiring a vote of the Residential Association. Unless otherwise determined by the Board, the President of the Association shall be the Voting Delegate and the alternate Voting Delegate shall be the Treasurer and Secretary in that order.

Article 4
Assessments

4.1 Purpose of Assessments. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners of Lots, including, without limitation, the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

4.2 Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) general assessments; (b) special assessments; (c) specific assessments; (d) assessments levied by the Master Association pursuant to the Master Declaration as provided in Section 4.7 hereof; and (e) assessments levied by the Residential Association pursuant to the Residential Declaration as provided in Section 4.8 hereof. All assessments, together with late charges (in an amount equal to the greater of Ten and No/100 Dollars (\$10.00) or ten percent (10%) of the amount of the assessment or installment not paid when due), interest (at a rate of ten percent (10%) per annum on the principal amount due) and costs of collection, including, without limitation, reasonable attorneys' fees actually incurred, shall, from the time the sums become due and payable, be a charge on the land and a continuing lien in favor of the Association on the Lot against which each assessment is made. As provided in O.C.G.A. Section 44-5-60(e), the obligation for the payment of assessments and fees arising hereunder shall also include the costs of collection, including, without limitation, reasonable attorneys' fees actually incurred, and the award of attorneys' fees shall not be construed in accordance with the provisions of O.C.G.A. Section 13-1-11(a)(2).

The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien shall be required. Each assessment, together with late charges, interest and costs of collection, including, without limitation, reasonable attorneys' fees actually incurred, shall also be the personal obligation of the Person who was the Owner of the Lot at the time the assessment fell due. Each Owner shall be personally liable for the portion of each assessment coming due while the Owner of a Lot, and each grantee of an Owner shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of the grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings. No Owner may waive or otherwise be exempt from liability for the assessments provided for herein for any reason, including, by way of illustration and not limitation, the following: (a) abandonment of the Lot; (b) nonuse of the Common Property; (c) the Association's failure to perform its obligations required under the Declaration; (d) inconvenience or discomfort arising out of the Association's performance of its duties; or (e) nonuse of the Amenity Area. No diminution or abatement of any assessment shall be claimed or allowed by reason of any failure of the Association to take some action or perform some function required to be taken or performed by the Association, the obligation to pay assessments being a separate and independent covenant on the part of each Owner. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

4.3 Budget. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year. Costs incurred pursuant to the Master Declaration and Residential Declaration shall each be a line item in the Association's budget. The Board shall cause the budget and the general assessment to be levied against each Lot for the year to be delivered to each member at least thirty (30) days prior to the due date of such general assessment. The budget and the general assessment shall become effective unless disapproved at a meeting by a majority of the Total Association Vote and the Declarant; provided, however, the Board shall have no obligation to call such a meeting unless a petition for a special meeting is presented to the Board within ten (10) days of the delivery of the notice of the general assessment. Notwithstanding the foregoing, however, in the event the proposed budget is disapproved by the membership and Declarant or the Board fails for any reason to determine the budget for any period, then and until such time as a budget has been determined, as provided herein, the budget in effect shall continue. Notwithstanding anything to the contrary herein, the part of the Association budget attributable to the Master Declaration assessments may only be disapproved as provided in the Master Declaration so that any increase in the proposed budget and the assessments levied by the Association due to an increase in the Master Declaration assessments or otherwise pursuant to the Master Declaration, shall automatically be effective. Further, notwithstanding anything to the contrary herein, the part of the Association budget attributable to the Residential Declaration assessments may only be disapproved as provided in the Residential Declaration so that any increase in the proposed budget and the assessments levied by the Association due to an increase in the Residential Declaration assessments or otherwise pursuant to the Residential Declaration, shall automatically be effective.

4.4 General Assessments. General assessments shall be levied equally on all Lots and shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the general assessment shall be paid in monthly installments. General assessments include any sums the Board determines necessary for the continued ownership, operation and maintenance of the Common Property, improvements to the Common Property, operating expenses of the Association, payment for any items of betterment and the establishment of reserve funds as the Board shall deem proper. General assessments may include, without limitation, the following: (a) sums for property taxes for the Common Property; (b) insurance premiums; (c) legal and accounting fees; (d) management fees; (e) charges for utilities and other services provided by the Association, if any; (f) costs to maintain the Community entry features, including any electricity, landscaping, and irrigation expenses associated therewith; (g) costs to maintain landscaping on the exterior portions of the Lots and Common Property pursuant to Section 5.3 hereof; (h) costs to maintain the centralized mailboxes and mailboxes located thereon; (i) costs to perform certain exterior maintenance to the residential dwellings located on the Lots; (j) costs to maintain the sidewalks located within the boundaries of Lots or Common Property in the Community; and (k) expenses and liabilities incurred as provided herein and in the Articles of Incorporation and Bylaws for the indemnification of officers and directors and in connection with the enforcement of rights and duties of the Association against Owners and others.

4.5 Special Assessments. The Association, acting through the Board of Directors, may levy a special assessment against all Owners in the Community for unbudgeted or unanticipated expenses or expenses in excess of those budgeted. So long as the total amount of special assessments allocated to each Lot in a fiscal year does not exceed the amount of the annual general assessment in such fiscal year, the Board may impose the special assessment without a vote of the Owners. Except for special assessments levied pursuant to Section 9.3 hereof, any special assessment which would cause the total amount of the special assessments allocated to any one Lot in a fiscal year to exceed the amount of the annual general assessment in such fiscal year must be approved by two-thirds (2/3) of the Total Association Vote and the Declarant in order to be effective. Special assessments shall be paid as determined by the Board. The Board may permit a special assessment to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

4.6 Specific Assessments. The Board shall have the power to levy specific assessments as, in its discretion, it shall deem appropriate. The failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. By way of explanation and not limitation, the following shall constitute specific assessments: (a) fines levied pursuant to this Declaration; (b) the working capital contribution as provided in Section 4.15 hereof; (c) the cost of maintenance performed by the Association for which an Owner is responsible; and (d) the costs of providing utilities or services to the Lot.

In addition to the foregoing, the Board of Directors may also specifically assess Owners for Association expenses as follows: (x) expenses of the Association which benefit less than all of the Lots may be specifically assessed equitably among all of the Lots which are benefited according to the benefit received; (y) expenses of the Association which benefit all Lots, but do not provide an equal benefit to all Lots may be specifically assessed equitably among all Lots according to the benefit received; and (z) expenses of the Association which are attributable to or incurred as a result of the conduct of an Owner or the Occupants, guests, tenants, invitees or licensees of the Owner may be specifically assessed against the Lot of such Owner.

4.7 Master Declaration Assessments.

(a) General. The Master Declaration assessment is the annual expenses incurred by the Master Association under the Master Declaration. Such expenses shall include, without limitation, costs incurred for the maintenance of the landscaping and private streets and such other costs and expenses as may be set forth in the Master Declaration. The Master Declaration assessment shall be a line item in the Association's budget, shall be included in the general assessment to be paid by all Owners and shall be paid by the Association to the Master Association as provided in the Master Declaration. Unless otherwise notified in writing by the Master Association, the Association shall collect all assessments and charges levied against the Lots within the Community by the Master Association and shall disburse the full amount of the Master Association's assessments and charges to the Master Association in accordance with the

Master Declaration. This assessment obligation shall not only be enforceable by the Association as provided herein but shall also be enforceable as provided in the Master Declaration by the Master Association against each individual Lot Owner.

(b) Special and Specific Assessments. The Master Association may also levy special assessments and specific assessments against Owners in accordance with the provisions of the Master Declaration. Unless otherwise notified in writing by the Master Association, the Association shall collect such special assessments and specific assessments levied against Owners within the Community by the Master Association and shall pay such assessments to the Master Association pursuant to the Master Declaration.

4.8 Residential Declaration Assessments.

(a) General. The Residential Declaration assessment is the annual expenses incurred by the Residential Association under the Residential Declaration. Such expenses shall include, without limitation, costs to maintain, repair and operate the Amenity Area and such other costs and expenses as may be set forth in the Residential Declaration. The Residential Declaration assessment shall be a line item in the Association's budget, shall be included in the general assessment to be paid by all Owners and shall be paid by the Association to the Residential Association as provided in the Residential Declaration. Unless otherwise notified in writing by the Residential Association, the Association shall collect all assessments and charges levied against the Lots within the Community by the Residential Association and shall disburse the full amount of the Residential Association's assessments and charges to the Residential Association in accordance with the Residential Declaration. This assessment obligation shall not only be enforceable by the Association as provided herein but shall also be enforceable as provided in the Residential Declaration by the Residential Association against each individual Lot Owner.

(b) Special and Specific Assessments. The Residential Association may also levy special assessments and specific assessments against Owners in accordance with the provisions of the Residential Declaration. Unless otherwise notified in writing by the Residential Association, the Association shall collect such special assessments and specific assessments levied against Owners within the Community by the Residential Association and shall pay such assessments to the Residential Association pursuant to the Residential Declaration.

4.9 Subordination of Liens to Mortgages. Notwithstanding anything to the contrary in this Declaration or any other document related thereto or executed in connection therewith, the lien of all assessments authorized herein is hereby made subordinate to the lien of any first Mortgage placed on a Lot if, but only if, all assessments and charges with respect to such Lot authorized herein having a due date on or prior to the date of the Mortgage as filed of record have been paid. The lien hereby subordinated is only such lien as relates to assessments and charges authorized hereunder having a due date subsequent to the date such Mortgage is filed of record and prior to the foreclosure of such Mortgage. Such subordination is merely a subordination and shall not relieve the Owner of the Lot of the personal obligation to pay all assessments coming due during such period of ownership; shall not relieve such Lot from the lien provided for herein (except to the extent a subordinated lien is extinguished as a result of

such subordination as against a Mortgagee or such Mortgagee's transferee by foreclosure); and no sale or transfer of such Lot to the Mortgagee or to any other Person pursuant to a foreclosure, or pursuant to any other proceeding in lieu of foreclosure, shall relieve any existing or previous Owner of such Lot of any Owner of such Lot from liability for any assessment authorized hereunder that becomes due after such sale and transfer.

4.10 Remedies of the Association. Any assessments or installments thereof which are not paid when due shall be delinquent. In addition to the lien rights, the personal obligation of the then Owner to pay such assessments shall remain such Owner's personal obligation and shall also pass to such Owner's successors-in-title. Such Owner shall nevertheless remain as fully obligated as before to pay to the Association any and all amounts which such Owner was obligated to pay immediately preceding the transfer or conveyance; and such Owner and such successors-in-title shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such Owner and such successors-in-title creating any indemnification of the Owner or any relationship of principal and surety as between themselves.

Any assessment or installment thereof delinquent for a period of more than ten (10) days shall incur a late charge (in an amount equal to the greater of Ten and No/100 Dollars (\$10.00) or ten percent (10%) of the amount of the assessment or installment not paid when due) and interest (at a rate of ten percent (10%) per annum on the principal amount due). As provided in O.C.G.A. Section 44-5-60(e), the obligation for the payment of assessments and fees arising hereunder shall also include costs of collection, including, without limitation, reasonable attorneys' fees actually incurred, and the award of attorneys' fees shall not be construed in accordance with the provisions of O.C.G.A. Section 13-1-11(a)(2).

The Association may cause a notice of delinquency to be given to any Owner who has not paid within ten (10) days following the due date. In the event that the assessment remains unpaid after sixty (60) days, the Association may institute suit to collect such amounts and/or to foreclose its lien. The Association may file a claim of lien with the Office of the Clerk of Superior Court of Forsyth County, Georgia, but no such claim of lien shall be required to establish or perfect the lien for unpaid assessments.

Each Owner, by acceptance of a deed, vests in the Association the right and power to bring all actions against such Owner personally, for the collection of such charges as a debt or to foreclose the lien. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Owners. The Association shall have the power to bid on the Lot at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. The Association may also: (a) suspend the membership rights of the delinquent Owner, including the right to vote, the right of use and enjoyment in and to the Common Property; (b) suspend the right to receive and enjoy such services and other benefits as may then be provided by the Association which may include, without limitation, the suspension of any utilities or services provided by the Association as set forth in Section 4.16 hereof; and (c) notify the Residential Association to suspend the right of an Owner and such Owner's Occupants, guests and tenants to use and enjoy the Amenity Area. Any such suspension shall not affect an Owner's obligation to

pay assessments coming due during the period of such suspension and shall not affect the permanent lien on such Lot in favor of the Association.

4.11 Date of Commencement of Assessments. Assessments shall commence when the Board of Directors first determines a budget and levies assessments. The assessments provided for herein shall commence as to a Lot on the date that such Lot has been improved with a dwelling for which a certificate of occupancy has been issued and has been conveyed to an Owner who intends to occupy the dwelling, or, if the dwelling is occupied as a residence before such conveyance, the date of such occupancy. Any Lot which has been approved by Declarant for use as a model home for marketing and sales purposes or a speculative home shall not be deemed to be occupied for residential purposes and shall not be subject to assessments under this Declaration, including, without limitation, general assessments, special assessments, specific assessments, and the working capital contribution, whether owned by Declarant or any other Person, so long as such Lot is approved for use as a model home and is not occupied for residential purposes. Master Declaration assessments shall commence as to a Lot as provided in the Master Declaration. Residential Declaration assessments shall commence as to a Lot as provided in the Residential Declaration.

4.12 Budget Deficits During Declarant Control. For so long as the Declarant has the authority to appoint and remove the directors and officers of the Association, Declarant may, but shall have no obligation to: (a) advance funds or contributions of services or materials or a combination of services and materials, rather than money (herein collectively called "in kind contribution"), or a combination of these, to the Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Association (but specifically not including an allocation for capital reserves), and the sum of the general, special and specific assessments collected by the Association in any fiscal year (such advances may be evidenced by promissory notes from the Association in favor of the Declarant); or (b) cause the Association to borrow such amount from a commercial lending institution at the then prevailing rates for similar loans in the local area of the Community; provided, however, no Mortgage secured by the Common Property or any of the structures or improvements maintained by the Association shall be given in connection with such loan unless such loan has been approved by the membership as provided in Section 10.2(b) hereof.

4.13 Failure to Assess. The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time any shortfalls in collections may be assessed retroactively by the Association.

4.14 Estoppel Letter. 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 or its managing agent setting forth the amount of assessments past due and unpaid, including any late charges, interest, fines, or other charges against that Lot. Such request shall be delivered to the registered office of the

Association, and shall state an address to which the statement is to be directed. The Association shall, within five (5) business days after receiving a written request therefor, certify to the amount of any unpaid assessments constituting a lien on a specified Lot. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the amount of assessments due with respect to a Lot shall be binding upon the Association. The Association may charge a reasonable fee as may be permitted by law as a prerequisite to the issuance of such statement. It is the intent of this provision to comply with O.C.G.A. Section 44-14-15(c), as amended.

4.15 Working Capital Contribution. Upon each and every transfer or conveyance of title to a Lot after it has been improved with a dwelling for which a certificate of occupancy has been issued, a working capital contribution in an amount determined by the Board from time to time shall be collected from the new Owner at the closing of such transaction and disbursed to the Association; or if not collected at closing, shall be paid immediately upon demand to the Association.

The working capital contribution shall constitute a specific assessment against the Lot, shall be in addition to, not in lieu of, the general assessment and shall not be considered an advance payment of such assessment. The working capital contribution may be used by the Association for any purpose which provides a direct benefit to the Community, including, without limitation, for the payment of operating expenses of the Association and other expenses incurred by the Association pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the working capital contribution shall not apply to the holder of any first Mortgage on a Lot who becomes the Owner of a Lot through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage, but shall apply to the Owner acquiring title to the Lot from the foreclosing Mortgagee.

4.16 Suspension of Services Provided by Association. In the event any assessment, fine or other charge or portion or installment thereof is delinquent for sixty (60) days or more, in addition to all other rights provided in this Declaration, the Association shall have the right, upon ten (10) days written notice, to suspend any utility or service, the cost of which is paid for by the Association as a common expense, until such time as the delinquent assessments and all costs permitted under this Section, including, without limitation, reasonable attorney's fees actually incurred and any reasonable utility provider charges or other reasonable costs incurred in suspending and/or restoring such services, are paid in full. Said utility services shall not be required to be restored until such delinquent assessments and costs, including, without limitation, any reasonable utility provider charges or other reasonable costs incurred in suspending and/or restoring such services, are paid in full. An Owner whose utility or service has been suspended shall not be entitled to use any such utility or service paid for as a common expense from any source. All Association expenses for terminating and/or restoring any services pursuant to this Section, including reasonable attorneys' fees actually incurred, shall be an assessment and a lien against the Lot and shall be collected as provided herein for the collection of assessments. The notice requirement of this Section shall be deemed complied with if the notice is sent by certified mail, return receipt requested, to the Lot address and to any other address the Owner of the Lot has

designated in writing to the Association. Enforcement under this Section is not dependent upon or related to other restrictions and/or other actions, except as provided in this Section.

