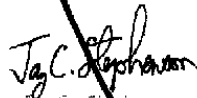


Deed Book **10379 Pg 254**
Filed and Recorded 10/7/2008 10:27:45 AM
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Patty Baker
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Jay C. Stephenson
Clerk of Superior Court Cobb Cty, Ga.

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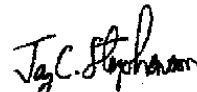
AFTER RECORDING, RETURN TO:
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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

JEFFERSON TOWNSHIP

Deed Book ~~14690 Pg 3642~~
Filed and Recorded May-11-2009 01:57pm
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Jay C. Stephenson
Clerk of Superior Court Cobb Cty, Ga.

Cathleen Robson Smith, Esq.
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Atlanta, Georgia 30305

This Declaration is being re-recorded in order to correct Exhibits "A" and "B" by (i) deleting the joinder and consent for Lot 35, Block B in Phase 3, which was attached in error, (ii) correcting the legal descriptions of the submitted Lots, and (iii) including joinders and consents from additional Owners.

TABLE OF CONTENTS

	<u>PAGE</u>
ARTICLE I STATUTORY PROVISIONS.....	6
ARTICLE II DEFINITIONS	6
Section 1. Articles of Incorporation	6
Section 2. Association	6
Section 3. Board of Directors	6
Section 4. Bylaws	6
Section 5. Common Area	6
Section 6. Common Expenses	7
Section 7. Community	7
Section 8. Community-Wide Standard	7
Section 9. Declaration	7
Section 10. First Mortgage	7
Section 11. First Mortgagee	7
Section 12. Improvements	7
Section 13. Lot	7
Section 14. Majority	7
Section 15. Member	7
Section 16. Owner	7
Section 17. Property	7
Section 18. Residence	7
Section 19. Rules and Regulations	8
ARTICLE III PROPERTY RIGHTS.....	8
Section 1. General	8
Section 2. Easement of Enjoyment.....	8
Section 3. Easement for Association	9
Section 4. Easement for Maintenance	9
Section 5. Easement of Encroachment	9
Section 6. Easements for Utilities, Etc.	10
Section 7. Easement for Law Enforcement/Fire Protection	10
Section 8. Easement for Entry	10
Section 9. Easement for Entry Features.....	10
ARTICLE IV ASSOCIATION MEMBERSHIP AND VOTING RIGHTS	10
Section 1. Membership.....	10
Section 2. Multiple Owners.....	10
Section 3. Voting.....	11
ARTICLE V ASSOCIATION POWERS AND RESPONSIBILITIES	11
A. IN GENERAL	11
Section 1. Common Area	11
Section 2. Services	11
Section 3. Power to Contract.....	11
Section 4. Rules and Regulations	11
Section 5. Implied Rights	12

B. MAINTENANCE	12
Section 1. Association Responsibility	12
Section 2. Owner's Responsibility	12
C. INSURANCE, AND CASUALTY OR LIABILITY LOSSES	13
Section 1. Insurance	13
Section 2. Disbursement of Proceeds	14
Section 3. Damage and Destruction	14
Section 4. Insufficient Insurance Proceeds	14
Section 5. Damage to Lots	14
ARTICLE VI CONDEMNATION	15
ARTICLE VII ANNEXATION OF ADDITIONAL PROPERTY	15
ARTICLE VIII ASSESSMENTS	15
Section 1. Purpose of Assessment	15
Section 2. Creation of Lien and Personal Obligation for Assessments	15
Section 3. Computation of General Assessment	16
Section 4. Special Assessments	16
Section 5. Specific Assessments	17
Section 6. Lien for Assessments	17
Section 7. Nonpayment of Assessments	17
Section 8. No Setoff or Deduction	18
Section 9. Application of Payments	18
Section 10. Capital Reserve Fee	18
Section 11. Certificate of Payment	18
ARTICLE IX USE RESTRICTIONS	21
Section 1. General	21
Section 2. Residential Use	21
Section 3. Temporary Structures	21
Section 4. Nuisance	21
Section 5. Parking	22
Section 6. Traffic Regulations	23
ARTICLE X SALE OR LEASING OF LOTS	24
Section 1. Sale of Lots	24
Section 2. Leasing of Lots	24
ARTICLE XI MORTGAGEE PROVISIONS	26
Section 1. Notice of Action	27
Section 2. No Priority	27
Section 3. Notices to Association	27
Section 4. Failure of Mortgagee to Respond	27
ARTICLE XII GENERAL PROVISIONS	
Section 1. Enforcement	27
Section 2. Duration	28

Section 3. Amendment	28
Section 4. Partition	28
Section 5. Severability.....	29
Section 6. Captions.....	29
Section 7. Perpetuities.....	29
Section 8. Litigation	29
Section 9. Indemnification.....	29
Section 10. Books and Records.....	29
Section 11. Financial Statements.....	30
Section 12. Agreements.....	30
Section 13. Implied Rights.....	30
Section 14. Variances.....	30
Section 15. Conflict.....	30
Section 16. Security.....	30
Section 17. Gender and Grammar	30
Section 18. Interpretation	30

EXHIBIT "A" Consents of Owners

EXHIBIT "B" Legal Description of Submitted Lots

EXHIBIT "C" Legal Description of Common Area

EXHIBIT "D" Consent of Jefferson Township Owners Association, Inc.