Article 5 Maintenance; Common Property

5.1 Association's Maintenance Responsibility. The Association shall maintain and keep in good repair the Common Property, which shall include, without limitation, the maintenance, repair and replacement of all landscaping, structures and improvements located thereon, to the extent the same is not maintained by the Master Association pursuant to the Master Declaration. The Association shall also maintain (whether or not constituting Common Property, if and to the extent the same is not maintained by the Master Association pursuant to the Master Declaration) the following: (a) all entry features which exclusively serve the Community, including, without limitation, any landscaping associated therewith and any irrigation system and/or lighting system which provides water and/or electricity to such entry features, regardless of whether the same are located on a Lot, Common Property, or public right-of-way; (b) the centralized mailbox area and the mailboxes located thereon; (c) all pipes, wires, conduits and plumbing systems which serve more than one (1) Lot or a Lot and the Common Property; (d) landscaping located on the exterior portions of the Lots and Common Property, as provided in Section 5.3 hereof; (e) limited maintenance to the exterior of a residential dwelling located on a Lot as provided in Section 5.2 hereof; and (g) all sidewalks located within any Lot or Common Property in the Community.

The Association shall have the right, but not the obligation, to maintain other property not owned by the Association, regardless of whether such property is located within or outside of the Community, where the Board has determined that such action would benefit the Owners. In addition to the foregoing, the Board, with the consent of the Declarant and without a vote of the members, shall have the right to enter into easements and covenant to share cost agreements where the Board has determined that such action would benefit the Owners. The Board of Directors may authorize the officers of the Association to enter into contracts with any Person or Persons to perform maintenance hereunder on behalf of the Association.

In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the Occupants, family, guests, lessees or invitees of an Owner, then the Association may perform such maintenance, repair or replacement and all costs thereof, not paid for by insurance, shall be assessed against the Lot of such Owner as a specific assessment. All maintenance by the Association shall be performed consistent with the Community-Wide Standard.

5.2 Exterior Lot Maintenance.

(a) By the Association. As provided in Section 5.1 above, the Association shall provide certain limited maintenance to the exterior portions of the residential dwelling located on a Lot in the Community on a schedule determined by the Board of Directors in its sole discretion. Maintenance to a residential dwelling located on a Lot shall only include the following: (i)

painting and/or pressure washing the exterior portions of a residential dwelling located on a Lot and any covered entry areas, but specifically excluding courtyards, balconies and patios, on a schedule determined by the Board of Directors in its sole discretion; (ii) maintenance, repair and replacement of the roof decking and shingles or other covering and surface materials on Lots on an as-needed basis as determined by the Board of Directors; (iii) maintenance, repair and replacement of the downspouts and gutters, if any; (iv) painting and/or staining the exterior surfaces of all doors, garage doors, door frames, door trim, window frames and window trim on a schedule determined by the Board of Directors in its sole discretion; (v) painting and/or staining any balcony, terrace, or deck railings on a schedule determined by the Board of Directors in its sole discretion; and (vi) maintenance, repair and replacement of the walkways serving the Lots, on a schedule determined by the Board of Directors in its sole discretion.

The Board of Directors may promulgate rules setting forth the extent of maintenance to be performed by the Association and may assume responsibility for providing additional maintenance as long as all Lots are maintained according to the same standard. The Board of Directors may authorize the officers of the Association to enter into contracts with any Person or Persons to perform maintenance hereunder on behalf of the Association. In the event any personal property of an Owner or Occupant, including, but not limited to, any satellite dish, grill or patio furniture, is stored, placed or affixed to a deck, patio, courtyard, balcony, the exterior of a residential dwelling, or such other areas the Association is responsible for maintaining pursuant to this Article 5, the Association shall have the right, but not the obligation, in the Board's sole discretion, to remove and reinstall such personal property in order to perform its maintenance responsibilities hereunder, and any and all costs associated with the removal and reinstallation of such property may be assessed against the Lot of such Owner or Occupant as a specific assessment. Additionally, in the event the Association incurs additional maintenance costs as a result of any personal property of an Owner or Occupant being stored, placed or affixed to any areas the Association is obligated to maintain, the Association shall have the right to specifically assess such additional maintenance costs against the Lot of such Owner or Occupant. In the event damage or destruction of any such personal property occurs during the performance of any maintenance, repair or replacement hereunder, the Association, and the officers, directors, agents or employees thereof, shall not be liable for such damage or destruction.

(b) By the Lot Owner. Except for maintenance performed on or to a Lot by the Association pursuant to Section 5.1 and Section 5.2(a) hereof, all maintenance of the Lot and all structures and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Lot in a manner consistent with the Community-Wide Standard and this Declaration. Maintenance by the Owner shall include, without limitation, the following: (i) prompt removal of all litter, trash, refuse, and waste; (ii) complying with all governmental health and police requirements; (iii) maintenance, repair and replacement of all steps, stoops, decks (whether enclosed or not), balconies, terraces, courtyards and patios (whether enclosed or not) and courtyard, patio and terrace surfaces and landscaping placed on the courtyards, terraces, patios, decks or balconies, if any, to the extent the same are not maintained by the Association pursuant to Section 5.2(a) hereof, which shall include, without limitation, the repair and replacement of the foregoing; (iv) maintenance, repair and replacement of the driveway serving the Lot; (v) maintenance, repair and replacement of HVAC or similar equipment and attic fans,

ventilation systems, vents and ducts; (vi) maintenance, repair and replacement of all doors, including screen and storm doors, garage doors, hinges, frames and door frames and hardware which are part of the entry system, to the extent the same are not maintained by the Association pursuant to Section 5.2(a) hereof; (vii) maintenance, repair and replacement of hose bibs contained in the exterior walls of a Lot; (viii) maintenance, repair and replacement of all exterior lighting fixtures; (ix) maintenance, repair and replacement of all windows, including, without limitation, frames, glass and hardware, to the extent the same are not maintained by the Association pursuant to Section 5.2(a) hereof; (x) maintenance, repair and replacement of all exterior hardware; (xi) maintenance, repair and replacement of all structural components of the residential dwelling located on the Lot, including, without limitation, the building foundation and footings, including waterproofing, either above or below grade, walls, floor joists, and chimney supports and piers; (xii) repairing exterior damage to improvements; and (xiii) except as otherwise specifically provided herein, any pipe(s), wire(s), conduit(s), utility lines, plumbing and sanitary sewer and water lines which serve only the Lot, regardless of whether said pipe(s), wire(s), conduit(s), utility lines, plumbing and sanitary sewer and water lines are located within or outside of a Lot's boundaries.

Notwithstanding the foregoing, each Owner of a Lot shall be obligated to: (i) perform such Owner's maintenance responsibility in such manner so as not to unreasonably disturb other Persons in or on other Lots; (ii) promptly report to the Association or its agent any defect or need for repairs for which the Association is responsible; and (iii) not make any alterations in the portions of the Lot which are to be maintained by the Association, if any, remove any portion thereof, make any additions thereto, or do anything with respect to the exterior or interior of such Lot or the structures thereon which would or might increase the Association's maintenance costs or jeopardize or impair the safety or soundness of any Lot or any structure or improvement located thereon, without first obtaining the written consent of the Board and all Owners and Mortgagees of the Lots affected. Each Owner shall also not impair any easement without first obtaining written consent of the Association and of the Owner or Owners and their Mortgagees for whose benefit such easement exists.

5.3 Landscape Maintenance. As provided in Section 5.1 above, the Association shall perform landscaping on the exterior portions of the Community to the extent not performed by the Master Association, which shall include, but not be limited to, landscaping on the Common Property and the Lots. Landscape maintenance performed by the Association to the Lots shall be limited to the following: (i) lawn mowing on a regular basis; (ii) tree and shrub pruning; (iii) turf and shrub fertilization; (iv) irrigation; and (v) such other landscaping to the Lots as may be determined by Board resolution to be in the best interest of the Community. Notwithstanding the foregoing, the Board of Directors in its sole discretion may leave portions of the Community as undisturbed natural areas and may change the landscaping in the Community at any time and from time to time or may, with the consent of the Declarant, change the level of landscaping maintenance performed, so long as all Lots are maintained according to the same standard.

The Board of Directors may promulgate rules setting forth the extent of landscaping maintenance to be performed by the Association and the rights of Owners with respect to adding or modifying landscaping improvements, including, for example allowing seasonal flowering

plants in certain areas of the Community at the expense of the Owner. Any landscaping improvements originally installed by an Owner which are not properly maintained, including, without limitation, dead, diseased, damaged or dying plants, trees and shrubs may, at the sole discretion of the Board and subject to the notice provisions in Section 5.2(b) hereof, be removed from the Community and all costs associated therewith shall be a specific assessment against the Lot of such Owner.

5.4 Private Street and Sidewalk Maintenance. CL-RP hereby declares that the private streets and alleys located within the Community shall be maintained by the Master Association pursuant to the Master Declaration. Further, CL-RP hereby declares that the sidewalks located adjacent to the private streets and alleys within the Community which are located outside the boundaries of the Lots in the Community shall be maintained by the Master Association pursuant to the Master Declaration. All sidewalks located within the boundaries of the Lots or Common Property in the Community shall be maintained by the Association pursuant to Section 5.1 hereof.

5.5 Storm Water Drainage Facility Maintenance. CL-RP hereby declares that all storm water detention/retention pond(s) and storm water drainage facilities serving the Community shall be maintained by the Master Association pursuant to the Master Declaration; provided, however, each Owner of a Lot, and not the Master Association, shall be responsible for the maintenance, repair and replacement of all stormwater drainage facilities which exclusively serve such Lot to the extent not maintained by the Association pursuant to Section 5.2 hereof.

5.6 Failure to Maintain. In the event that the Board of Directors determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair or replacement to be performed. The Owner shall have ten days after receipt of such notice within which to complete such maintenance, repair or replacement, or, in the event that such maintenance, repair or replacement is not capable of completion within a ten-day period, to commence such work which shall be completed within a reasonable period of time. If an Owner does not comply with the provisions hereof, the Association may provide such maintenance, repair or replacement and all costs thereof shall be assessed against the Owner and the Unit as a specific assessment. This Section shall not apply to Units owned by Declarant unless improved with a dwelling and occupied as a residence.

5.7 Conveyance of Common Property by Declarant to Association: No Implied Rights. Declarant, CL-RP, or any other property owner with the consent of Declarant and CL-RP, may transfer or convey to the Association at any time and from time to time any personal property and any interest in improved or unimproved real property. Such conveyance shall be deemed to be accepted by the Association upon delivery of any personal property or upon recordation of an instrument of conveyance of any interest in real property, and the property shall thereafter be Common Property to be used and, if and as provided in Section 5.1 hereof, maintained by the

Association for the benefit of its members. So long as Declarant owns any property primarily for development and/or sale in the Community or any additional property which may be annexed to the Declaration as provided herein, Declarant may, upon written notice to the Association, require the Association to reconvey to Declarant all or any portion of the Common Property, improved or unimproved, at no charge to Declarant, without a vote of the members of the Association, if all or any portion of the Common Property is: (a) found by Declarant to have been conveyed in error; (b) needed by Declarant to make adjustments in property boundary lines; or (c) needed by Declarant due to changes in the overall scheme of development for the Community. The Association hereby constitutes and appoints Declarant as its agent and attorney-in-fact to accept on behalf of the Association any conveyance to the Association, to reconvey any such property on behalf of the Association and to execute on behalf of the Association any and all documents, including, without limitation, deeds, necessary or convenient to effectuate and document any such conveyance to or reconveyance from the Association. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise. Neither Declarant nor CL-RP shall be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section and shall have no duty or obligation to convey any property or property rights to the Association regardless of whether or not any such property has been made available for the use of Owners. Declarant may reserve, by lease, license, easement or otherwise, such rights of use and enjoyment in and to all or any portion of the property so conveyed as Declarant may reasonably require so long as such reservation is not materially inconsistent with the overall scheme of development for the Community. Neither the recordation of any subdivision plat nor the use by the Owners or maintenance by the Association of any property shall create any rights, easements or licenses, in the Association or the Owners, express or implied, unless and until any such property rights, easements or licenses are conveyed by the Declarant or CL-RP to the Association or the Owners, as the case may be, by an instrument recorded in the Office of the Clerk of Superior Court of Forsyth County, Georgia.

5.8 Partition. The Common Property shall remain undivided and no Owner shall bring any action for partition or division of the whole or any part thereof without the written consent of: (a) all Owners of all portions of the property located within the Community; and (b) all holders of all Mortgages encumbering any portion of the property, including, but not limited to, the Lots located within the Community.

5.9 Condemnation. In the event of a taking by eminent domain of all or any portion of the Common Property on which improvements have been constructed, the Association shall, if reasonably possible, restore or replace such improvements on the remaining Common Property, unless within sixty (60) days after such taking, an alternative plan is approved by at least seventy-five percent (75%) of the Total Association Vote, Declarant and CL-RP. The provisions of this Declaration applicable to the replacement or restoration of damaged improvements on the Common Property shall also apply to and govern the actions to be taken in the event that the improvements are not restored or replaced after a condemnation.

5.9 Liability. Owners, Occupants and their guests shall use the common areas maintained by the Association and all other portions of the Community not contained within a

Lot at their own risk and shall assume sole responsibility for their personal belongings used or stored thereon. All Owners and Occupants shall have an affirmative duty and responsibility to inspect the Common Property and all portions of the Community not contained within a Lot for any defects, perils or other unsafe conditions relating to the use and enjoyment thereof. The Association, the Declarant, CL-RP, and their respective officers, directors, employees, representatives and agents shall not be held liable for: (a) personal injury to any person occurring on the Common Property; (b) loss or damage to personal belongings used or stored on the Common Property or on any other portion of the Community; or (c) loss or damage, by theft or otherwise, of any other property of such Owner or Occupant.

In addition to the foregoing, the Association, the Declarant, CL-RP, and their respective officers, directors, employees, representatives and agents shall not be liable for injury or damage to any Person or property: (a) caused by the elements or by an Owner or any other Person; (b) resulting from any rain or other surface water which may leak or flow from any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association or from any portion of the Common Property; or (c) caused by any street, pipe, plumbing, drain, pond, lake, dam, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair.

5.10 Garbage Pick-Up and Recycling. The Association shall contract with a private trash removal company designated by the Master Association pursuant to the Master Declaration on behalf of all Owners and Occupants in the Community to pick up all usual and customary household trash and recycling on a regular basis. All Owners and Occupants shall be required to use the trash removal company that the Association contracts with for trash and recycling removal in the Community. Charges for usual and customary trash collection and recycling shall be assessed to each Lot equally as part of the general assessment in accordance with Section 4.4 hereof. While the removal of normal household trash and recycling will be covered by such contract, additional charges may be incurred for the removal of used appliances, other large items or any other extraordinary pick-up needs and such additional charges incurred by the Association may be specifically assessed against the applicable Lot pursuant to Section 4.6 hereof. If a Lot Owner, for any reason, refuses trash collection and recycling service provided by the Association, such Owner shall nevertheless still be obligated to pay the full amount of the general assessment. Trash and recycling receptacles shall be placed at the curb no earlier than 5:00 p.m. the day before pick-up and shall be removed within twenty-four (24) hours. All Community trash removal and recycling shall be subject to such further rules and regulations as the Master Association or the Board may adopt, including without limitation, the designation of a particular trash pick-up day throughout all or a portion of the Community.

5.11 Party Walls. Each wall built as part of the original construction of the residential dwelling located on a Lot which shall serve and separate any two (2) adjoining residential dwellings located on Lots thereon shall constitute a party wall and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use

of the wall in equal proportions. If a party wall is destroyed or damaged by fire or other casualty, then any Owner who has benefited by the wall may restore it, and the other Owner who is benefited by the wall shall contribute one-half of the cost of restoration, without prejudice, however, to the right of any Owner to call for a larger contribution from any other Owner under any rule of law regarding liability for negligent or willful acts or omissions. All such repair or rebuilding shall be done within a reasonable time, and in such workmanlike manner with materials comparable to those used in the original wall, and shall conform in all respects to the laws or ordinances regulating the construction of buildings in force at the time of such repair or reconstruction. Whenever any such wall or any portion thereof shall be rebuilt, it shall be erected in the same location and on the same line and be of the same size as the original wall.

5.12 Measures Related to Insurance Coverage.

(a) The Board of Directors shall have the authority to require all or any Lot Owner(s) to do any act or perform any work involving portions of the Community that are the maintenance responsibility of the Lot Owner which will, in the Board's sole discretion, decrease the possibility of fire or other damage to any improvements located in the Community, reduce the insurance premium paid by the Association for any insurance coverage, or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include, but need not be limited to, requiring Owners to: (i) turn off cut-off valves, which may now or hereafter be installed, during winter months for outside water spigots; (ii) insulate pipes sufficiently or take other preventive measures to prevent freezing of water pipes; (iii) install smoke detectors; (iv) make improvements to the Owner's Lot; and (v) take such other measures as the Board may reasonable require, so long as the cost of such work does not exceed the amount of the general assessment applicable to the Lot in any twelve (12) month period.

(b) In addition to, and not in limitation of, any other rights the Association may have, if any Lot Owner does not comply with any reasonable requirement made by the Board pursuant to Section 5.11(a) above, the Association, upon fifteen (15) days' written notice (during which period the Lot Owner may perform the required act or work without further liability), may perform such required act or work and such cost shall be a specific assessment and a lien against the Lot and shall be collected as provided herein for the collection of assessments. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to Section 5.11(a) above, including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Lot, except that access may be had at any time without notice in an emergency situation.

5.13 Pest Control. The Association may, but shall have no obligation to, contract to have performed on behalf of the Association, termite and pest control services for the Common Property and the exterior portions of Lots. Additionally, the Association may, but shall have no obligation to, purchase or maintain a termite bond covering the exterior surfaces of structures in the Community for subterranean termites or other pests, which may include optional damage repair or fumigation coverage for any infestation of a Lot, if available at a reasonable price. In the event the Association chooses to provide pest control services, the Association makes no representations or warranties as to the safety or efficacy of the chemicals used or the services

provided. Each Owner shall be responsible for maintaining such Owner's Lot and all structures on such Lot, including the residential dwelling and any deck attached thereto, free from any condition conducive to pest infestation and for repairing any damage caused to the Lot due to pest infestation and for obtaining a termite bond, if and to the extent not maintained by the Association, all at such Owner's sole cost and expense. In the event the Association provides any pest control services, including without limitation, a termite bond, Owners shall not take or fail to take any actions which prevent the Association from being able to provide such pest control services and must promptly report to the Association or its agent any pest infestation and/or any damage caused by pest infestation. Each Lot Owner shall afford the Association and its duly authorized agents access through such Lot as may be reasonably necessary to provide pest control services or maintain a termite bond for such Lot, which may include access to the residential dwelling located on such Lot. In the event that an Owner refuses to allow such access, the Association, shall, after twenty-four (24) hours written notice, have the right to enter a Lot to perform the pest control services set forth herein and the Association's Board of Directors, its agents, contractors and sub-contractors shall not be deemed to have committed a trespass or wrongful act solely by reason of such entry and such actions. In the event an Owner refuses access as provided herein, such Owner shall be responsible for any and all costs incurred by the Association, its agents, contractors and sub-contractors to gain access. The Association and its directors, officers, employees and agents shall not be liable for any illness, damage or injury caused by the dispensing of chemicals described therein. Nothing contained herein can be relied upon as a representation as to whether a termite bond or pest control services, if any, will be provided by the Association.

Article 6 Architectural Standards

6.1 General. No exterior construction, alteration or addition of any improvements of any nature whatsoever (including, without limitation, staking, clearing, excavating, grading, filling, construction of impervious surfaces, building, exterior alteration of existing improvements, installing storm and screen doors, pet doors, storm windows and fencing, changing the exterior color of any existing improvement and planting and removing landscaping materials), shall be commenced or placed upon any part of the Community unless: (a) installed by the Declarant or an affiliate of the Declarant; (b) approved in accordance with this Article; or (c) otherwise expressly permitted under this Declaration. Any Owner may remodel, paint or redecorate the interior of a structure located on a Lot without approval hereunder. However, additions and/or modifications to the interior of balconies, porches, patios, decks and similar portions of a structure visible from outside of the dwelling located on a Lot shall be subject to approval. No approval shall be required to repaint the exterior of a structure located on a Lot in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of the Declarant or its affiliates or to improvements to the Common Property made by or on behalf of the Association. This Article may not be amended without the written consent of the Declarant until: (x) Declarant's rights under the Declaration have terminated as provided in Section 11.5 hereof; and (y) each Lot has been improved with a dwelling for which a certificate of occupancy has been issued. In addition to any approval that may be required pursuant to this Article, each Owner of

a lot which has not been improved with a residence for which a certificate of occupancy has been issued shall obtain the prior approval of the Declarant under the Master Declaration, the Master Association or the ARC appointed under the Master Declaration, as the case may be, if and as required under Article 6 of the Master Declaration.

6.2 Guidelines and Procedures. Except as provided above or as specifically articulated in the Architectural Guidelines established pursuant to Section 6.3 hereof, no exterior construction, addition or alteration shall be made unless and until plans and specifications shall have been submitted in writing to and approved by the Declarant. Such plans and specifications shall be of sufficient detail to allow the Declarant to make its review and to the extent required by the Declarant shall show the nature, kind, shape, height, materials and location of the proposed structure or improvement. The Declarant shall be the sole arbiter of such plans and specifications and may withhold approval for any reason, including, without limitation, purely aesthetic considerations, and it shall be entitled to stop any construction in violation of such plans and specifications, applicable Architectural Guidelines or any other provisions of the Declaration. If the Declarant fails to approve or disapprove submitted plans and specifications within forty five (45) days after receipt of all required plans and specifications, the applicant may give the Declarant written notice of such failure to respond. If the Declarant has still not responded within ten (10) days after receipt of such written notice, such approval shall be deemed to have been given. If construction does not commence on a project for which plans have been approved within twelve (12) months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to resubmit the plans and specifications to the Declarant for reconsideration.

As a condition of approval under this Article, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for the maintenance, repair, replacement and insurance to and on any improvement, change, modification, addition or alteration. In the discretion of the Declarant, an Owner may be required to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest. The Declarant and its representatives and agents shall have the right, during reasonable hours and after reasonable notice, to enter upon any property in the Community to determine whether or not these restrictive covenants have been or are being complied with and such Persons shall not be deemed guilty of trespass by reason of such entry; provided, however, nothing herein shall be construed as permitting the Association to enter any residential dwelling located on a Lot without the consent of the Owner thereof.

6.3 Architectural Guidelines. The Declarant may adopt written architectural, landscaping and fencing guidelines (collectively the "Architectural Guidelines") and application and review procedures, which may provide for a review fee. The Declarant shall have the sole and full authority to prepare, amend, modify, repeal or expand, in whole or in part, from time to time at its sole discretion and without notice, the Architectural Guidelines. In the event Declarant modifies, expands or repeals all or any portion of the Architectural Guidelines, said new Architectural Guidelines shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled or modified by a majority of the Total Association Vote and

the Declarant. The Declarant shall make the Architectural Guidelines available to Owners and Occupants who seek to engage in construction upon all or any portion of the Community and such Owners and Occupants shall conduct their operations strictly in accordance therewith and with the provisions of this Article 6. The Declarant shall provide, without cost, a copy of the Architectural Guidelines then in effect to any requesting Owner or Mortgagee.

6.4 Limitation of Liability. Plans and specifications are not approved for engineering or structural design, quality of materials or for compliance with applicable building codes, permitting requirements, zoning conditions or other applicable governmental laws, ordinances and regulations governing construction in the Community and by approving such plans and specifications the Declarant, CL-RP, the Association and their respective directors, officers, members, representatives, agents or employees assume no liability or responsibility therefor or for any defect in any structure or improvement constructed from such plans and specifications or for any violation of applicable building codes, zoning conditions, permitting requirements or for any other violation of governmental laws, ordinances and regulations governing construction in the Community. Neither Declarant, CL-RP, the Association, nor their respective officers, directors, members, employees and agents shall be liable in damages to anyone submitting plans and specifications for approval or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every Person who submits plans and specifications and every Owner agrees that such Person or Owner will not bring any action or suit against the Declarant, CL-RP, the Association or their respective officers, directors, members, employees, representatives and agents to recover any damages and hereby releases, remises, quitclaims and covenants not to sue for all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

6.5 No Waiver. The approval of the Declarant of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval or consent of the Declarant, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications or drawings or matters whatsoever subsequently or additionally submitted for approval or consent.

6.6 Variances. Notwithstanding anything to the contrary contained herein, the Declarant shall be authorized to grant individual variances from any of the provisions of this Declaration and the Architectural Guidelines if it determines that waiver of application or enforcement of the provision in a particular case is dictated by unique circumstances, such as, but not limited to, topography, natural obstructions, hardship, aesthetic considerations or environmental considerations. No variance issued shall: (a) be effective unless in writing; (b) be inconsistent with the overall scheme of development for the Community; or (c) estop the Declarant from denying a variance in other similar circumstances. For purposes of this provision, the inability to obtain approval of any governmental agency or the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

6.7 Enforcement. Any structure, improvement or landscaping improvement placed or made in violation of this Article shall be deemed to be nonconforming. Upon written request from Declarant, an Owner shall, at such Owner's own cost and expense, remove such nonconforming structure or improvement and restore the land to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, Declarant and its agents shall have the right to enter the property, remove the nonconforming structure or improvement, and restore the property to substantially the same condition as previously existed. All costs, including, without limitation, reasonable attorneys' fees actually incurred, may be assessed against the Lot as a specific assessment. In such event, neither Declarant, CL-RP, the Association nor their respective officers, directors, members, employees and agents shall be held liable to any Person for exercising the rights granted by this Section, including, without limitation, claims for damages resulting from the removal of the nonconforming structure or improvement in accordance with the procedures set forth herein. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Architectural Guidelines, if any, may be excluded by the Declarant from the Community, subject to any applicable notice and hearing procedures contained herein or in the Bylaws. In the event of noncompliance with this Article, the Association or Declarant, respectively, may also record in the appropriate land records a notice of violation hereunder naming the violating Owner. In addition to the foregoing, Declarant or the Association, acting through its Board, shall have the authority and standing to pursue any and all remedies available at law and equity to enforce the provisions of this Article, including, without limitation, the right to levy and collect fines against non-complying Owners and Occupants in accordance with the provisions of this Declaration and the Bylaws.

6.8 Architectural Review By Declarant. Until: (a) the Declarant no longer owns any property in the Community and no longer owns any additional property that can be annexed to the Community as provided herein; and (b) each Lot has been improved with a dwelling for which a certificate of occupancy has been issued, the Declarant shall have the sole right, power and authority under this Article. Notwithstanding the foregoing, the Declarant may in its sole discretion relinquish architectural control as to certain types of improvements or modifications to the Board of Directors while retaining control over all other building and construction in the Community; provided, however, any right, power or authority of the Declarant which may be relinquished to the Board of Directors prior to the termination of the rights of Declarant hereunder shall only be by a written instrument executed by Declarant and recorded in the Forsyth County, Georgia land records and no such right, power or authority shall be relinquished by implication or otherwise. For example and without limitation, the Declarant may relinquish control over modifications of existing structures to the Board of Directors while retaining all authority to review and approve new home construction. Upon the surrender in writing of all or a portion of such right and authority, the Board of Directors shall then have such jurisdiction over architectural control under this Article as may have been relinquished by the Declarant. The establishment of an advisory architectural review committee shall not be deemed to be a relinquishment by Declarant of any of its right, power and authority hereunder. Notwithstanding the foregoing, so long as CL-RP owns a Lot, any relinquishment or termination of the rights of

Declarant hereunder shall require the written consent of CL-RP, which consent shall not be unreasonably withheld, conditioned or delayed.

After the termination of or voluntary surrender of all or a portion of the the rights of Declarant hereunder, the Board of Directors shall have all right, power and authority to review and approve all building and construction activity within the Community and this Article, or portions thereof, as applicable, shall then be read and interpreted as if any reference to the authority of or action by the Declarant in this Article 6 were a reference to the authority of or action by the Board of Directors. The Board of Directors may, but shall have no obligation to, establish an architectural review committee ("ARC"), which shall then have such rights, powers and authority as may be granted to it by the Board of Directors. The Board of Directors may grant to the ARC all of its rights, powers and authorities hereunder, or may grant the ARC such limited rights as it deems appropriate in its sole discretion. In the event that all or any portion of such rights, powers and authorities are granted to an ARC, this Article or portions thereof, as appropriate, shall then be read and interpreted as if any reference to the authority of or action by the Declarant in this Article 6 were a reference to the ARC. Notwithstanding anything herein to the contrary, the Board of Directors shall have the sole right and authority to appoint and remove the members of the ARC.

Article 7

Use Restrictions and Rules

7.1 Rules and Regulations. The Board of Directors may, from time to time, with the consent of the Declarant and without a vote of the members, promulgate, modify or delete reasonable rules and regulations applicable to the Community. Such rules and regulations shall be distributed to all Owners prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled or modified by a majority of the Total Association Vote and the Declarant. Any rules and regulations adopted by the Board of Directors shall be in addition to, not in lieu of, any rules and regulations adopted by the Master Association pursuant to the Master Declaration and any rules and regulations adopted by the Residential Association pursuant to the Residential Declaration. In the event of a conflict between the rules and regulations of the Association, the Master Association and the Residential Association, the stricter standard shall prevail. In addition to the requirements set forth in this Article 7 or in any other provision of the Declaration, each Owner and/or Occupant shall be obligated to comply with any approval procedures required under the Master Declaration and Residential Declaration.

7.2 Residential Use. Each Lot shall be used for residential purposes exclusively. Leasing of a Lot for residential occupancy pursuant to Article 8 hereof shall not be considered a business or business activity. No trade or business of any kind may be conducted in or from a Lot, except that the Owner or Occupant residing at the Lot may conduct business activities within the residential dwelling located thereon so long as the business activity: (a) does not otherwise violate the provisions of the Declaration, Bylaws or any rules and regulations of the Association; (b) is not apparent or detectable by sight, sound or smell from the exterior of the Lot; (c) does not unduly increase traffic flow or parking congestion; (d) conforms to all zoning

requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; (h) does not threaten the security or safety of other residents of the Community; and (i) does not involve door-to-door solicitation within the Community, all as may be determined in each case in the sole discretion of the Board of Directors.

The Board may issue rules regarding permitted business activities. The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) the activity is engaged in full or part-time; (y) the activity is intended to or does generate a profit; or (z) a license is required for the activity. Notwithstanding the foregoing, nothing in this Section 7.2 shall be construed as prohibiting the Declarant or any builder approved by Declarant from maintaining model homes, speculative housing, sales trailers or construction trailers on Lots within the Community.

7.3 Signs. No sign of any kind shall be erected or displayed within the Community without prior written approval under Article 6 hereof; provided, however, the following signs may be erected or displayed on any Lot without approval: (a) one (1) professionally lettered "For-Sale" or "For-Rent" sign not larger than 18-inches by 18-inches which is consistent with the Community-Wide Standard; provided, however, the Board or its designee may require that the sign be displayed only from within the dwelling structure; (b) security signs not larger than 18-inches by 18-inches consistent with the Community-Wide Standard; (c) signs required by legal proceedings; (d) one (1) "life event" sign commemorating a birth, graduation, or similar life event for a period not to exceed seven (7) days from the date of the event; and (e) such other signs as may be permitted under the Architectural Guidelines. Notwithstanding the foregoing, the Board, on behalf of the Association, the Declarant, CL-RP, and builders with the consent of Declarant shall have the right to erect and display reasonable and appropriate signs including, without limitation, marketing and sales signs relating to the development, construction and sales of residential dwellings located on Lots in the Community. The Board of Directors shall also have the right to adopt reasonable rules and regulations governing the display and placement of signs in the Community, including, without limitation, imposing reasonable time, place and manner restrictions. The Board or Declarant, as the case may be, may impose a fine, in an amount determined by the Board of Directors, for the display of any sign which violates this provision and is not removed within twenty-four (24) hours after written demand is delivered to the Owner at that Lot. Notwithstanding anything to the contrary herein, the provisions of this Section shall not apply to any Mortgagee in possession due to foreclosure of a first Mortgage or as grantee pursuant to any deed in lieu of such foreclosure.

7.4 Vehicles; Parking.

(a) General. Vehicles shall be parked only in appropriate parking spaces serving the Lot or other designated parking areas established by the Board, if any. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go carts, golf carts, trucks, campers, buses, vans and automobiles. The term "parking spaces serving the Lot" shall refer to the number of garage parking spaces and if, and only if, the Owners and Occupants of a Lot have more vehicles than the number of garage parking spaces, those excess vehicles which are an Owner or Occupant's primary means of transportation on a regular basis may be parked on the driveway serving such Lot; provided, however, parking on a driveway shall only be permitted if such driveway is large enough to fit the vehicle(s) without the encroachment of such vehicle(s) onto any streets or grassy areas in the Community. All parking shall be further subject to such reasonable rules and regulations as the Board may adopt from time to time.

(b) Garages. Garage doors should be kept closed at all times, except during times of ingress and egress from the garage. Garages shall be used primarily for the parking of vehicles and not for other purposes; provided, however, use of a garage for storage shall be permitted provided such storage does not prevent an Owner or Occupant from parking such Owner's or Occupant's vehicles in the garage. Garages shall not be converted to additional living space unless the same has been approved in accordance with Article 6 hereof.

(c) Guest Parking Spaces. Any and all designated parking spaces located on the Common Property ("Guest Parking Spaces") shall be for temporary parking by guests, invitees and licensees of the Owners and Occupants of Lots. Owners and Occupants of Lots shall not be entitled to park vehicles on or otherwise utilize the Guest Parking Spaces, except with the prior written approval of the Board of Directors for use on a temporary basis. All parking in Guest Parking Spaces shall be subject to the provisions of this Section and such additional rules and regulations as the Board of Directors may adopt from time to time.

(d) Disabled and Stored Vehicles. No vehicle may be left upon any portion of the Community, except in an enclosed garage or other area designated by the Board, if any, for a period of more than five (5) days if it is not licensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle may be removed from the Community by the Board of Directors or the appropriate authority of Forsyth County. No towed vehicle, boat, personal watercraft, recreational vehicle, motor home, trailer, motorcycle, minibike, scooter, go cart, golf cart, commercial vehicle, camper, bus or mobile home shall be regularly stored in the Community or temporarily kept in the Community, except if kept in an enclosed garage or other area designated by the Board, if any, for periods longer than twenty-four (24) hours (the temporary removal of such vehicle from the Community shall not be sufficient to establish compliance with the twenty-four (24) consecutive hour provision provided for herein). Trucks with mounted campers which are used as a primary means of transportation shall not be considered recreational vehicles provided they are used on a regular basis for transportation and the camper is stored in the garage upon removal. No eighteen wheel trucks or the cabs of such trucks or trucks with a load capacity in excess of three-

quarters of a ton shall be parked, kept or stored within the Community except as may be reasonably necessary to provide service to or delivery within the Community or as otherwise permitted by the Board of Directors.