STATE OF GEORGIA

COUNTIES OF CHEROKEE AND COBB

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR JEFFERSON TOWNSHIP**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR JEFFERSON TOWNSHIP (hereinafter "Declaration") is made this 30th day of September, 2008, by agreement of the owners within the Jefferson Township subdivision as set forth below.

WITNESSETH:

WHEREAS, on or about March 1, 1979, through November 23, 1984, the developer(s) of Jefferson Township subdivision recorded a series of Declarations of Protective Covenants for the various phases of Jefferson Township subdivision (Phases 1 through 10) in the land records of Cherokee County and Cobb County, Georgia (hereinafter, collectively, the "Original Declarations"); and

WHEREAS, the Original Declarations for Phases 1 through 10 have all naturally expired in accordance with their respective terms; and

WHEREAS, the owners of certain lots located within Phases 1 through 10 of Jefferson Township subdivision are members of Jefferson Township Homeowners Association, Inc., a voluntary membership association, or Jefferson Township Swim & Tennis Club, Inc., a voluntary recreational association, or both; and

WHEREAS, the owners of certain lots located within Phases 1 through 10 of Jefferson Township subdivision have determined that it is in the best interest of said owners, and such owners desire, to subject their respective lots to the following Declaration of Covenants, Conditions and Restrictions for Jefferson Township and to submit such lots to the terms and provisions of the Georgia Property Owners Association Act (O.C.G.A. § 44-3-220, et seq.), and thereby establish a mandatory association to govern such subjected property; and

WHEREAS, the owners of lots located within Phases 1 through 10 of Jefferson Township subdivision have the right, now or at any time in the future, to consent to the terms and conditions of the following Declaration of Covenants, Conditions and Restrictions for Jefferson Township, and thereby subject their respective lot to such terms and conditions; and

WHEREAS, certain owners have elected to consent to the terms and conditions of the following Declaration of Covenants, Conditions and Restrictions for Jefferson Township and have subjected their respective lots to such terms and conditions as evidenced by the consents of such owners attached hereto as Exhibit "A" and incorporated herein by this reference; and

WHEREAS, those lots subjected to the terms and conditions of the following Declaration of Covenants, Conditions and Restrictions for Jefferson Township are more particularly described on Exhibit "B", attached hereto and incorporated herein by this reference (hereinafter the "Lots"); and

WHEREAS, Jefferson Township Owners Association, Inc., a Georgia nonprofit corporation (the "Association") is the owner of the property upon which the recreational facilities are located, such recreational facilities property being more particularly described on Exhibit "C", attached hereto and incorporated herein by this reference; and

WHEREAS, the Association desires to consent to the terms and conditions of the following Declaration of Covenants, Conditions and Restrictions for Jefferson Township and subject such recreational facilities property to such terms and conditions as evidenced by the consent of said Association, attached hereto as Exhibit "D" and incorporated herein by this reference, so that such recreational facilities property is deemed to be Common Area;

NOW, THEREFORE, it is hereby declared that the Lots and the Common Area, and any additional lots or property which may hereafter be subjected to this Declaration by the owner thereof, shall be held, sold and conveyed subject to the covenants, conditions, restrictions and easements hereinafter set forth, which are for the purpose of protecting and preserving the value and desirability of the Lots and the Common Area, and which shall run with the Lots and the Common Area submitted to this Declaration and which shall be binding on all parties having any right, title or interest in and to such Lots and Common Area, their heirs, successors, successors in title and assigns and which shall inure to the benefit of each such party.

ARTICLE I

STATUTORY PROVISIONS

This Declaration is made pursuant to the Georgia Property Owners' Association Act, O.C.G.A. §44-3-220 et seq., as the same may heretofore and hereafter be supplemented, amended or modified (the "Act"), and the Property described on Exhibits "B" and "C", attached hereto and incorporated herein by this reference, is hereby submitted and made subject to the Act.

ARTICLE II

DEFINITIONS

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

Section 1. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association, as such document may be amended from time to time.

Section 2. "Association" shall mean and refer to Jefferson Township Owners Association, Inc., a Georgia nonprofit corporation, its successors and assigns.

Section 3. "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

Section 4. "Bylaws" shall mean and refer to the Bylaws of the Association as the same now exist or as may hereafter be amended.

Section 5. "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners or otherwise made available for the exclusive use and enjoyment of the Owners.

Section 6. "Common Expenses" shall mean and refer to the actual and estimated expenses of operating the Association and the Community, including reasonable capital reserves, all as may be imposed hereunder or found to be necessary or appropriate by the Board pursuant to this Declaration, the Bylaws and the Articles of Incorporation.

Section 7. "Community" shall mean and refer to the residential development on the Property known as Jefferson Township.

Section 8. "Community-Wide Standard" shall mean and refer to the standard generally prevailing in the Community for conduct, maintenance and other matters as determined by the Board.

Section 9. "Declaration" shall mean and refer to this document as such shall be amended from time to time in accordance with this Declaration.

Section 10. "First Mortgage" shall mean and refer to a first priority mortgage, deed to secure debt, deed of trust or other similar instrument used for the purpose of conveying or encumbering real property as security for the payment of an obligation..

Section 11. "First Mortgagee" shall mean and refer to the holder of a First Mortgage.

Section 12. "Improvements" shall mean and refer to any Residence, driveways, parking areas, fences, walls, recreational equipment, playhouses, play equipment, pools, steps, landscaping, lighting, signage, excavation, ditches, diversions, berms or any other thing or device that alters the flow of any water and all other structures, improvements or landscaping materials of every kind and type placed, erected, constructed, maintained or permitted on a Lot.

Section 13. "Lot" shall mean and refer to a platted portion of the Property, other than the Common Area, intended for single family residential use.

Section 14. "Majority" shall mean and refer to those eligible votes totaling more than fifty percent (50%) of the total eligible number.

Section 15. "Member" shall mean and refer to a person that is a member of the Association as provided in this Declaration.

Section 16. "Owner" shall mean and refer to the record Owner of any Lot which is part of the Property within the Community, but excluding any person holding an interest merely as security for the performance or satisfaction of any obligation.

Section 17. "Property" shall mean and refer to that certain real property described in Exhibit "B" attached hereto and made a part hereof by this reference. Property shall also include such real property as might be owned in fee simple by the Association.

Section 18. "Residence" shall mean and refer to any building, structure, or improvement on any Lot intended for use and occupancy as a residence and all appurtenances thereto including, but not limited to,

all garages, porches, balconies, accessory structures, decks, overhangs, foundations, extensions and projections therefrom.

Section 19. "Rules and Regulations" shall mean the Rules and Regulations of the Association as may be supplemented, amended and repealed from time to time by the Board of Directors.

ARTICLE III

PROPERTY RIGHTS

Section 1. General. Each Lot shall, for all purposes, constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration may be conveyed, transferred and encumbered the same as other real property. The ownership of each Lot shall include, and there shall pass with title to each such Lot as an appurtenance thereto, whether or not separately described, all rights of a Member in the Association and all of the right and interest of use in and to the Common Area as set forth herein. The Association and its respective employees, agents, successors and assigns shall have the right at all reasonable times to enter upon all parts of each easement area transferred pursuant to this Article III for any of the purposes for which such easement area is reserved, without being deemed to have committed a trespass or wrongful act solely by reason of such entry and the carrying out of such purposes, provided the same are done in accordance with the provisions of this Declaration.

Section 2. Easement of Enjoyment. Each Owner shall have a right and easement of ingress and egress and use and enjoyment in and to the Common Area, subject to the terms of this Declaration. Such right and easement may be exercised by each Owner and their respective family, licensees, guests and invitees, subject to the Rules and Regulations as may be adopted by the Board from time to time. An Owner may assign to a tenant of his Lot all rights of access to and use of the Common Area so that such tenant, his family and guests shall be entitled to access to and use of the Common Area on the same basis as the Owner and his family and guests. The foregoing right and easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following easements, reservations, rights and provisions, which are expressly reserved hereby:

(a) the right of the Board to charge reasonable admission and other fees for the use of any portion of the Common Area; to limit the number of guests who may use the Common Area; to allow persons who are not Members of the Association to use the Common Area on a regular or temporary basis and to charge or not charge a user fee therefor; and to provide for the exclusive use and enjoyment of specific portions of the Common Area at certain designated times by an Owner, his family, tenants, guests, licensees and invitees;

(b) the right of the Association to suspend the voting rights of an Owner and the right to use the Common Area for any period during which (i) any assessment which is hereby provided for remains unpaid and (ii) any infraction of the terms of the Declaration, the Bylaws, or the Rules and Regulations remains uncorrected or uncured and for an additional period thereafter not to exceed thirty (30) days;