(e) Commercial Vehicles. The term "commercial vehicles" as used in this paragraph, shall include, without limitation, any vehicle which bears any indicia of commercial use, including, but not limited to, writing, logos, ladders, ladder racks, vehicles displaying signage of a commercial or business nature or vehicles which are not primarily used for the transportation of passengers, all as determined by the Board in its sole discretion. Commercial vehicles shall not be permitted in the Community, except if kept in an enclosed garage; provided however, construction, service, and delivery vehicles shall be exempt from this provision for such period of time as is reasonably necessary to provide service to or make a delivery within the Community.

(f) Remedies of the Association for Noncompliance. If any vehicle is parked on any portion of the Community in violation of this Section or in violation of the Association's rules and regulations, the Board or agent of the Association may cause the vehicle to be towed or booted, subject to compliance with applicable law, including any notice required thereby. The notice may be a general notice by signage or may be placed on the vehicle, if and as allowed under applicable law, as the case may be. If a vehicle is parked in a fire lane, is blocking another vehicle, is obstructing the flow of traffic, is parked on any landscaped area or otherwise creates a hazardous condition, the Board or agent of the Association may have the vehicle towed immediately, subject to compliance with applicable law. If a vehicle is towed or booted in accordance with this subparagraph and applicable law, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing or booting activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

(g) Declarant, CL-RP and Builder Exemption. Notwithstanding the foregoing, the Declarant, CL-RP, any builder approved by Declarant and their respective agents, contractors, subcontractors and assigns shall have the right, during regular business hours, to park vehicles on any and all streets within the Community as needed in order to facilitate the construction, development and build out of the Community.

7.5 Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on any Lot, with the exception of dogs, cats or other usual and common household pets in a reasonable number as determined by the Board from time to time in its sole discretion. No animals shall be kept, bred or maintained for any commercial purpose. No dog runs, runners or exterior pens for household pets shall be erected or maintained on any Lot unless approved in accordance with the provisions of Article 6 hereof. Pet doors leading to the outdoors shall not be installed on any dwelling located on a Lot unless approved in accordance with the provisions of Article 6 hereof. Dogs shall at all times when outside of a dwelling located on a Lot be kept on a leash or otherwise under the physical control of a responsible person. All Owners must control their animals at all times, whether or not such Owner is present, in a manner that will prevent any animal from: (a) making noise at objectionable sound

levels for extended periods of time, whether continuously or intermittently; (b) endangering the health or safety of other Owners, their families, guests or invitees or creating fear in other Owners as to the safety of themselves, their families, guests or invitees; or (c) otherwise constituting a nuisance or inconvenience to the Owner(s) or Occupant(s) of any other Lot; all of the foregoing as determined by the Association in its sole discretion.

All animals shall be registered, licensed and inoculated if and as required by law. Animal control authorities shall be permitted to enter the Community to patrol and remove unlicensed animals. Animal waste deposited in the Community must be removed by the owner of the animal or the person responsible for the animal. The Association may adopt reasonable rules and regulations designed to minimize damage and disturbance to other Owners and Occupants, including without limitation, regulations requiring damage deposits, waste removal, leash controls and noise controls. The Association may require that an Owner remove any animal that presents an actual threat to the health or safety of residents and require abatement of any nuisance or unreasonable source of annoyance. In the event that the Owner fails to remove an animal as provided herein, the Association shall have the right to institute legal action to have the animal removed and all costs associated therewith, including, without limitation, reasonable attorneys' fees actually incurred, shall be a specific assessment against the Lot of such Owner.

7.6 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on a Lot. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance or nuisance to any Person using any property within the Community. No plants, animals, device or thing of any sort shall be maintained in the Community whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community by other Owners and Occupants. Without limiting the generality of the foregoing, no horn, exterior speaker, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, screaming, shouting, excessively loud talking, fighting, raucous behavior, insobriety, playing loud music or television, use of any alarm, equipment, or device, mechanical or otherwise which creates or produces excessively loud sounds or any vibrations, or any conduct which creates any noxious or offensive odors outside of a home shall be permitted, located, used, placed, installed or maintained upon any Lot, or any portion thereof, unless, if applicable, it has been approved pursuant to Article 6 hereof. The inconvenience complained of shall not be fanciful, or such as would affect only one of fastidious taste, but it shall be such as would affect an ordinary, reasonable person as determined in a particular instance by the Board. Notwithstanding anything to the contrary herein, each Owner and Occupant acknowledges that the Declarant, CL-RP, builders approved by Declarant and their respective representatives, agents, contractors and subcontractors may engage in construction

activities on one or more Lots in the Community and each Owner and Occupant further agrees that such construction activities shall not be deemed a nuisance as provided herein.

7.7 Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

7.8 Antennae. No exterior antenna, receiving dish or similar apparatus of any kind for receiving or transmitting audio or video signals shall be placed, allowed or maintained upon any portion of the Community, including any Lot, unless approved in accordance with the provisions of Article 6 hereof or as otherwise permitted by the Architectural Guidelines; provided, however, no approval shall be necessary to install the following on a residential dwelling located on a Lot: (a) antennae designed to receive direct broadcast satellite services, including direct-to-home satellite services or antennae designed to receive or transmit fixed wireless signals via satellite, that are one meter or less in diameter; (b) antennae designed to receive video programming services via multi-point distribution services or antennae designed to receive or transmit fixed wireless signals other than via satellite that are one meter or less in diameter or diagonal measurement; or (c) antennae that are designed and intended to receive television broadcast signals. Owners shall install any permitted antennae on the rear of the residential dwelling located on a Lot unless such installation: (x) imposes unreasonable delay or prevents the use of the antennae; (y) unreasonably increases the cost of installation; or (z) an acceptable quality signal cannot otherwise be obtained.

7.9 Tree Removal. No trees that are more than four (4) inches in diameter at a point twelve (12) inches above the ground and no ornamental or flowering trees, including, but not limited to, dogwood trees, cottonwood trees, cherry trees or apple trees, regardless of diameter shall be removed without prior written approval under Article 6 hereof or otherwise in accordance with applicable Architectural Guidelines. The Association and Owners shall also comply with all zoning conditions and local ordinances applicable to tree removal. In the event of a conflict between the provisions of this Section and any zoning condition or local ordinance, the more restrictive provision shall govern. This provision shall not apply to the removal of trees by the Association or Declarant.

7.10 Drainage. Catch basins, retention ponds, detention ponds, drainage easement areas and related drainage facilities are for the purpose of controlling the natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner may obstruct or alter the drainage flow after the location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains without approval in accordance with the provisions of Article 6 hereof. In the event storm water drainage from any Lot or Lots flows across another Lot, provisions shall be made by the Owner of such downstream Lot to permit such drainage to continue, without restriction or reduction, across the downstream Lot and into the natural drainage channel or course although no specific drainage easement for such flow of water is provided on the subdivision plat for the Community recorded in the Forsyth County,

Georgia land records. The elevation of a Lot shall not be changed so as to materially affect the surface elevation or grade of surrounding Lots.

7.11 Sight Distance at Intersections. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, shrub or other planting or thing shall be placed or permitted to remain where, in the opinion of the Board of Directors, it would create an unsafe condition.

7.12 Garbage Cans, Woodpiles, Etc. All garbage cans, recycling bins, woodpiles, air conditioning units, heat pumps, filters and related equipment, and other similar items shall be located or screened so as to be concealed from view from the neighboring streets and property. All rubbish, trash, garbage, recycling materials and yard waste shall be regularly removed and shall not be allowed to accumulate. Trash, garbage, debris, yard waste or other waste matter of any kind may not be burned within the Community. Trash, recycling and yard waste receptacles shall be placed at the curb no earlier than 5:00 p.m. the day before pick up and shall be removed within twenty-four (24) hours. Trash removal, recycling and yard waste pick-up shall also be subject to such reasonable rules and regulations as the Board of Directors may adopt from time to time.

7.13 Subdivision of Lot. No Lot shall be subdivided or its boundary lines changed except with prior written approval in accordance with the provisions of Article 6 hereof. Declarant and CL-RP, however, hereby expressly reserve the right to subdivide and/or revise and re-record the subdivision plat of any Lot(s) with the consent of the Owner of the affected Lot(s) and to approve the revision and re-recording of any plat of any Lot(s) owned by any builder or developer, including, but not limited to, changing any Lot to Common Property or creating a public or private street over any Lot or property that was formerly a Lot, without the consent of any Person, other than the Owner(s) of such Lot(s).

7.14 Fences. The installation and construction of fences in the Community shall be governed by the restrictions set forth herein.

(a) Lots. No fence or fencing type barrier of any kind, including, without limitation, an invisible fence, shall be placed, erected, allowed or maintained upon any Lot unless approved in accordance with the provisions of Article 6 hereof. No fence may be installed that obstructs, alters or impedes the flow of storm water drainage in the Community. Any fence erected or installed on a Lot by the Declarant or an Owner pursuant to Article 6 hereof or in accordance with applicable Architectural Guidelines shall contain at least one gate which provides access to the area enclosed by such fence in order to allow access by the Association and its agents to maintain such area as provided in Article 5 hereof.

(b) Common Property. The Declarant, CL-RP and the Association may erect any type of fence on the Common Property or elsewhere within the Community as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for the health and safety of Owners and Occupants.

7.15 Utility Lines. No overhead utility lines, including lines for cable television, shall be installed within the Community.

7.16 Air-Conditioning Units. No window air conditioning units may be installed.

7.17 Lighting. Exterior lighting on any Lot visible from the street shall not be permitted, except for: (a) approved lighting as originally installed on a Lot; (b) street lights in conformity with an established street lighting program for the Community; (c) seasonal decorative lights for a reasonable period of time during the holiday season as may be determined by the Board in its sole discretion; subject to such reasonable rules and regulations as the Board of Directors may adopt from time to time; (d) front house illumination of model homes; or (e) other lighting approved under and pursuant to Article 6 hereof or as may be otherwise permitted under applicable Architectural Guidelines. Religious or holiday symbols and decorations may be displayed on a Lot of the kinds normally displayed in single-family residential neighborhoods; provided, however, the Association may adopt reasonable time, place and manner restrictions with respect to said symbols and decorations visible from outside of a structure located on a Lot, including, without limitation, limitations on appearance, style, size, and number.

7.18 Artificial Vegetation, Gardens, Play Equipment, Exterior Sculpture, Water Features and Similar Items. No artificial vegetation shall be permitted on the exterior of any property in the Community. No vegetable garden, hammock, statuary, play equipment (including, without limitation, basketball goals or trampolines), exterior sculpture, fountains or water features may be erected on any Lot without prior written approval in accordance with the provisions of Article 6 hereof and/or in compliance with the Architectural Guidelines established thereunder.

7.19 Flags. Except for flags which may be installed by the Declarant, no flags may be displayed on any Lot without prior written approval in accordance with the provisions of Article 6 hereof or as may be otherwise permitted in the Architectural Guidelines established thereunder; provided, however no such approval shall be required to display the flag of the United States of America and the current flag of the State of Georgia on a Lot in accordance with the provisions of the U.S. Flag Code (36 US Code 10) and usual and customary practice. The Board of Directors of the Association may promulgate reasonable rules and regulations with respect to the display of flags in the Community, including, without limitation, regulating the size of flags that may be displayed and imposing reasonable time, place and manner restrictions pertaining to the display of the United States flag; provided, however, the Association shall not enact any rule or regulation which has the effect of prohibiting any Owner from displaying the flag of the United States of America on a Lot in the Community in contravention of the Freedom to Display the American Flag Act of 2005.

7.20 Conservation Equipment. No solar energy collector panels or attendant hardware or other conservation equipment, including, without limitation, rain barrels, shall be constructed or installed on a Lot unless as an integral and harmonious part of the architectural design of a structure or otherwise screened from view and approved in accordance with the provisions of Article 6 hereof or otherwise permitted in the Architectural Guidelines.

7.21 Swimming Pools. No swimming pool, hot tub or water spa shall be constructed, erected or maintained upon any Lot without prior written approval in accordance with the provisions of Article 6 hereof and in no event shall any above-ground swimming pool be permitted; provided, however, portable or inflatable wading pools designed for use by small children shall be permitted so long as the same are properly maintained and stored out of view from neighboring property or the public streets when not in use.

7.22 Clotheslines. No exterior clotheslines of any type shall be permitted upon any Lot.

7.23 Entry Features. Owners shall not alter, remove or add improvements to any entry features or streetscapes constructed on any Lot in connection with the original development of the Community, or any part of any easement area associated therewith without prior written approval in accordance with Article 6 hereof or applicable Architectural Guidelines.

7.24 Window Treatments. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades or for any other purpose. The side of all window treatments which can be seen at any time from the outside of any structure located on a Lot shall be white, off-white or such other color(s) as may be permitted in the Architectural Guidelines or approved in accordance with Article 6 hereof. Bed sheets, blankets, towels, black plastic, paper and similar type items shall not be used as window treatments.

7.25 Storm and Screen Doors and Windows; Pet Doors. Owners shall not add storm and screen doors and storm windows on any Lot without prior approval in accordance with the provisions of Article 6 hereof. No animal door and/or pet door of any type shall be installed on any Lot unless approved in accordance with the provisions of Article 6 hereof.

7.26 Garage Sales. No garage sale, carport sale, yard sale, flea market, or similar activity shall be conducted in any portion of the Community without the prior written consent of the Board of Directors. If permitted, such activities shall be subject to all reasonable conditions that the Board may impose.

7.27 Outbuildings and Similar Structures. No structure of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, camper, shack, tent, garage, barn or other structure may be used as a residence, either temporarily or permanently, without written approval in accordance with Article 6 hereof or in compliance with applicable Architectural Guidelines. However, this Section shall not be construed to prevent the Declarant, any builder approved by Declarant, CL-RP, their respective representatives and agents and those engaged in development, construction, marketing, property management or sales in the Community from using sheds, trailers or other temporary structures for any of the foregoing purposes. In addition, nothing in this Section shall be construed to prevent the Declarant, CL-RP, or any builder approved by Declarant from developing, constructing, marketing, or maintaining model homes, speculative housing, sales offices or construction trailers within the Community.

7.28 Decks, Patios and Porches. No laundry, garments, towels or objects other than potted plants, grills, umbrellas and patio furniture, shall be placed on a deck, patio, porch or

balcony, except as may be authorized by the Board of Directors. The use of grills and other like equipment, including, without limitation, smokers, shall only be permitted in accordance with applicable municipal, county and state ordinances and laws and fire codes, as well as the requirements of the Association's insurance policies. No outdoor grills are permitted indoors or inside any garage area. Grills shall be covered with grill covers when not in use. Grill and outdoor furniture covers shall be removable and of a type and color consistent with the Community-Wide Standard. Objects shall not be permitted to hang over or be attached to any deck, patio, porch or balcony or to otherwise protrude outside of the vertical plane formed by the exterior surface of any deck, patio, porch or balcony located on or appurtenant to a Lot. No deck, patio, balcony or porch shall be enclosed without prior approval in accordance with the provisions of Article 6 of the Declaration. No awnings, tents or canopies shall be placed on or affixed to a Lot.

7.29 Exterior Drapery. No exterior drapery shall be permitted unless approved in accordance with Article 6 hereof.

7.30 Exterior Speakers. No exterior speakers or other sound devices, except security devices used exclusively for security purposes, shall be permitted on any Lot, unless approved in accordance with Article 6 hereof. In the event any exterior speakers or sound devices are approved in accordance with Article 6 hereof, when in use, sounds shall be kept at audible levels which do not disturb other owners.

7.31 Storm Water Detention/Retention Ponds, Creeks and Streams. Except as herein provided, all storm water retention/detention ponds, creeks and streams within the Community shall be used for aesthetic amenities and storm water drainage only; no other use thereof, including, without limitation, swimming, ice skating, playing, or use of personal flotation devices, and other recreation, shall be permitted, without the written consent of the Board of Directors. The Association and/or the Declarant shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the any storm water detention/retention pond, creek or stream within the Community. No Owner shall have any right to place rocks, stones, trash, garbage, sewage, waste water, rubbish, debris, ashes or other refuse in any body of water located within the Community. Applicable governmental agencies, the Declarant, CL-RP, the Association, and the Master Association shall have the sole right to control the water level of all bodies of water located within the Community and to control the growth and eradication of plants, fowls, reptiles, animals, fish and fungi in and around any storm water detention/retention pond, creek and stream within the Community. Owners shall have no riparian or littoral rights with respect to the waters in any creek or stream within the Community and shall not be permitted to withdraw water from any creek or stream as may exist in the Community without the prior written consent of the Board of Directors.

Article 8 Restriction on Leasing

8.1 General. In order to protect the equity of the individual members, to carry out the purpose for which the Association was formed by preserving the character of the Community as

a homogenous residential community of predominantly owner-occupied homes and by preventing the Community from assuming the character of a renter-occupied neighborhood, and to comply with the eligibility requirements for financing in the secondary mortgage market insofar as such criteria provide that the project be substantially owner-occupied, leasing of Lots shall be governed by the restrictions imposed by this Article.

No Owner may lease a Lot unless the Owner has received either a leasing permit or a hardship leasing permit, in writing, from the Board of Directors, all as may be more specifically set forth below. A leasing permit or hardship leasing permit will allow an Owner to lease such Owner's Lot in accordance with the terms and conditions set forth in this Article and in accordance with the rules and regulations of the Association and the covenants and conditions set forth in the Declaration. Notwithstanding anything to the contrary herein, leasing permits and hardship leasing permits shall only be valid as to a specific Owner and Lot and shall not be transferrable between Lots or subsequent Owners.