(c) the right of the Association to borrow money (i) for the purpose of improving the Common Area or any portion thereof, (ii) for acquiring additional Common Area, (iii) for constructing, repairing, maintaining or improving any facilities located or to be located within the Common Area, or (iv) for providing the services authorized herein, and, subject to the provisions herein, to give as security for the payment of any such loan a mortgage against the Common Area; provided, however, that the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any and all rights, interests, options, licenses, easements and privileges herein reserved or established for the

benefit of the Association and provided, further, that no more than five hundred and No/100 Dollars (\$500.00) may be borrowed by the Association unless such indebtedness has been approved by Members representing a Majority of the total Association vote;

(d) the right of the Association to grant and accept easements as provided herein and to dedicate or transfer all or any portion of the Common Area to Cobb County or Cherokee County, Georgia, as the case may be, or to any other public agency or authority, public service district, public or private utility, or other person; provided, that any such dedication or transfer must be approved by the Members representing a Majority of the total Association vote;

(e) the right of the Association, with the approval of Members representing a Majority of the total Association vote, to alter, change, redefine or redescribe the use of any portion of the Common Area; and

(f) the right of the Association to adopt, enforce and amend, from time to time, reasonable Rules and Regulations pertaining to the use of the Common Area.

Section 3. Easement of Encroachment. If any portion of the improvements constructed on the Common Area encroaches upon any Lot, or if any improvement constructed upon a Lot encroaches upon the Common Area, as a result of construction, reconstruction, repair, shifting, settlement or movement of any portion of the improvement on any Lot or the improvement on the Common Area, a valid easement for the encroachment and for the maintenance of the same shall exist so long as the encroachment exists; provided, however, if any improvement on any Lot or any improvement on the Common Area is knowingly and willfully constructed, reconstructed or repaired so as to encroach, respectively, on the Common Area or a Lot to an extent greater than five (5) feet, no such easement shall exist.

Section 4. Easements for Utilities, Etc. There is hereby reserved to the Association, upon approval by Members representing a Majority of the total Association vote, the right to grant blanket easements upon, across, over and under all of the Property, including Lots, for access, ingress, egress, installation, replacement, repairing and maintaining of master television antenna or cable systems, security and similar systems, walkways, slopes and all utilities, including, but not limited to, water, sewer, telephone, gas, electrical, storm sewers, and drainage systems; provided this easement shall not unreasonably impair the ability of any Owner to construct or install a Residence on any Lot or to cause physical, nonrepairable damage to any Residence as might exist on any such Lot. To the extent possible, all utility lines and facilities serving the Community and located therein shall be located underground. By virtue of any such easement, it shall be expressly permissible for the holder of the easement, with respect to the portion of the Property so encumbered, (i) to erect and maintain pipes, lines, manholes, pumps and other necessary equipment and facilities, (ii) to cut and remove any trees, bushes or shrubbery, (iii) to grade, excavate or fill, including the construction of slopes and/or berms or (iv) to take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and facilities; provided, however, that the holder of any such easement shall take reasonable actions to repair any damages caused during the exercise of any rights granted under such easement.

Section 5. Easement for Law Enforcement/Fire Protection. The Association hereby grants to Cobb County, Georgia and Cherokee County, Georgia, or such other governmental authority or agency as shall have from time to time jurisdiction over the Property with respect to law enforcement and fire protection, the perpetual, alienable and transferable right and easement upon, over and across all of the Community, including all Lots and Common Area, for purposes of performing such duties and activities related to law enforcement and fire protection as shall be required or appropriate from time to time by such governmental authorities under applicable law.

Section 6. Easement for Entry Features. There is hereby reserved to the Association an easement for ingress, egress, installation, construction, landscaping and maintenance of entry features and similar streetscapes for the Community, over and upon such portions of the Community, determined in the sole discretion of the Board of Directors, as is necessary to allow for the exercise of the easement and right herein reserved. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around such entry feature and the right to grade the land under and around such entry features.

ARTICLE IV

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every person who is the record owner of a fee or undivided fee interest in any Lot which is subject to this Declaration shall be a Member of and have membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any such Lot, and ownership of a Lot which is subject to this Declaration shall be the sole qualification for such membership. In the event that fee title to such a Lot is transferred or otherwise conveyed, the membership in the Association which is appurtenant thereto shall automatically pass to such transferee. The foregoing is not intended to include any person who has an interest in a Lot merely as security for the performance of an obligation, and the giving of a mortgage in a Lot shall not terminate the grantor's membership in the Association.

There shall be two (2) categories of memberships: (i) General Memberships; and (ii) Recreational Memberships. The Lot of an Owner who is considered a "General Member" shall be subject to the general assessments as described in Article VIII, Section 3 herein. The Lot of an Owner who is considered a "Recreational Member" shall be subject to the general assessments as described in Article VIII, Section 3 herein, and a specific assessment for use of the recreational facilities as described in Article VIII, Section 5 herein. An Owner who is considered a "General Member" shall not have use of the Recreational Facilities, which shall include the swimming pool and the tennis courts. A General Member may change at any time to a Recreational Member by paying the specific assessment that is applicable at the time. A Recreational Member may change to a General Member at the beginning of any year by giving written notice of the Member's intent to do so. The Board of Directors may, by resolution, impose an initiation fee, in an amount to be established from time to time by the Board of Directors, for becoming a Member or changing from a General Member to a Recreational Member.

Upon the election of a Member, or the sale, transfer or conveyance of the Lot, the Member or the purchaser, as the case may be, shall execute a Joinder and Consent, which shall be recorded in the land records of Cobb and/or Cherokee Counties, Georgia, as evidence of such Member's or purchaser's Recreational Membership.

Section 2. Multiple Owners. No Owner, whether one or more persons, shall have more than one (1) membership per Lot; provided, however, multiple use rights for multiple Owners of a Lot shall exist subject, however, to the right of the Board to regulate and limit use by multiple Owners. The rights and privileges of membership, including the right to vote, may be exercised by a Member, the Member's spouse or other family member.

Section 3. Voting. Members shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those

Owners themselves determine and advise the Secretary prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one (1) person seeks to exercise it.

ARTICLE V

ASSOCIATION POWERS AND RESPONSIBILITIES

A. IN GENERAL.

Section 1. Common Area. The Association, subject to the rights, easements and privileges set forth in this Declaration, shall be responsible for the management and control of the Common Area and all improvements thereon and shall keep the Common Area in good repair and in a clean and attractive condition. The Association shall maintain, operate and preserve the Common Area for the good and benefit of the Community and the holders of easements herein provided for or contemplated. The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible real or personal property.

Section 2. Services. The Association may pay for the services of any person or entity to manage its affairs or any part thereof and any other personnel as the Association's Board of Directors shall determine to be necessary or desirable for the proper operation of the Community. Such personnel may be furnished or employed directly by the Association or by any person or entity with which it contracts. The Association may obtain and pay for legal, accounting and any other professional services necessary or desirable in connection with the operation of the Community or the enforcement of this Declaration, the Bylaws and Rules and Regulations. The Association may, but shall not be required, to arrange as an Association expense to furnish water service, sewer service, trash collection, security, cable television and other common services to each Lot within the Community. All costs and expenses incident to any of the foregoing shall be a Common Expense.

Section 3. Power to Contract. The Association may, acting through its Board of Directors, contract with any other residential or commercial association or neighborhood adjacent to the Community to provide services and/or perform services on behalf of such other association or neighborhood. The Association may, acting through its Board of Directors, contract with any governmental division, department or agency for the provision of services to the Association or its Members.

Section 4. Rules and Regulations. The Association, acting through its Board of Directors, may promulgate Rules and Regulations governing the use and occupancy of the Property and governing the operation of the Community. Copies of all Rules and Regulations and any changes thereto, must be furnished by the Association to all Owners prior to their effective date. The Rules and Regulations shall be binding upon all Owners and their families, tenants, guests, licensees, invitees and agents. The Owner of each Lot shall be responsible for the conduct of his family, tenants, guests, licensees, invitees and agents and shall ensure that all of the foregoing individuals comply with the terms of this Declaration, the Bylaws and Rules and Regulations.

Section 5. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration or the Bylaws, Articles of Incorporation or Rules and Regulations of the Association, and every other right and privilege reasonably necessary to be implied from the existence of any such right or privilege or reasonably necessary to effectuate any such right or privilege. To the extent not otherwise required by Georgia law, this Declaration, the Bylaws or the Articles of Incorporation, the powers granted to the Association shall be exercised by the Board of Directors, acting through the duly elected officers of the Association, without any consent or action on the part of the members.

B. MAINTENANCE.**Section 1. Association Responsibility.**

(a) The Association shall maintain and keep in good repair the Common Area, the cost of which shall be assessed as a part of the Common Expenses, as determined by the Board of Directors in accordance with this Declaration. Maintenance by the Association shall include, but not be limited to, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Area. The Association shall also maintain all entry features and operate and maintain street lights (if not maintained and operated by a governmental entity or utility provider) for the Community including the expenses for water and electricity, if any, provided to all such entry features. The Association shall have the right but not the obligation, to maintain other property not owned by the Association, within the Community, where the Board has determined that such maintenance would benefit all Owners. In the event that the Association determines that the need for maintenance, repair, or replacement of property described hereinabove is caused through the willful or negligent act of an Owner, of the family, guests, lessees, or invitees of any Owner, and is not covered or paid for by insurance, in whole or in part, then the Association may, after offering the Owner a reasonable opportunity to cure, perform such maintenance, repair or replacement at such Owner's sole cost and expense, and all costs thereof shall be an Assessment against such Owner subject to the Association's lien and collection rights provided for in this Declaration. The maintenance shall be performed consistent with the Community-Wide Standard.