For purposes of this Article 8, leasing means the regular, exclusive occupancy of a Lot by any Person(s) other than the Owner for which the Owner received any consideration or benefit, including, but not limited to, a fee, rent, gratuity or emolument. For purposes hereof the following shall not constitute leasing: (a) occupancy of the Lot by member of the Owner's family; (b) occupancy of the Lot by a roommate of an Owner-Occupant; (c) occupancy of the Lot by one or more wards if the Lot is owned by their legal guardian, or (d) occupancy of the Lot by one or more beneficiaries of a trust if the Lot is owned in trust by the trustee.

8.2 Leasing Permits. Any Owner desiring to lease a Lot shall submit a written request to the Board of Directors for a leasing permit. The Board of Directors shall automatically approve an Owner's request for a leasing permit and shall issue the same if less than ten percent (10%) of the Lots in the Community are leased. If ten percent (10%) or more of the Lots in the Community are leased, no additional leasing permits shall be issued, except for hardship leasing permits as provided below. Owners who have been denied a leasing permit shall be placed on waiting lists to be issued such a permit. When the number of leased Lots falls below ten percent (10%), the Owner at the top of each waiting list shall be issued a leasing permit and shall have ninety (90) days to lease such Lot at which time if the Lot is not leased, the leasing permit shall be revoked and the Owner shall automatically be placed at the bottom of the applicable waiting list. Notwithstanding anything to the contrary herein, the issuance of a hardship leasing permit to an Owner shall not cause such Owner to be removed from the waiting list for a leasing permit.

Leasing permits are automatically revoked upon: (a) the sale or transfer of a Lot to a third party (excluding sales or transfers to an Owner's spouse); (b) the failure of an Owner to lease such Owner's Lot within ninety (90) consecutive days at any time after the issuance of such leasing permit; or (c) the occupancy of the Lot by the Owner.

8.3 Hardship Leasing Permits. If an Owner must lease such Owner's Lot to avoid an undue hardship, the Owner shall apply to the Board in writing for a hardship leasing permit. The Board may issue or deny requests for hardship leasing permits in its discretion after considering the following factors, which include, but are not limited to: (a) the nature, degree and likely duration of

the hardship; (b) the harm, if any, which will result to the Community if the hardship leasing permit is approved; (c) the number of hardship leasing permits which have been issued to other Owners; (d) the Owner's role in causing the hardship or ability to cure the hardship; and (e) whether previous hardship leasing permits have been issued to the Owner.

A hardship hereunder shall include, but not be limited to, the following situations: (a) an Owner dies and the Lot is being administered by such Owner's estate; (b) an Owner must relocate outside metropolitan Atlanta 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 making reasonable efforts to do so; or (c) an Owner takes a leave of absence or temporarily relocates out of the metropolitan Atlanta area and intends to return to reside in the Lot within one year.

Hardship leasing permits shall be valid for a term not to exceed one (1) year. Owners may reapply for additional hardship leasing permits at the expiration of a hardship leasing permit in accordance with the procedures set forth herein.

8.4 Transient Rentals. Notwithstanding anything herein to the contrary, under no circumstance shall a Lot be leased, rented or used for short-term transient or hotel purposes or rented through short-term internet rental services, including, without limitation, VRBO, Airbnb, HomeAway, or such other similar rental services.

8.5 Leasing Provisions. Leasing authorized under this Article shall be governed by the following provisions:

(a) **Notice.** Within ten (10) days after executing a lease agreement for the lease of a Lot, the Owner shall provide the Board of Directors with the following information: (i) a copy of the fully executed lease agreement; (ii) the name of the lessee and all other people occupying the Lot; (iii) the phone number of the lessee; (iv) the Owner's address and telephone number other than at the Lot; and (v) other such information as the Board may reasonably require.

(b) **General.** Lots may be leased only in their entirety; rooms, basements or fractions or portions of a Lot may not be leased without the prior written approval of the Board of Directors. All leases shall be in writing. There shall be no subleasing of Lots or assignment of leases unless approved in writing by the Board of Directors. All leases must be for an initial term of at least one (1) year, except with written approval by the Board of Directors, which shall not be unreasonably withheld in cases of undue hardship. The Owner must provide the lessee with copies of the Declaration, Bylaws, and the rules and regulations and Architectural Guidelines of the Association and the lease shall provide that the Owner has made available to the lessee copies of the Declaration, Bylaws, and the Association's rules and regulations and Architectural Guidelines.

(c) **Compliance: Liability for Assessments.** If a Lot is leased or occupied in violation of this Article, then the Board of Directors shall be authorized, in addition to all other available remedies, to terminate the lease and occupancy, and to suspend all voting rights and the right to use and enjoy the Common Property, including, without limitation, the right to use and enjoy the

Community recreational facilities, of the Owner and any unauthorized tenants(s) or Occupant(s). Each Owner covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Lot, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(i) Compliance with Declaration, Bylaws and Rules and Regulations and Architectural Guidelines. Lessee shall abide by and comply with all provisions of the Declaration, Bylaws, and rules and regulations and Architectural Guidelines adopted pursuant thereto. Lessee shall control the conduct of all other Occupants and guests of the leased Lot in order to ensure such compliance. The Owner agrees to cause all Occupants of the Owner's Lot to comply with the Declaration, Bylaws, and the rules and regulations and Architectural Guidelines adopted pursuant thereto and is responsible for all violations caused by such Occupants, notwithstanding the fact that such Occupants of the Lot are fully liable and may be sanctioned for any violation of the Declaration, Bylaws and rules and regulations and Architectural Guidelines adopted pursuant thereto.

In the event that the lessee or a person living with the lessee violates the Declaration, Bylaws, or a rule or regulation or Architectural Guideline for which a fine is imposed, notice of the violation shall be given to the Owner and the lessee, and such fine may be assessed against the lessee in accordance with the provisions contained herein. If the fine is not paid by the lessee within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Lot.

Any violation of the Declaration, Bylaws or rules and regulations and Architectural Guidelines adopted pursuant thereto by the lessee, any Occupant, or any guest of the lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Georgia law.

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

release the Owner from any obligation, including the obligation for assessments, for which such Owner would otherwise be responsible.

(iii) Right to Common Property. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Property, including, without limitation, the right to use and enjoy the Community recreation facilities.

8.6 Mortgagee Exemption. The provisions of this Article shall not apply to any Mortgagee in possession of a Lot through foreclosure or otherwise as a result of the exercise of any rights arising out of a first priority Mortgage on a Lot.

8.7 Rights Reserved for the Declarant. Notwithstanding the restriction on the leasing of Lots as described herein, Declarant may grant an Owner a leasing permit for any reason and the extent and duration of said privilege granted by Declarant shall be determined solely by Declarant. Said leasing permit shall be counted towards the leasing caps applicable to the Lots set forth herein. Any ability to lease a Lot granted by Declarant which extends beyond the termination of Declarant's rights under this Declaration shall be valid and may not be terminated by the Association so long as the Owner complies with the terms and conditions imposed by Declarant.

Article 9 Insurance and Casualty Losses

9.1 Insurance Obtained by Association. The Board of Directors shall have the authority to and shall obtain insurance for all insurable improvements located on the Common Property or required to be maintained by the Association under Article 5 hereof and blanket insurance for all Lots; provided however, the Association's insurance shall not include the Lot Owner's or Occupant's personal property (which shall be the sole responsibility of the Owner(s) and or Occupant(s) of the Lot). The Association's insurance policy shall cover loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief and shall be in the amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all risk" coverage in like amounts.

The Board of Directors 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, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million and No/100 Dollars (\$1,000,000.00). Policies may contain a reasonable deductible as determined by the Board of Directors.

Premiums for all insurance obtained by the Association shall be a common expense of the Association.

In addition to other insurance coverage required by this Section, the Board shall obtain workers compensation insurance, if and to the extent necessary to satisfy the requirements of applicable law, and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employee dishonesty coverage covering directors, officers, employees and other Persons handling or responsible for the Association's funds. The amount of fidelity or employees dishonesty coverage, if obtained, shall be determined in the director's best business judgment and shall satisfy local, state or federal requirements for such coverage, if any. Such coverage, if obtained, shall also contain a waiver of all defenses based upon the exclusion of Persons serving without compensation and shall not be subject to cancellation, nonrenewal or substantial modification without at least ten (10) days' prior written notice to the Association.

9.2 Insurance Obtained by Lot Owners. By virtue of taking title to a Lot, each Owner acknowledges that the Association has no obligation to provide any insurance for any improvements to the Lot made by Declarant during the initial construction of the Lot, or made by the Owner thereafter, or to provide any insurance for any personal property of the Owner or Occupants, and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall be responsible for obtaining and maintaining the following: (i) a liability policy covering damage or injury occurring on a Lot; (ii) insurance covering an Owner's or Occupant's personal property; and (iii) insurance covering the Lot to the extent not insured by policies maintained by the Association, including, without limitation, any betterments and improvements made to the residential dwelling located on a Lot which are installed by the Declarant or a builder during the initial construction process at the request of a purchaser who has entered into a contract with Declarant or a builder to purchase such Lot or made by an Owner at any time thereafter. The policies required hereunder shall be in effect at all times.

9.3 Damage and Destruction.

(a) In General. Immediately after the damage or destruction by fire or other casualty to all or any portion of any structure or improvement covered by insurance written in the name of the Association, the Board of Directors shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessary to comply with applicable building codes.

(b) Repair and Construction. Any damage or destruction to property required to be covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the Total Association Vote and the Declarant otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or

destruction shall be repaired or reconstructed. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Association's members, levy a special assessment against the Owners of all of the Lots subject to assessment. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess funds shall be deposited to the benefit of the Association. In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then the property shall be maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition consistent with the Community-Wide Standard and this Declaration.

9.4 Insurance Deductible. The deductible for any casualty insurance policy carried by the Association shall, in the event of damage or destruction, be allocated among the Persons who would be responsible for such loss in the absence of insurance. The Owner(s) shall be responsible for the full amount of the deductible under the Association's policy to the extent the same is not covered under such Owner's individual insurance policy. 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 costs of repair, unless the insurance policy provides that the deductible will apply to each Lot separately. If an Owner fails to pay the deductible when required hereunder, the Association can pay the deductible and assess the cost to such Owner as a specific assessment.

Article 10

Easements

10.1 General. Each Lot shall be subject to those easements, if any, shown or set forth on the recorded subdivision plat(s) for the Community, as amended from time to time, as well as the easements now or hereafter established by CL-RP and Declarant in this Declaration or by any other document recorded in the Office of the Clerk of Superior Court of Forsyth County, Georgia.

10.2 Easements for Use and Enjoyment. Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment by the Owner and the Occupants of the Owner's Lot in and to the Common Property which shall be appurtenant to and shall pass with the title to each Lot, subject to the following:

(a) the right of the Association to suspend the right of an Owner to use and enjoy the Common Property for any period during which any past due assessment against any Lot of the Owner remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws, rules and regulations or Architectural Guidelines;

(b) the right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for constructing, repairing or improving any facilities located or to be located thereon and, upon the affirmative vote of the Owners of at least two-thirds (2/3) of the Lots, the consent of Declarant, and the consent of CL-RP so long as CL-RP owns a Lot in the Community, to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Lot or other property located within the Community (regardless of any contrary provision in this Declaration or in any such Mortgage given by the Association, the exercise of any rights by the holder of such Mortgage in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Lot or other property located within the Community);

(c) the right of the Association, acting through the Board of Directors and without a vote of the members, to dedicate or grant licenses, permits, easements and rights-of-way over, under and through the Common Property;

(d) the right of the Association to transfer or convey title to all or any portion of the Common Property upon the approval of the Owners of at least two-thirds (2/3) of the Lots and the consent of Declarant and so long as CL-RP owns a Lot, the consent of CL-RP; provided, however, the Association shall have the right, without a vote of the members, to convey title to a portion of the Common Property to a governmental entity;

(e) all other rights of the Association, Master Association, Residential Association, Declarant, CL-RP, the Declarant under the Master Declaration, the Declarant under the Residential Declaration, Owners and Occupants set forth in this Declaration, the Master Declaration, the Residential Declaration, in any Supplementary Declaration, or in any deed conveying Common Property to the Association;

(f) the right of the Declarant or the Association, acting through the Board of Directors, without a vote of the members, but with the consent of the Declarant, to enter into agreements with third parties to establish certain easements, covenants and obligations to benefit and/or burden all or a portion of the Community; and

(g) all encumbrances and other matters shown by the public records affecting title to the Common Property.

10.3 Easements for Utilities. Declarant and CL-RP hereby reserve and establish for the benefit of Declarant, CL-RP and the Association a blanket easement upon, across, above and under all property within the Community for access, ingress, egress, installing, altering, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, water quality vault, telephone and

electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Declarant, CL-RP or the Association might decide to have installed to serve the Community. Declarant, CL-RP, the Association or their respective designees, as the case may be, may alter drainage and water flow, install, repair, replace and maintain or authorize the installation, repair, replacement and maintenance of such wires, conduits, cables and other equipment related to the providing of any utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, Declarant, CL-RP or the Board shall have the right to grant such easement. The Board of Directors, without a vote of the Owners, shall have the right, power and authority to grant permits, licenses, utility easements or other easements under, through, or over the Lots and/or the Common Property as may be reasonably necessary to or desirable for the ongoing operation and maintenance of the Community.

10.4 Lot Owner – Easement for Utilities. Declarant and CL-RP hereby establish for the benefit of each Lot a nonexclusive easement for access to and installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Lot and situated in, on or under any other Lot or the Common Property. Certain utility meters and facilities may be installed on the end of a building containing multiple Lots and utility lines serving other Lots may run across, over, under or through neighboring Lots. Easements for all such utility lines are established by this Section 10.4 and Section 10.3 above. In the event that any Owner desires access to another Lot to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of such other Lot(s) at least two (2) days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted immediately upon request. Any Owner of a Lot to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected Lots, reasonable steps shall be taken to protect such Lots and the property of the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense. Notwithstanding anything to the contrary herein, the Board of Directors, without a vote of the Owners, shall have the right, power and authority to grant permits, licenses, utility easements, and other easements under, through, or over the Lots and/or the Common Property as may be reasonably necessary for the proper maintenance and/or ongoing operation of the Community.

10.5 Easement for Emergency Entry. The Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons and to inspect for the purpose of ensuring compliance with this Declaration, any Supplementary Declaration, Bylaws, rules and regulations of the Association and Architectural Guidelines, which right may be exercised by any member of the Board, the officers, agents, employees, and managers of the Association and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire, slope erosion or other hazard in an emergency situation and in the event an

Owner fails or refuses to cure the condition within a reasonable period of time after requested by the Association, but shall not authorize entry into the residential dwelling located on a Lot without the permission of the Owner.

10.6 Easement for Association Maintenance. Declarant and CL-RP hereby establish for the benefit of the Association a perpetual easement across the exterior portions of all Lots as may be reasonably necessary for the maintenance required hereunder. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment of Lots, reasonable steps shall be taken to protect such property and damage shall be repaired by the Association or its contractor(s) at their sole cost and expense. Except in an emergency situation, entry to the residential dwelling located on a Lot shall only be during reasonable hours and after notice to the Owner.

10.7 Easement for Lot Maintenance. Declarant and CL-RP hereby establish for the benefit of each Lot reciprocal appurtenant easements between adjacent Lots and an easement over adjacent Common Property for the purpose of maintaining or repairing the improvements located on each Lot which easement shall extend to a distance of five (5) feet as measured from any point on the common boundary between the Lots. The easement shall be used only for such period of time as is reasonably necessary in order to complete the maintenance or repair. Any Owner of a Lot to which access is needed under this Section shall not unreasonably withhold, impede, condition or delay such access. The Owner exercising this easement right shall be liable for the prompt repair of any damage to the Lot over which this easement is exercised which arises out of such maintenance or repair work.

10.8 Easement for Entry Features and Streetscapes. Declarant and CL-RP hereby reserve and establish for the benefit of the Declarant, CL-RP, and the Association an easement for ingress, egress, installation, construction, landscaping and maintenance of entry features and similar streetscapes for the Community, over and upon any portion of a Lot containing such entry features or streetscapes as may be more fully described on the recorded subdivision plat(s) for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around entry features and streetscapes and the right to grade the land under and around the same.

10.9 Easement for Drainage. Declarant and CL-RP hereby reserve and establish for the benefit of Declarant, CL-RP and the Association an easement upon, across, above and under all storm water drainage easement areas as shown on the recorded subdivision plat(s) for the Community for access, ingress, egress, installing, altering, repairing, replacing, and maintaining the storm water drainage system and related facilities serving the Community or any portion thereof. This easement shall include the right to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill. In addition, Declarant and CL-RP hereby reserve and establish for the benefit of the Declarant, CL-RP, and the Association a blanket easement across all Lots for creating and maintaining satisfactory drainage in the Community; provided, however, such easement area shall not include any portion of a Lot within the outer perimeter of the dwelling structure. It is anticipated that increased storm water run-off across downstream Lots will result from the construction of

impervious surface within or adjacent to the Community. Neither the Declarant, CL-RP, the Association nor their respective officers, directors, representative or agents or any builder or Owner constructing according to plans and specifications approved under Article 6 hereof shall have any liability to any Owner due to the increased flow or increased velocity of surfaces water resulting from approved construction within the Community.