(b) The Association shall not be liable for any injury or damage to any person or property (i) caused by the elements; (ii) caused by any Owner or any third party, or by their respective guests, invitees, licensees, successors or assigns; (iii) resulting from any rain or surface water which may leak or flow from any portion of the Common Area; or, (iv) caused by the failure of the Association to maintain the Common Area, or any portion of a Lot, unless such failure is caused by the willful misconduct or gross negligence of the Association. The Association shall not be liable to any Owner for any loss or damage, by theft or otherwise, of any property of such Owner or his respective guests, invitees, licensees, successors or assigns. No diminution or abatement of assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for the inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance or with any order or directive of any municipal or governmental authority, it being acknowledged by each Owner that the obligation to pay assessments pursuant to this Declaration is a separate and independent covenant on the part of each Owner.

C. INSURANCE AND CASUALTY OR LIABILITY LOSSES.

Section 1. Insurance. The Association's Board of Directors shall have the authority to obtain insurance for all insurable improvements on the Common Area against loss or damage by fire or other hazards, including extended coverage, vandalism and malicious mischief. This insurance shall be in an amount sufficient to cover the full cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board shall also obtain a public liability policy applicable to the Common Area covering the Association, its officers, directors, members and agents. The public liability insurance shall have coverage in the amount of at least One Million and No/100 Dollars (\$1,000,000.00) per occurrence

for bodily injury or property damage and Two Million and No/100 Dollars (\$2,000,000.00) of aggregate coverage. The cost of all such insurance coverage shall be a part of the Common Expenses of the Association. Each insurance policy may contain a reasonable deductible, which shall be paid by the Association.

All such insurance coverage obtained by the Association shall be written in the name of the Association for the benefit of all Owners. All policies shall be written by a company licensed to do business in Georgia, having at least an A rating as established by A.M. Best Company, Inc. or the most nearly equivalent rating. All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement, if reasonably available. The Board of Directors shall be required to make every reasonable effort to secure insurance policies that provide a waiver of subrogation by the insurer as to any claims against the Board of Directors, the Owners and their respective family, tenants, guests, invitees, licensees, and agents and a waiver of the insurer's right to cancel without first giving thirty (30) days prior written notice of such cancellation to the Association.

In addition to other insurance required by this Section, the Board shall obtain, as a Common Expense, workers compensation insurance, if and to the extent necessary, and a fidelity policy or bond on officers, directors, employees and other persons handling or responsible for the Association's funds. The amount of all such coverage shall be determined by the Board of Directors, using its best business judgment.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed in payment of any repair or reconstruction covered by such insurance. Any proceeds remaining after defraying such cost of repair and reconstruction, or in the event no repair or reconstruction is made after making such settlement as is necessary and appropriate, shall be retained by and for the benefit of the Association.

Section 3. Damage and Destruction.

(a) Immediately after the damage or destruction by fire or other casualty of all or any part of the Common Area 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 shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction means repairing and restoring the property to substantially the same condition in which it existed prior to the fire or other casualty.

(b) Any damage or destruction to the Common Area shall be repaired or reconstructed unless at least seventy five percent (75%) of the total vote of the Association shall decide within sixty (60) days after the casualty not to repair or reconstruct. If reliable and detailed estimates of the cost of the repair or reconstruction or if the amount of insurance proceeds available as a result of such damage or destruction is not available within such sixty (60) day period, then the period shall be extended until such information shall be made available; provided, however, that such extension shall not exceed beyond sixty (60) additional days. No mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

(c) In the event that it should be determined that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, the Common Area affected by such damage or destruction shall be restored to its natural state and maintained as an undeveloped portion of the Common Area.

Section 4. Insufficient Insurance Proceeds. If the damage or destruction for which the insurance proceeds are paid are not sufficient to defray the cost of the required repair, reconstruction or restoration and if the Board determines that the funds in the capital reserve accounts are not sufficient to cover such insurance deficiency, then the Board of Directors shall, with the majority vote of the Association's Members, levy a special assessment against all Owners, in an equal amount, and such special assessment shall be used to complete the required repair, reconstruction or restoration.

Section 5. Damage to Lots. By virtue of taking title to a Lot, each Owner covenants and agrees to carry all risk casualty insurance on all Improvements, including Residences, constructed or placed on his Lot. Each Owner further covenants and agrees that in the event of a partial loss, damage or destruction resulting in less than total destruction of any Improvement located on any Lot, such Owner shall promptly proceed to repair or reconstruct the damage in a manner consistent with the aesthetic appearance and quality of the original construction and with the Community-Wide Standard. In the event that any Improvement, including any Residence, is totally destroyed or rendered uninhabitable or unusable, the Owner shall return the lot to a natural state, or repair or rebuild such Improvement, including the Residence, to substantially the same condition as it existed prior to such damage and in accordance with all applicable standards, restrictions and provisions of this Declaration and all applicable zoning, subdivision, building and other governmental regulations. All such repair and reconstruction shall be commenced promptly following such damage and shall be carried through diligently to conclusion within a reasonable time.

ARTICLE VI

CONDEMNATION

If all or any part of the Common Area shall be taken (or conveyed in lieu of and under the threat of condemnation) by any authority having the power of condemnation or eminent domain, the award made for such taking shall be payable to the Association, for the benefit of all of the Owners. If the taking involves a portion of the Common Area on which improvements have been constructed, then the Association shall, if possible, restore or replace such improvements so taken on the remaining Common Area unless seventy five percent (75%) of the Members of the Association vote at a meeting duly called not to restore or replace such improvements. If the improvements are to be repaired or restored, the funds received by the Association shall be disbursed in the same manner as funds are disbursed for casualty damage or destruction as provided above. If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are funds remaining after any such restoration or replacement is completed, then such awarded funds or remaking funds shall be deposited to the benefit of the Association.

ARTICLE VII

ANNEXATION OF ADDITIONAL PROPERTY

Subject to the consent of the owner thereof and upon the affirmative vote or written consent of Members representing a Majority of the total Association vote, the Association may annex real property to the provisions of this Declaration to become a part of the Common Area and the jurisdiction of the Association by filing of record an amendment to the Declaration describing the property being annexed. Any such amendment to the Declaration shall be signed by the president and the secretary of the Association, and any such annexation shall be effective upon the filing of record of such amendment to the Declaration, unless otherwise provided therein.

ARTICLE VIII

ASSESSMENTS

Section 1. Purpose of Assessment. The assessments provided for herein shall be used for the general purpose of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of Lots in the Community, including the maintenance of real and personal property, all as may be specifically authorized from time to time hereunder and by the Board of Directors.

Section 2. Creation of 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, is deemed to covenant and agree to pay to the Association, in accordance with the provisions hereof, (a) general assessments; (b) special assessments established as herein provided; and (c) specific assessments against any particular Lot established pursuant to the terms of this Declaration. All such assessments, together with late charges, interest at the rate of ten percent (10%) per annum (or such higher amount as may be permitted by the Act from time to time), costs of collection, including reasonable attorney's fees actually incurred, and the fair rental value of the Lot as set forth herein, shall be a charge on and a continuing lien against each Lot against which each assessment is made. Each such assessment, together with the late fees, interests, court costs, attorney's fees and fair rental value, shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment became due and his grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, that if the grantor or grantee shall request a statement from the Association as provided herein, such grantee and his or her successor, successors-in-title and assigns shall not be liable for the Lot conveyed which is subject to a lien for any unpaid assessments against such grantor in excess of any amount set forth in the statement. Notwithstanding the foregoing, in the event that the holder of a First Mortgage or secondary purchase money mortgage of record (provided that neither the grantee nor any successor grantee on the secondary purchase money mortgage is the seller of the Lot), or any other person acquires title to any Lot as a result of foreclosure of any such mortgage, such holder or other person and his or her successors, successors-in-title and assigns shall not be liable for, nor shall the Lot be subject to any lien for any assessments or charges under this Declaration chargeable to the Lot on account of any period prior to such acquisition of title; provided, however, that such unpaid share of an assessment or assessments shall be deemed to be a Common Expense collectible from all of the Owners, including such holder or other persons and his or its successors, successors-in-title and assigns.

Assessments 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, of the annual assessment for Owners who are delinquent in the payment of such assessments. Unless otherwise provided by the Board, assessments shall be paid in annual installments.

Section 3. Computation of General Assessments. It shall be the duty of the Board to prepare a budget covering the estimated cost of operating the Association during the coming year, which may include a capital reserve contribution in accordance with a capital budget that may be separately prepared by the Board. The general assessment resulting from the budget shall be limited to a ten percent (10%) increase from the year preceding the year that the proposed budget is to become effective. The Board shall cause a copy of the budget and the general assessment to be levied therefrom to be delivered to each Member at least thirty (30) days prior to the date on which the budget will become effective. The budget and the assessment shall become effective unless disapproved at a meeting of the Members held within the first sixty