10.10 Easement During Construction and Sale Period. Notwithstanding any provisions now or hereafter contained in this Declaration, the Bylaws, Articles of Incorporation, use restrictions, rules and regulations, Architectural Guidelines, and amendments or revisions thereto, Declarant and CL-RP hereby reserve and establish for the benefit of Declarant and CL-RP an easement across the Community to maintain and carry on, upon such portion of the Community as CL-RP, Declarant, or any builder approved by Declarant, may reasonably deem necessary, such facilities and activities as in their sole opinion may be required or convenient for Declarant's, CL-RP's, or such builder's development, construction and sales activities related to property hereby and hereafter subjected to this Declaration or for the development, construction or benefit of any neighboring property, including, but not limited to: (a) the right to place or authorize the placement of marketing and directional signs on Lots or right-of-way at street intersections within the Community; (b) the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, on or in the Community, including, without limitation, any Lot; (c) the right to tie into any portion of the Community with streets, driveways, paths, parking areas and walkways; (d) the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, cable television, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; (e) the right to grant easements over, under, in or on the Community, including without limitation the Lots, for the benefit of neighboring properties for the purpose of tying into and/or otherwise connecting and using sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; (f) the right, without the consent of any Person, to subdivide and/or revise and re-record the subdivision plat(s) of the Community, including, without limitation, creating and/or more specifically describing any Lot, changing any Lot or portion of a Lot to Common Property, Common Property to a Lot or right-of-way or creating a public or private street over all or any portion of a Lot or other property within the Community; provided, however, the boundary lines of any Lot not owned by Declarant shall not be changed without the written consent of the Owner(s) and Mortgagee(s) of such Lot; (g) the right to construct utilities, recreational facilities and other improvements on Common Property; (h) the right to carry on sales and promotional activities in the Community; and (i) the right to construct and operate business offices, signs, construction trailers, model residences and sales offices. Declarant and CL-RP may use residences, offices or other buildings owned or leased by Declarant as model residences and sales offices. This Section shall not be amended without the written consent of Declarant and CL-RP until the rights of Declarant and CL-RP, respectively, have terminated as provided in Sections 11.5 and 11.6 hereof.

10.11 Easement for Private Streets, Sidewalks and Signs. CL-RP hereby grants, conveys, declares, creates, imposes and establishes a perpetual, non-exclusive right-of-way

easement for vehicular and pedestrian access, ingress and egress over and across the private streets and sidewalks located within the Community. At such time as one or more subdivision plats for the property submitted to this Declaration are recorded in the real estate records of the Office of the Clerk of Superior Court of Forsyth County, Georgia, any reference to private streets shall then and thereafter mean a reference to the private streets as actually constructed and depicted on the recorded subdivision plat. The right-of-way easement herein granted shall permit joint usage of such easement by (a) the Owners and Occupants, (b) the legal representatives, successors and assigns of the Owners, and (c) invitees and licensees of the Owners and Occupants. CL-RP hereby expressly reserves for itself, its successors and assigns, all rights and privileges incident to the ownership of the fee simple estate of any right-of-way easement area which are not inconsistent with the rights and privileges herein granted, including, without limitation, the right to maintain one or more proprietary signs on the easement area and the right to grant additional non-exclusive easements to third parties, over, under and across the easement area. CL-RP hereby reserves for itself and grants to the Association as Common Property, the perpetual nonexclusive right and easement upon, over and across those utility easement areas and private streets, roads and sidewalks for the installation, maintenance, and use of such streets and roads, sidewalks, traffic directional signs, street lights, grading for proper drainage of said streets and roads, and related activities and improvements.

10.12 Easement for Encroachment and Overhang. Declarant and CL-RP hereby establish for the benefit of each Lot a reciprocal appurtenant easement for encroachment and overhang between adjacent Lots and between a Lot and adjacent Common Property due to the original construction or the unintentional placement or settling or shifting of the improvements including, but not limited to, retaining walls, downspouts and gutters, constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than three (3) feet, as measured from any point on such common boundary; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association, other than in the original construction of the Lots.

Article 11 General Provisions

11.1 Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws, rules and regulations, use restrictions and Architectural Guidelines, as amended or modified from time to time, and with the covenants, conditions, easements and restrictions set forth in this Declaration, the recorded subdivision plat(s) for the Community and in the deed to such Owner's Lot, if any. Declarant or the Association, acting through the Board of Directors, may impose fines or other sanctions for violations of the foregoing in accordance with this Declaration and the Bylaws, which fines shall be collected as provided herein for the collection of assessments; provided, however, only one fine may be imposed for a single violation such that an Owner or Occupant may not be fined by Declarant and the Association for the same violation; and provided, further, Declarant or the Association, as the case may be, may count each day a violation continues after notice thereof as a separate violation. In the event fines or other sanctions are imposed by Declarant, Declarant shall have any and all rights to collect such fines

or sanctions (which fines shall be payable to the Association) and any related charges, including, without limitation, attorneys' fees actually incurred and costs of collection, in the same manner as provided herein for the collection of assessments by the Association acting through the Board.

The failure to comply with this Declaration, the Bylaws, use restrictions, the rules and regulations and the Architectural Guidelines shall be grounds for an action to recover sums due for damages, injunctive relief or both, and shall include, without limitation, reasonable attorneys' fees actually incurred, maintainable by the Association, Declarant or an aggrieved Owner. The failure by the Declarant, the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. Declarant or the Association shall have the right to record in the appropriate land records a notice of violation of the Declaration, Bylaws, rules and regulations, use restrictions or Architectural Guidelines and to assess the cost of recording and removing such notice against the Lot of the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

11.2 Occupants Bound. All provisions of the Declaration, Bylaws, rules and regulations, use restrictions and Architectural Guidelines which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants and the guests and invitees of Owners and Occupants. The Owner shall be responsible for insuring that the Occupants, guests, invitees and licensees of the Owner and Occupant strictly comply with all provisions of the Declaration, Bylaws, rules and regulations, use restrictions and Architectural Guidelines. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not timely paid, the fine may then be levied against the Owner.

11.3 Self-Help. In addition to any other remedies provided for herein, the Association, acting through the Board, Declarant or their respective duly authorized agents shall have the power to enter upon any Lot or any other portion of the Community to abate or remove any structure, improvement, thing or condition which violates this Declaration, the Bylaws, the rules and regulations, the use restrictions or the Architectural Guidelines. Unless an emergency situation exists, the violating Owner shall be given ten (10) days' written notice of the intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after giving any notice required herein or by law. All costs of self-help, including, without limitation, reasonable attorneys' fees actually incurred, shall be assessed against the Lot of the violating Owner as a specific assessment.

11.4 Duration. The covenants, conditions, restrictions and easements contained in this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Association, Declarant and any Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent provided by law; provided, however, if and to the extent that Georgia law limits the period during which covenants restricting land to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time, any such provision(s) shall be: (a) automatically extended for successive periods of twenty (20) years (or the maximum period allowed by applicable law, if less), unless a written instrument signed by the then Owners of at least two-thirds (2/3) of the Lots has been recorded within the year immediately preceding the

beginning of a twenty (20) year renewal period agreeing to change such provisions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated to the extent specified therein; or (b) extended, renewed, modified or terminated as otherwise provided herein or by applicable law.

11.5 Termination of Rights of Declarant. The rights of Declarant to take, approve or consent to actions under this Declaration, the Articles of Incorporation and the Bylaws shall cease and be of no further force and effect upon the earlier of: (a) the date that the Declarant no longer owns any property in the Community and no longer owns any additional property which may be annexed to the Community as provided herein, and a certificate of occupancy has been issued for the residential dwelling located on each Lot in the Community; or (b) the date of recording by Declarant in the Forsyth County, Georgia land records of a written instrument terminating all of Declarant's rights hereunder; provided, however, so long as CL-RP owns a Lot, such written instrument shall also be signed by CL-RP in order to be effective.

11.6 Rights Reserved for the Benefit of CL-RP.

(a) General. So long as CL-RP owns a Lot, CL-RP shall have the right to enforce any provisions of the Declaration, Bylaws and Articles that are intended to be for the benefit of CL-RP.

(b) Termination of Rights of CL-RP. The rights reserved for the benefit of CL-RP under this Declaration shall automatically terminate and be of no further force and effect on the date that CL-RP no longer owns any Lots in the Community, which may be evidenced by filing a Notice of Termination or similar document in the Forsyth County, Georgia land records.

11.7 Amendment.

(a) By the Declarant. This Declaration may be amended unilaterally at any time and from time to time by Declarant if such amendment is: (i) necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation or judicial determination which shall be in conflict therewith; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (iii) required by an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to this Declaration; or (iv) necessary to enable any governmental agency or private insurance company, including without limitation, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs, to insure or guarantee Mortgage loans on the Lots subject to this Declaration; provided, however, such amendment shall not materially adversely affect the substantive rights of any Owner to use such Owner's Lot without the consent of the affected Owner.

Further, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, such amendment shall not materially adversely affect the substantive rights of any Owner to use such Owner's Lot without the consent of the affected Owner.

(b) By the Board. The Board of Directors, with the written consent of the Declarant, and without a vote of the members may amend this Declaration: (i) to elect to be governed by and thereafter comply with the provisions of the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220 *et seq.*; (ii) to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith; (iii) to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (iv) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to this Declaration; or (v) to enable any governmental agency or private insurance company, including without limitation, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs, to insure or guarantee Mortgage loans on the Lots subject to this Declaration; provided, however, such amendment shall not materially adversely affect the substantive rights of any Owner to use such Owner's Lot without the consent of the affected Owner.

(c) By the Association. In addition to the above, this Declaration may be amended upon the affirmative vote or written consent or any combination thereof of Owners of at least two-thirds (2/3) of the Lots and Declarant.

(d) General. Amendments to this Declaration shall become effective upon recordation unless a later effective date is specified therein. The consent of Declarant to any amendment shall be evidenced by the execution of said amendment by Declarant. The consent of the requisite number of Owners to any amendment shall be evidenced by the execution of the amendment by said Owners, or, in the alternative, the sworn statement of the President or any Vice President or the Secretary of the Association attached to or incorporated in the amendment, which sworn statement states unequivocally that the consent of the required number of Owners was obtained and that any notices required by this Declaration, the Bylaws, the Articles of Incorporation and Georgia law were given. The amendments authorized by this Section may be of uniform or non-uniform application and Owners shall be deemed to have agreed that the Declaration may be amended as provided herein and that any rule of law requiring unanimous approval of amendments having a non-uniform application shall not apply.

(e) Consent of CL-RP Required. So long as CL-RP owns a Lot, any amendment to the Declaration shall require the prior written approval of CL-RP. Any amendment recorded in the land records without such approval shall be deemed void and of no force and effect unless subsequently approved by a written consent signed by CL-RP.

11.8 Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine or feminine pronoun shall include the neuter, masculine and feminine.

11.9 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and, to this end, the provisions of this Declaration are declared to be severable.

11.10 Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Section to which they refer.

11.11 No Merger. There shall be no merger of any of the covenants, conditions, restrictions or easements created or reserved hereby with the fee estate of CL-RP or Declarant, by reason of the fact that CL-RP or Declarant, as applicable, may own or hold the estate or interest both encumbered and benefited by such covenants, conditions, restrictions or easements and no such merger shall occur unless and until CL-RP or Declarant, as applicable, while owning all of the estate or interests shall execute a written statement or instrument affecting such merger and shall duly record the same.

11.12 Preparer. This Declaration was prepared by Katharine A. Dyott, Dorough & Dorough, LLC, Attorneys at Law, 160 Clairemont Avenue, Suite 650, Decatur, Georgia 30030.

11.13 Notices. Except as otherwise specifically provided in such document(s), as the case may be, notices provided for in this Declaration or the Articles or Bylaws shall be in writing, and shall be addressed to an Owner at the address of the Lot and to the Declarant and the Association at the address of their respective registered agent on file with the Secretary of State of the State of Georgia. Any Owner may designate a different address, including an electronic mail address, for notices to such Owner by giving written notice to the Association. Owners shall keep the Association advised of their current address and phone number(s) where they can be reached. Notices addressed as above shall be mailed by United States Registered or Certified Mail, return receipt requested, postage paid, or delivered in person, including delivery by Federal Express or other reputable commercial courier service, or by electronic transmission in accordance with Chapter 12 of Title 10 of the Official Code of Georgia Annotated, the "Uniform Electronic Transactions Act". The time period in which a response to any such notice must be given or any action taken with respect thereto, shall commence to run from the date of personal delivery or date of receipt shown on the return receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice sent.

11.14 No Discrimination. No action shall be taken by the Declarant, the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color, national origin, religion, sex, familial status or disability.

11.15 Security. ALL OWNERS, OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, AS APPLICABLE, ACKNOWLEDGE THAT DECLARANT, CL-RP, THE ASSOCIATION AND ITS BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, DO NOT REPRESENT OR WARRANT THAT ANY SAFETY OR SECURITY MEASURES WILL BE IMPLEMENTED IN THE COMMUNITY OR, IF IMPLEMENTED, THAT SUCH SAFETY OR SECURITY MEASURES MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR THAT ANY SUCH SAFETY OR SECURITY MEASURES WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THEY ARE DESIGNED. EACH OWNER, OCCUPANT, GUEST, LICENSEE, OR INVITEE, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT DECLARANT, CL-RP, THE ASSOCIATION, THE BOARD OF DIRECTORS AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, ARE NOT INSURERS OR PROVIDERS OF SAFETY OR SECURITY AND SHALL HAVE NO DUTY TO PROVIDE ANY SAFETY OR SECURITY ON THE COMMON PROPERTY OR OTHERWISE; AND THAT EACH OWNER, OCCUPANT, GUEST, LICENSEE, AND INVITEE ASSUMES ALL RISKS OF PERSONAL INJURY AND PROPERTY DAMAGE AND FURTHER ACKNOWLEDGES THAT DECLARANT, CL-RP, THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY OWNER, OCCUPANT, GUEST, LICENSEE, OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE RELATIVE TO ANY SAFETY OR SECURITY MEASURES IMPLEMENTED OR APPROVED.

11.16 Indemnification. To the fullest extent allowed by the Georgia Nonprofit Corporation Code, and in accordance therewith, the Association shall indemnify every current and former officer, director and committee member against any and all expenses, including, but not limited to, attorneys' fees, imposed upon or reasonably incurred by any officer, director or committee member in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member. The officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director or committee member, may be

entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

11.17 Notice of Sale or Acquisition. Owners must keep the Association apprised of their name, mailing address, e-mail address and telephone number. Accordingly, prior to the sale of a Lot, the Owner shall provide the Association with written notice of the name of the purchaser and such other information as the Board may reasonably require. Upon acquisition of a Lot, each new Owner shall provide the Association with written notice of the name, mailing address, e-mail address and telephone number of the Owner, the names of the Occupants of the Lot, if any, and such other information as the Board may reasonably require. All Owners shall notify the Association of any change in name, address or telephone number.

11.18 Agreements. Subject to the prior approval of Declarant and CL-RP, all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board of Directors, shall be binding upon all Owners, their heirs, legal representatives, successors, assigns and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

11.19 Variances. Notwithstanding anything to the contrary contained herein, the Declarant and the Board of Directors, with the consent of the Declarant, shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto, if it determines that waiver of application or enforcement of the provision in a particular case is warranted and would not be inconsistent with the overall scheme of development for the Community.

11.20 Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least seventy-five percent (75%) of the Total Association Vote and the consent of the Declarant. This Section shall not apply to: (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided herein; (c) proceedings involving challenges to *ad valorem* taxation; (d) counterclaims brought by the Association in proceedings instituted against it; or (e) actions brought by the Association against any contractor, vendor, or supplier of goods or services arising out of a contract for goods or services to which the Association is a party. This Section shall not be amended unless such amendment is made unilaterally by the Declarant as provided herein or is approved by the percentage votes necessary to institute proceedings as provided above.

11.21 Disclosures. Every Owner, by acceptance of a deed to a Lot, acknowledges that it will be subject to and bound by the terms and conditions of this Declaration, Bylaws, Architectural Guidelines and any rules and regulations adopted pursuant thereto.

Each Owner and Occupant also acknowledges the following:

(a) that the Community is located adjacent to thoroughfares and may be affected by traffic and noise from time to time, and such thoroughfares may be improved or widened in the future;

(b) that Declarant shall not be responsible for responding to or taking any affirmative action on behalf of the Association or an individual member of the Association to mitigate, alleviate, remedy or cure any off-site conditions that may directly impact the Community or any portion thereof, and such inaction by Declarant shall not constitute a breach of fiduciary duty by the directors and officers of the Association that are appointed by Declarant, pursuant to the Bylaws of the Association.

(c) that the views from an Owner's Lot may change over time due to among other things, additional development and the removal or addition of landscaping;

(d) that no representations are made regarding the zoning of adjacent property or that the category to which adjacent property is zoned may not change in the future;

(e) that no representations are made regarding the schools that currently, or which may in the future, serve the Community;

(f) that because in every development there are conditions that different purchasers may find objectionable, including but not limited to traffic congestion and related noise, each Owner acknowledges that there may be conditions outside of the property that such Owner finds objectionable and that it shall be the sole responsibility of such Owner to become acquainted with neighborhood conditions that could affect the Lot; and

(g) that Declarant will be constructing portions of the Community and adjacent property and may engage in other construction activities related to other portions of the development and such adjacent property. Such construction activities may, from time to time, produce certain conditions within or in the vicinity of the Community, including, without limitation: (i) noise or sound that is objectionable because of its volume, duration, frequency or shrillness; (ii) smoke; (iii) noxious, toxic, or corrosive fumes or gases; (iv) obnoxious odors; (v) dust, dirt or flying ash; (vi) unusual fire or explosion hazards; (vii) temporary interruption of utilities; and/or (viii) other conditions that may threaten the security or safety of Persons in the Community. Notwithstanding the foregoing, each Owner agrees that such conditions in the Community resulting from construction activities shall not be deemed a nuisance or discomfort to Owner and shall not cause Declarant and its representatives or agents to be deemed in violation of any provision of this Declaration.

11.22 Cumulative Effect; Conflict. The covenants, restrictions and provisions of this Declaration and the Bylaws shall be cumulative with those of the Master Declaration and Residential Declaration and the Association may, but shall not be required to, enforce the Master Declaration and Residential Declaration; provided, however, in the event of conflict between or among such covenants and restrictions, and provisions of any articles of incorporation, bylaws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of this

Declaration and the Association shall be subject and subordinate to those of the Master Declaration and the Master Association and the Residential Declaration and the Residential Association. In the event of a conflict between the provisions of this Declaration and the provisions of Georgia law, then to the extent that the provisions of Georgia law cannot be waived by agreement, Georgia law shall control.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Declarant herein has caused this instrument to be executed under seal, this 9th day of December, 2019.

DECLARANT: **EA HOMES, LP**, a Delaware limited partnership

By:
Print Name:
Title:

[Signature] (SEAL)
President
Paul Corby

Signed, sealed, and delivered
in the presence of:

[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

My Commission Expires:

4/2/21

PAFFLY NOTARY SEAL

GEORGIA
APRIL 2, 2021

CHEROKEE COUNTY

IN WITNESS WHEREOF, CL-RP, as the owner of all or a portion of the land described on Exhibit "A" attached hereto does hereby declare and consent, on behalf of CL-RP and CL-RP's heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of CL-RP described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration.

This 9 day of December, 2019.

CL-RP: **CL-RP MCFARLAND, LLC**, a Georgia
limited liability company

By: [Signature] (SEAL)
Name: Karlén De Clercq
Title: Vice President

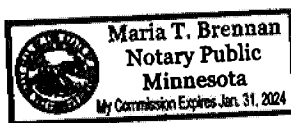
Signed, sealed, and delivered
in the presence of:

[Signature]
WITNESS Justin Krobben

[Signature]
NOTARY PUBLIC

My Commission Expires: 1/31/2024

[AFFIX NOTARY SEAL]



CONSENT, JOINDER AND SUBORDINATION OF LENDER

The undersigned, **RENASANT BANK**, having an address of 1320 Johnson Ferry Road, Marietta, GA 30068 ("Lender"), is the holder of that certain: (i) Deed to Secure Debt and Security Agreement by CL-RP McFarland LLC, a Georgia limited liability company, in favor of Renasant Bank, dated May 18, 2018, and recorded May 22, 2018 in Deed Book 8562, Pages 317-336, Forsyth County, Georgia land records; (ii) UCC Financing Statement by and between CL-RP McFarland LLC, as Debtor, and Renasant Bank, as Secured Party, recorded May 22, 2018 in Deed Book 8562, Pages 337-341, aforesaid county records; and (iii) UCC Financing Statement by and between CL-RP McFarland LLC, as Debtor, and Renasant Bank, as Secured Party, recorded May 22, 2018 in Deed Book 8562, Pages 342-344, aforesaid county records (hereinafter amended and/or modified from time to time, collectively referred to as the "Security Instruments").

Lender hereby joins in, consents to, and subordinates the Security Instruments to the foregoing Declaration of Protective Covenants, Conditions, Restrictions and Easements for Halcyon Garden Townhomes ("Declaration") to which this Consent, Joinder and Subordination is attached, and Lender agrees that all of its right, title and interest in and to the real property described herein by virtue of the Security Instruments shall be bound by, subject to and subordinate to the easements and other terms and provisions of the foregoing Declaration, and the Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Instruments; provided, however, that nothing herein shall modify, alter or amend the Security Instruments as between Lender and the borrower thereunder.

IN WITNESS WHEREOF, the undersigned has caused this Consent, Joinder and Subordination of Lender to be duly executed and sealed, as of this 9th day of December, 2019.

LENDER: RENASANT BANK

By: _____

Print Name: _____

Title: _____

Andy Robertson

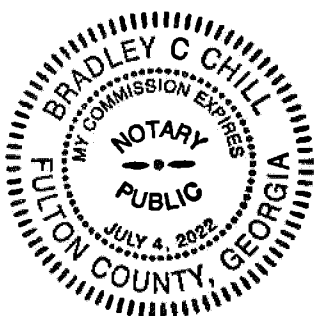
Director of Construction Lending

Signed, sealed, and delivered
in the presence of:

[BANK SEAL]

WITNESS

Bradley C Chill
NOTARY PUBLIC
My Commission Expires 7-4-22



CONSENT, JOINDER AND SUBORDINATION OF LENDER

The undersigned, **RENASANT BANK**, having an address of 1320 Johnson Ferry Road, Marietta, GA 30068 ("Lender"), is the holder of that certain: (i) Deed to Secure Debt and Security Agreement by EA Homes, LP, a Delaware limited partnership, in favor of Renasant Bank, dated March 29, 2019, and recorded April 3, 2019 in Deed Book 8843, Pages 466 – 494, Forsyth County, Georgia land records; (ii) Deed to Secure Debt and Security Agreement by EA Homes, LP, a Delaware limited partnership, in favor of Renasant Bank, dated August 7, 2019, and recorded August 9, 2019 in Deed Book 8988, Pages 49 – 72, Forsyth County, Georgia land records; (iii) Deed to Secure Debt and Security Agreement by EA Homes, LP, a Delaware limited partnership, in favor of Renasant Bank, dated August 7, 2019, and recorded August 9, 2019 in Deed Book 8988, Pages 73 – 96, Forsyth County, Georgia land records; and (iv) Deed to Secure Debt and Security Agreement by EA Homes, LP, a Delaware limited partnership, in favor of Renasant Bank, dated November 6, 2019, and recorded November 6, 2019 in Deed Book 9099, Pages 329 – 350, Forsyth County, Georgia land records (hereinafter collectively referred to as the "Security Instruments").

Lender hereby joins in, consents to, and subordinates the Security Instruments to the foregoing Declaration of Protective Covenants, Conditions, Restrictions and Easements for Halcyon Garden Townhomes ("Declaration") to which this Consent, Joinder and Subordination is attached, and Lender agrees that all of its right, title and interest in and to the real property described herein by virtue of the Security Instruments shall be bound by, subject to and subordinate to the easements and other terms and provisions of the foregoing Declaration, and the Declaration shall survive any foreclosure, deed in lieu of foreclosure and/or exercise of any remedy by Lender pursuant to the Security Instruments; provided, however, that nothing herein shall modify, alter or amend the Security Instruments as between Lender and the borrower thereunder.

IN WITNESS WHEREOF, the undersigned has caused this Consent, Joinder and Subordination of Lender to be duly executed and sealed, as of this 9th day of December 2019.

LENDER: RENASANT BANK

By: 

Print Name: _____

Title: **Andy Robertson**
Director of Construction Lending

Signed, sealed, and delivered
in the presence of:



WITNESS



NOTARY PUBLIC

My Commission Expires 7-4-22

[BANK SEAL]

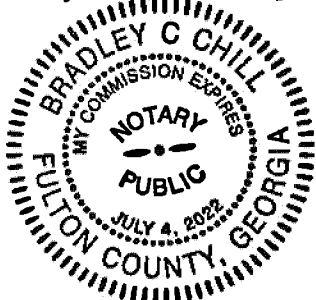


EXHIBIT "A"
Property Description

All that tract or parcel of land lying and being in Land Lots 909 and 964 of the 2nd District, 1st Section, Forsyth County, and being more particularly described as follows:

COMMENCING at a point at the northern miter of the intersection of the southeasterly right-of-way of Ronald Reagan Boulevard (right-of-way varies) and the northeastern edge of Halcyon Garden Drive (private); **THENCE** along the northern edge of Halcyon Garden Drive (private) the following courses and distances: along a curve to the left with a radius of 48.32 feet and an arc length of 48.77 feet, said curve having a chord bearing of South 15 degrees 15 minutes 06 seconds East and a chord distance of 46.73 feet to a point; **THENCE** South 43 degrees 50 minutes 28 seconds East a distance of 59.58 feet to a point; **THENCE** South 30 degrees 37 minutes 06 seconds East a distance of 21.44 feet to a point; **THENCE** along a curve to the left with a radius of 74.00 feet and an arc length of 34.16 feet, said curve having a chord bearing of South 43 degrees 50 minutes 41 seconds East and a chord distance of 33.86 feet to a point; **THENCE** along a curve to the left with a radius of 39.00 feet and an arc length of 33.00 feet, said curve having a chord bearing of South 81 degrees 18 minutes 38 seconds East and a chord distance of 32.02 feet to a point, said point being the **POINT OF BEGINNING**.

THENCE from said **POINT OF BEGINNING** leaving the northern edge of Halcyon Garden Drive (private) along and beyond the northwestern edge of Cortland Walk (private) North 43 degrees 40 minutes 14 seconds East a distance of 436.49 feet to a point; **THENCE** South 53 degrees 40 minutes 32 seconds East a distance of 336.72 feet to a point; **THENCE** South 42 degrees 36 minutes 55 seconds East a distance of 186.74 feet to a point; **THENCE** South 46 degrees 30 minutes 57 seconds East a distance of 185.66 feet to a point; **THENCE** South 12 degrees 00 minutes 36 seconds East a distance of 236.55 feet to a point; **THENCE** South 43 degrees 29 minutes 03 seconds West a distance of 130.90 feet to a point at the southeaster edge of Whitman Walk (private); **THENCE** leaving said edge North 79 degrees 21 minutes 30 seconds West a distance of 15.10 feet to a point at the centerline of Whitman Walk (private); **THENCE** along said centerline the following courses and distance: along a curve to the right with a radius of 100.00 feet and an arc length of 76.26 feet, said curve having a chord bearing of South 32 degrees 29 minutes 20 seconds West and a chord distance of 74.43 feet to a point; **THENCE** South 54 degrees 20 minutes 11 seconds West a distance of 109.32 feet to a point; **THENCE** leaving said centerline of Whitman Walk (private) along a curve to the left with a radius of 684.44 feet and an arc length of 137.04 feet, said curve having a chord bearing of North 40 degrees 55 minutes 31 seconds West and a chord distance of 136.81 feet to a point; **THENCE** North 46 degrees 39 minutes 41 seconds West a distance of 320.58 feet to a point at the southeastern edge of Halcyon Garden Drive (private); **THENCE** along said edge South 43 degrees 20 minutes 17 seconds West a distance of 4.77 feet to a point; **THENCE** leaving said edge along the centerline of Halcyon Garden Drive (private), if centerline were extended, North 46 degrees 39 minutes 56 seconds West a distance of 264.08 feet to a point; **THENCE** continue along said centerline along a curve to the left with a radius of 161.00 feet and an arc length of 63.14 feet, said curve having a chord bearing of North 57 degrees 54 minutes 05 seconds West and a chord distance of 62.74 feet to a point; **THENCE** North 69 degrees 08 minutes 13 seconds

West a distance of 66.76 feet to a point at the intersection of the centerline of Halcyon Garden Drive (private) and Cortland Walk (private); THENCE along the centerline of Cortland Walk (private) North 20 degrees 38 minutes 56 seconds East a distance of 32.59 feet to a point; THENCE leaving said centerline North 69 degrees 21 minutes 04 seconds West a distance of 29.03 feet to a point, said point being the **POINT OF BEGINNING**.

Said tract contains 387,225 square feet or 8.8895 acres.

EXHIBIT "B"
Additional Property Which May Be Unilaterally
Submitted To This Declaration by Declarant

All that tract or parcel of land lying and being in Land Lots 892, 893, 908, 909, 910, 963, 964, 965, 979, 980, 981, 982, 1036 and 1037 of the 2nd District, 1st Section, Forsyth County, Georgia.

EXHIBIT "C"

BYLAWS
OF
HALCYON GARDEN TOWNHOME ASSOCIATION, INC.

Prepared By:
Katharine A. Dyott
DOROUGH & DOROUGH, LLC
Attorneys at Law
160 Clairemont Avenue
Suite 650
Decatur, Georgia 30030
(404) 687-9977

BYLAWS
OF
HALCYON GARDEN TOWNHOME ASSOCIATION, INC.

- TABLE OF CONTENTS -

ARTICLE 1	<u>NAME, MEMBERSHIP, APPLICABILITY AND DEFINITIONS</u>	1
1.1	<u>NAME</u>	1
1.2	<u>MEMBERSHIP</u>	1
1.3	<u>DEFINITIONS</u>	1
ARTICLE 2	<u>ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES</u>	1
2.1	<u>PLACE OF MEETINGS</u>	1
2.2	<u>ANNUAL MEETINGS</u>	1
2.3	<u>SPECIAL MEETINGS</u>	1
2.4	<u>RECORD DATE</u>	2
2.5	<u>NOTICE OF MEETINGS</u>	2
2.6	<u>WAIVER OF NOTICE</u>	2
2.7	<u>ADJOURNMENT OF MEETINGS</u>	2
2.8	<u>MEMBERSHIP LIST</u>	2
2.9	<u>VOTING</u>	3
2.10	<u>PROXIES</u>	3
2.11	<u>QUORUM</u>	3
2.12	<u>ACTION BY WRITTEN CONSENT</u>	3
2.13	<u>ACTION BY WRITTEN BALLOT</u>	4
ARTICLE 3	<u>BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS</u>	4
3.1	<u>GOVERNING BODY; COMPOSITION</u>	4
3.2	<u>DIRECTORS APPOINTED BY DECLARANT</u>	4
3.3	<u>NUMBER OF DIRECTORS</u>	5
3.4	<u>NOMINATION OF DIRECTORS</u>	5
3.5	<u>ELECTION AND TERM OF OFFICE</u>	5
3.6	<u>REMOVAL OF DIRECTORS</u>	5
3.7	<u>VACANCIES</u>	5
3.8	<u>ORGANIZATION MEETINGS</u>	5
3.9	<u>REGULAR MEETINGS</u>	6
3.10	<u>SPECIAL MEETINGS</u>	6
3.11	<u>WAIVER OF NOTICE</u>	6
3.12	<u>QUORUM OF BOARD OF DIRECTORS</u>	6
3.13	<u>COMPENSATION</u>	6
3.14	<u>OPEN MEETINGS</u>	6
3.15	<u>EXECUTIVE SESSION</u>	6
3.16	<u>ACTION WITHOUT A FORMAL MEETING</u>	7
3.17	<u>TELEPHONIC PARTICIPATION</u>	7
3.18	<u>POWERS</u>	7
3.19	<u>MANAGEMENT AGENT</u>	8
3.20	<u>BORROWING</u>	8
3.21	<u>FINING PROCEDURE</u>	8
ARTICLE 4	<u>OFFICERS</u>	9
4.1	<u>OFFICERS</u>	9
4.2	<u>ELECTION, TERM OF OFFICE, AND VACANCIES</u>	9

4.3	<u>ADDITIONAL OFFICERS AND AGENTS</u>	9
4.4	<u>SALARIES</u>	9
4.5	<u>REMOVAL</u>	10
4.6	<u>PRESIDENT</u>	10
4.7	<u>VICE PRESIDENT</u>	10
4.8	<u>SECRETARY</u>	10
4.9	<u>TREASURER</u>	10
4.10	<u>RESIGNATION</u>	10
ARTICLE 5 <u>COMMITTEES</u>		11
ARTICLE 6 <u>MISCELLANEOUS</u>		11
6.1	<u>FISCAL YEAR</u>	11
6.2	<u>PARLIAMENTARY RULES</u>	11
6.3	<u>CONFLICTS</u>	11
6.4	<u>ELECTRONIC RECORDS, SIGNATURES AND DOCUMENTS</u>	11
6.5	<u>AMENDMENT</u>	11

BYLAWS
OF
HALCYON GARDEN TOWNHOME ASSOCIATION, INC.

Article 1
Name, Membership, Applicability and Definitions

1.1 Name. The name of the corporation shall be Halcyon Garden Townhome Association, Inc. (hereinafter sometimes referred to as the "Association").

1.2 Membership. The Association shall have one class of membership, as is more fully set forth in that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for Halcyon Garden Townhomes (such Declaration, as amended, supplemented, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

1.3 Definitions. The words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit, or the meanings given in the Georgia Nonprofit Corporation Code (O.C.G.A. Section 14-3-101, *et seq.*) (the "Nonprofit Code"). Statutory references shall be construed as meaning the referenced statute or portion thereof as the same may exist from time to time.

Article 2
Association: Meetings, Quorum, Voting, Proxies

2.1 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

2.2 Annual Meetings. There shall be an annual meeting of the members at such date, place and time as the Board of Directors shall determine to receive the reports of the outgoing Board of Directors, to install directors for the ensuing year and to transact such other business as may come before the meeting.

2.3 Special Meetings. The President or the Board of Directors may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association upon the delivery of a petition signed and dated by members entitled to cast at least twenty-five percent (25%) of the Total Association Vote and describing the purpose or purposes for which it is to be held. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose(s) thereof. No business shall be transacted at a special meeting, except those matters that are within the purpose or purposes described in the notice.

2.4 Record Date. The Board of Directors shall fix in advance a record date for a determination of members entitled to notice of and to vote at any meeting of members or any adjournment thereof, or to make a determination of members for any other purpose, such date to be not more than seventy (70) days before the date on which the particular action requiring such determination of members is to be taken.

2.5 Notice of Meetings. It shall be the duty of the Secretary or such other agent as the Association may designate to mail or to cause to be delivered to each member (as shown in the records of the Association as of the record date) a written notice of each annual or special meeting of the Association stating the date, time and place where it is to be held and, if and to the extent required by the Nonprofit Code or other applicable law (the "Governing Law"), the purpose(s) thereof. Such notice shall be delivered personally or sent by United States mail, postage prepaid, statutory overnight delivery, or sent by electronic transmission in accordance with the Nonprofit Code to all members of record at the address shown in the Association's current records. If an Owner wishes notice to be given at an address other than the Lot, the Owner shall designate by notice in writing to the Secretary such other address. Notices shall be mailed or delivered not less than ten (10) days (or if notice is mailed by other than first-class or registered mail, thirty (30) days) nor more than sixty (60) days in advance of any annual, regularly scheduled or special meeting. If any meeting of the members is adjourned to a different date, time or place, notice need not be given of the new date, time or place, if the new date, time or place is announced at the meeting before adjournment. If, however, a new record date is or must be fixed under the Governing Law, notice of the adjourned meeting shall be given to persons who are members of record as of the new record date.

2.6 Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing or by electronic transmission signed by the member entitled to notice and delivered to the Association for inclusion in the minutes for filing with the Association's records, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of lack of notice or defective notice, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

2.7 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.8 Membership List. After the record date for any meeting is established by the Board of Directors, the Secretary shall prepare an alphabetical list of the names and addresses of all of the members who are entitled to notice of the meeting. Beginning at least two (2) business days after notice is given of the meeting for which the list was prepared, the list of members shall be available for inspection by any member or a member's agent or attorney: (1) on a reasonably accessible electronic network, provided that the information required to gain access to such list is

included with the notice of the meeting or upon request; or (2) during ordinary business hours at the Association's principal office or at such other reasonable place as may be specified in the notice in the city where the meeting will be held. In the event that the Association makes the list available on an electronic network, the Association may take reasonable steps to ensure that such information is available only to members of the Association. In addition, the list shall be available for inspection at the meeting or any adjournment thereof.

2.9 Voting. The voting rights of the members shall be as set forth in the Articles of Incorporation and the Declaration, and such voting rights are specifically incorporated herein.

2.10 Proxies. At all meetings of members, each member may vote in person or by proxy. All proxy appointment forms shall be in writing, signed either personally or by an electronic transmission, dated, and filed with the Secretary before the appointed time of each meeting. An electronic transmission must contain or be accompanied by information acceptable to the Board from which it can be determined that the member, the member's agent, or the member's attorney-in-fact authorized the electronic transmission. Proxies may be delivered to the Board of Directors by personal delivery, U.S. mail or electronic transmission to the Secretary or other officer or agent authorized to tabulate votes. Every proxy shall be revocable and shall automatically cease upon: (a) receipt of notice by the Secretary of the death or judicially declared incompetence of a member; (b) receipt by the Secretary or other officer or agent authorized to tabulate votes of written revocation signed by the member; (c) receipt by the Secretary or other officer or agent authorized to tabulate votes of a subsequent appointment form signed by the member; (d) attendance by the member and voting in person at any meeting; or (e) the expiration of eleven (11) months from the date of the proxy appointment form.

2.11 Quorum. The presence, in person or by proxy, of members entitled to cast at least twenty-five percent (25%) of the votes entitled to be cast at the meeting shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

2.12 Action By Written Consent. Any action required or permitted to be approved by the members may be approved without a meeting if one (1) or more consents, in writing or by electronic transmission, setting forth the action so taken, shall be signed, either personally or by an electronic transmission, and dated by members (including the Declarant, if the consent of the Declarant is required) holding the voting power required to pass such action at a meeting held on the record date for such action. The record date for such action shall be the date that the first member signs a consent. Such action shall be approved when the Secretary receives a sufficient number of such consents dated within seventy (70) days of the record date for such action. If less than unanimous consent is obtained, the approval shall be effective ten (10) days after the Secretary gives written notice of the approval to all members who did not sign a consent. Each consent in writing or by electronic transmission shall be included in the minutes of meetings of members filed in the permanent records of the Association. No consent in writing or by electronic transmission shall be valid unless: (1) the consenting member has been furnished the same material that, pursuant to the Nonprofit Code, would have been required to be sent to members in a notice of a meeting at which the proposed action would have been submitted to the

members for action; or (2) the written consent contains an express waiver of the right to receive the material otherwise required to be furnished.

2.13 Action By Written Ballot. Any action that may be taken at any annual, regular or special meeting of members may be taken without a meeting if approved by ballot in writing or by electronic transmission as provided herein. The Association shall deliver a ballot in writing or by electronic transmission to each member entitled to vote on the matter. The ballot in writing or by electronic transmission shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. All solicitations for votes by ballot in writing or electronic transmission shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely ballot in writing or by electronic transmission received by the Association may not be revoked. Approval by ballot in writing or by electronic transmission of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. The results of each action by ballot shall be certified by the Secretary and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Article 3

Board of Directors: Number, Powers, Meetings

3.1 Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors. Directors shall be natural persons who are eighteen (18) years of age or older. Except for directors appointed by the Declarant, each director must reside in the Community and be a member or the spouse of a member; provided, however, no Person may serve on the Board at the same time with such Person's spouse or any co-Owner or Occupant of such Person's Lot.

3.2 Directors Appointed by Declarant. The Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events shall occur: (a) the date on which all of the Lots planned by Declarant to be a part of the Community have been improved with a dwelling and conveyed to an Owner for occupancy as a residence; or (b) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. The directors appointed by the Declarant need not be Owners or residents in the Community.

The total number of Lots planned by Declarant for the Community shall initially be the number of Lots shown on the Declarant's land use plan for the development as it may be amended from time to time. Inclusion of property on the land use plan shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land use plan bar Declarant from subjecting such property to the Declaration. The final

total number of Lots planned for the Community shall be the actual number of Lots shown on the recorded subdivision plat(s) for the Community regardless of any different number of Lots shown from time to time on the land use plan.

3.3 Number of Directors. During the period that the Declarant has the right to appoint and remove the officers and directors of the Association as provided above, the Board of Directors shall consist of one (1) to three (3) members as determined by Declarant in writing from time to time. Thereafter, the Board shall consist of three (3) directors, who shall be elected as provided in Section 3.5 below.

3.4 Nomination of Directors. Elected directors may be nominated from the floor, if a meeting is held for the election of directors and may also be nominated by a nominating committee, if established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

3.5 Election and Term of Office. After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting (or take action under Section 2.12 or Section 2.13 in lieu of a meeting) and the members shall elect three (3) directors as follows: the initial term of two (2) directors shall be fixed at two (2) years and the initial term of one (1) director shall be fixed at one (1) year. Thereafter, all successors shall be elected to a term of two (2) years. At annual meetings thereafter (or pursuant to Section 2.12 or Section 2.13 in lieu of a meeting), directors shall be elected as necessary to fill vacant seats on the Board and to preserve the scheme of staggered terms with one more or one less director being elected each year than in the previous year. All eligible members of the Association may vote on all directors to be elected, and the candidates receiving the most votes shall be elected. Notwithstanding anything herein to the contrary, the members of the Board of Directors shall continue in office until their respective successors shall have been elected and take office.

3.6 Removal of Directors. At any annual, regular or special meeting of the Association, any one (1) or more of the members of the Board of Directors elected by the members may be removed, with or without cause, by a majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. The notice of the meeting shall state that the purpose or one of the purposes, of the meeting is removal of a director. A director whose removal by the members has been proposed shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than thirty (30) days may be removed by a majority vote of the remaining directors. This Section shall not apply to directors appointed by the Declarant.

3.7 Vacancies. Vacancies in the Board of Directors caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the majority of the remaining directors. Each Person so selected shall serve the unexpired portion of the term.

3.8 Organization Meetings. The first meeting of a newly elected Board of Directors shall be held within ten (10) days after the election at such time and place as the directors may conveniently assemble.

3.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, provided that after the right of Declarant to appoint the directors terminates, at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

3.10 Special Meetings. Special meetings of the Board of Directors shall be held when requested by the President, Vice President or by any two (2) directors. The notice shall specify the date, time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery (including commercial delivery service) to such director's home or office; (b) written notice by first class mail, postage prepaid; (c) by telephone communication (including facsimile), either directly to the director or to the director's home or office; or (d) issued electronically in accordance with the Nonprofit Code, if the director has consented in writing to such method of delivery and has provided the Board with an address regarding the same. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited with the U.S. Postal Service at least four (4) days before the date of the meeting. Notices given by personal delivery, electronic transmission or telephone shall be given at least two (2) days before the day of the meeting.

3.11 Waiver of Notice. The business transacted at any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes either in writing or by electronic transmission which is included in the minutes or filed with the official records of the Association. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.12 Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors.

3.13 Compensation. No director shall receive any compensation from the Association for acting as such.

3.14 Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board.

3.15 Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may

become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.16 Action Without A Formal Meeting. Any action required or permitted to be taken at a meeting of the directors may be taken without a meeting if one or more consents, in writing or by electronic transmission, setting forth the action so taken, shall be signed by a majority of the directors and delivered to the Association for inclusion in the minutes for filing in the corporate records. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

3.17 Telephonic Participation. One or more directors may participate in and vote during any meeting of the Board by telephone conference call or any other means of communication by which all directors participating may simultaneously hear each other during the meeting. Any such meeting at which a quorum participates shall constitute a meeting of the Board.

3.18 Powers. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by law, the Declaration, the Articles of Incorporation of the Association, or these Bylaws directed to be done and exercised by the members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

- (a) preparing and adopting an annual budget in which there shall be established the contribution of each member to the common expenses;
- (b) making assessments to defray the common expenses and establishing the means and methods of collecting such assessments;
- (c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;
- (d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
- (f) making and amending rules and regulations;
- (g) opening bank accounts on behalf of the Association and designating the signatories required;

(h) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations and Architectural Guidelines adopted by it, and bringing any proceedings which may be instituted on behalf of or against the members concerning the Association, which enforcement power shall include, without limitation, the power to levy fines as provided herein and in the Declaration in such amounts as from time to time the Board may deem proper in the circumstances, counting each day a violation continues after notice from the Board as a separate violation;

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

(j) keeping books with detailed accounts of the receipts and expenditures of the Association and the actions thereof, and specifying the maintenance and repair expenses and any other expenses incurred; and

(k) authorizing contracts on behalf of the Association.

3.19 Management Agent. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. Declarant, or an affiliate of Declarant, may be employed as managing agent or manager. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice.

3.20 Borrowing. The Board of Directors shall have the power to borrow money without the approval of the members of the Association; provided, however, except as otherwise provided in the Declaration, the Board shall obtain membership approval in the same manner as for special assessments, in the event that the total amount of such borrowing exceeds or would exceed ten percent (10%) of the annual budget of the Association.

3.21 Fining Procedure. A fine shall not be imposed (a late charge shall not constitute a fine) unless and until the following procedure is followed:

(a) Written notice shall be delivered to the member by first-class or certified mail sent to the address of the member shown on the Association's records, specifying:

(1) the nature of the violation, the fine to be imposed and the date, not less than ten (10) days or, in the event of an unapproved sign, twenty-four (24) hours, from the date of the notice, that the fine will take effect;

(2) that the violator may, within ten (10) days or, in the event of an unapproved sign, twenty four (24) hours, from the date of the notice, request a hearing in writing regarding the fine imposed;

(3) the name, address and telephone number of a person to contact to challenge the fine;

(4) that any statements, evidence, and witnesses may be produced by the violator at the hearing; and

(5) that all rights to have the fine reconsidered are waived if a hearing is not requested within ten (10) days or, in the event of an unapproved sign, twenty-four (24) hours, of the date of the notice.

(b) If a hearing is requested within the requisite time provided above, it shall be held before the Board in executive session, and the violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. No fine shall be imposed prior to the date that is five (5) days or, in the event of an unapproved sign, twenty-four (24) hours, after the date of the hearing, as applicable.

(c) Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the violation recurs, the Board may, upon notice stating the nature of the violation and delivered to the member by first class or certified mail sent to the address of the member shown on the Association's records, impose a fine.

Article 4 Officers

4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Any two (2) or more offices may be held by the same Person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors. This provision shall not apply to officers appointed by the Declarant.

4.2 Election, Term of Office, and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association, the officers of the Association shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors following the election of directors. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

4.3 Additional Officers and Agents. The Board of Directors may appoint such other officers, including vice presidents, assistant secretaries and assistant treasurers, and agents as it shall deem necessary. Such officers and agents shall hold their respective offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

4.4 Salaries. The officers shall receive no compensation.

4.5 Removal. Except for officers appointed by the Declarant, any officer may be removed, with or without cause, by the Board of Directors.

4.6 President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and directors. The immediate supervision of the affairs of the Association shall be vested in the President. It shall be the President's duty to attend to the business of the Association and maintain strict supervision over all of its affairs and interests. The President shall keep the Board of Directors fully advised about the affairs and conditions of the Association, and shall manage and operate the business of the Association pursuant to and in accordance with such policies as may be prescribed from time to time by the Board of Directors.

4.7 Vice President. The Vice President(s), if any, shall act in the President's absence or disability and shall have all powers, duties, and responsibilities provided for the President when so acting, and shall perform such other duties as shall from time to time be imposed upon any Vice President by the Board or delegated to a Vice President by the President.

4.8 Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors; notify the members and directors of meetings as provided by these Bylaws and Georgia law; have custody of the seal of the Association; affix such seal to any instrument requiring the same; attest the signature or certify the incumbency or signature of any officer of the Association; and perform such other duties as the President, or the Board of Directors may prescribe. The Secretary shall perform the duties of the Treasurer of the Association in the absence or disability of the Treasurer.

4.9 Treasurer. The Treasurer shall keep, or cause to be kept, the financial books and records of the Association, and shall faithfully account for the Association's funds, financial assets, and other assets entrusted to the Treasurer's care and custody. The Treasurer shall make such reports as may be necessary to keep the President and the Board of Directors informed at all times as to the financial condition of the Association, and shall perform such other duties as the President, or the Board of Directors may prescribe. The Treasurer shall maintain the money and other assets of the Association in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer may provide for the investment of the money and other assets of the Association consistent with the needs of the Association to disburse such money and assets in the course of the Association's business. The Treasurer shall perform the duties of the Secretary of the Association in the absence or disability of the Secretary.

4.10 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Article 5 Committees

Advisory, standing and Ad Hoc committees to perform such tasks and to serve for such periods as may be designated by the Board or as provided in the Declaration are hereby authorized. Each such committee shall be composed and shall operate in accordance with the terms of the Declaration or resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors. An advisory, standing or Ad Hoc committee shall not be authorized to exercise any authority of the Board under the Articles of Incorporation, the Declaration, these Bylaws or the Nonprofit Code except as expressly provided therein.

Article 6 Miscellaneous

6.1 Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise determined by resolution of the Board.

6.2 Parliamentary Rules. *Roberts Rules of Order* (current edition) shall govern the conduct of all Association proceedings, when not in conflict with Georgia law, the Articles of Incorporation of the Association, the Declaration or these Bylaws.

6.3 Conflicts. If there are conflicts or inconsistencies between the provisions of Georgia law, the Articles of Incorporation of the Association, the Declaration and these Bylaws, the provisions of Georgia law, the Declaration, the Articles of Incorporation of the Association and the Bylaws (in that order) shall prevail.

6.4 Electronic Records, Signatures and Documents. To the extent permitted by the Uniform Electronic Transaction Act, O.C.G.A. § 10-12-1, *et seq.*, the Nonprofit Code, the Declaration and these Bylaws, the Association and its members, officers, directors, Owners and Occupants may perform any obligation or exercise any right by use of electronic means providing sufficient security, reliability, identification and verifiability, which electronic means have been approved by the Board of Directors in its sole discretion.

6.5 Amendment.

(a) By the Board. These Bylaws may be amended by the Board of Directors with the consent of the Declarant if such amendment is necessary to: (a) bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) enable any title insurance company to issue title insurance coverage with respect to the Lots subject to the Declaration; (c) enable an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make or purchase Mortgage loans on the Lots subject to the Declaration; (d) enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Lots subject to the Declaration; or (e) comply with the provisions of the Georgia Property Owners' Association Act, O.C.G.A. § 44-3-220, *et seq.*

(b) By the Declarant. Declarant may unilaterally amend these Bylaws for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Owner to use such Owner's Lot without the consent of the affected Owner.

(c) By the Members. In addition, these Bylaws may be amended upon the affirmative vote, written consent or any combination of affirmative vote and written consent of at least two-thirds (2/3) of the Total Association Vote and the consent of Declarant.

P:\Clients\4236\Halcyon\HOA\Bylaws.Halcyon Garden Townhomes.docx