(60) days of the then current fiscal year by a Majority of the Members of the Association eligible to vote; provided, however, if a quorum is not obtained at the meeting, the budget shall become effective even though a vote to disapprove the budget could not be called at the meeting. Notwithstanding the foregoing, in the event that the membership disapproves the proposed budget or the Board fails for any reason to so determine the budget for the succeeding year, then and until such time as a budget shall have been determined, the budget and assessments in effect for the current year shall continue for the succeeding year, and the Board may propose a new budget at any time during the year by causing the proposed budget and assessment to be delivered to the Members at least thirty (30) days prior to the proposed effective date thereof. Unless the proposed budget is disapproved at a special meeting requested by the Members, the new budget and assessment shall take effect without a meeting of the Members. If the budget proves inadequate for any reason, the Board may prepare a revised budget for the remainder of the fiscal year, which revised budget shall become effective unless disapproved at a meeting by Members in the same manner as prescribed for the initial budget. There shall be no obligation to call a meeting for the purpose of considering the budget or any revised budget except on petition of the Members as required for special meetings in the Bylaws, which petition must be presented to the Board within ten (10) days after delivery of the notice of assessments.

Section 4. Special Assessments. In addition to other assessments authorized herein, the Board may, in its discretion, levy special assessments, from time to time, for the purpose of paying the costs of unexpected maintenance, repairs or replacement of the Common Area or the cost of other unanticipated expenses, needs or obligations of the Association incurred or projected to be incurred in the performance of its obligations in this Declaration. Any special assessment shall be approved by the affirmative vote of at least two-thirds (2/3) of those present, in person or by proxy, at a meeting duly called for that purpose, prior to becoming effective. Special assessments shall be paid as determined by the Board.

Section 5. Specific Assessments. The Board shall have the power to specifically assess pursuant to this Section, as it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future. Fines levied pursuant to this Declaration shall be specific assessments. Fees or charges for use of the recreational facilities levied against Lots of Recreational Members shall be specific assessments. The specific assessment for Recreational Members shall be limited to a ten percent (10%) increase from the year preceding. The Board also may specifically assess Lots for the following Association expenses, except for expenses incurred for the maintenance and repair of items which are the maintenance responsibility of the Association as provided herein: (a) any Common Expense benefiting less than all of the Lots shall be specifically assessed equitably among the Lots so benefited, as determined by the Board of Directors; (b) any Common Expenses occasioned by the conduct of less than all of the Owners or their family, guests, tenants, licensees, or invitees, including, but not limited to any assessment levied pursuant to Article IV, Section B.2, shall be specially assessed against the Owner of such Lots whose conduct, or the conduct of such Owners' family, guests, tenants, licensees, or invitees, occasioned any such Common Expenses; or (c) any Common Expenses significantly disproportionately benefiting all of the Lots shall be assessed equitably among all of the Lots in the Community as determined by the Board of Directors.

Section 6. Lien for Assessments. All assessments assessed against any Lot pursuant to this Declaration, together with late charges, interests, costs and attorney's fees as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances except for the lien for ad valorem taxes, the lien of any First Mortgage covering the Lot, the lien of any mortgagee recorded prior to the recording of this Declaration, and the lien of any secondary purchase money mortgage covering the Lot, provided that neither the grantee nor any successor grantee on the mortgage is the seller of the Lot. The recording of this Declaration shall

constitute record notice of the existence and the priority of the lien, and no further recordation of any claim of lien for assessments, fines or other charges shall be required. All persons acquiring liens or encumbrances after this Declaration shall have been recorded shall be deemed to consent that such liens and encumbrances, except as otherwise provided herein, shall be inferior to the lien created by this Declaration.

Section 7. Nonpayment of Assessments. Any assessment levied pursuant to this Declaration which is not paid within thirty (30) days after it is due shall be delinquent. Any assessment thereof delinquent for a period of more than thirty (30) days shall incur a late charge not in excess of the greater of Ten and No/100 Dollars (\$10.00) or ten percent (10%) of the amount of such delinquent assessment and shall also accrue interest at the rate of ten percent (10%) per annum (or such higher amount as may be permitted by the Act from time to time) on any assessment, delinquency or late charge from the date such sum was first due and payable. The lien and personal obligation for assessments shall further secure and include all costs of collection, including court costs, the expenses of sale, any expenses required for the protection and preservation of the Lot and reasonable attorney's fees actually incurred, and shall also include the fair rental value of the Lot from the time of the institution of suit until the sale of the Lot at foreclosure or until the judgment rendered in such suit is otherwise satisfied. The Association shall cause a notice of delinquency to be given to any member who has not paid within thirty (30) days following the due date. If the assessment is not paid within ten (10) days after written notice is given to the Owner to make such payment, the entire unpaid balance of the assessment may be accelerated at the option of the Board and declared due and payable in full, and proceedings may be instituted to enforce such lien and personal obligation. Such notice shall be sent by certified mail, return receipt requested, to the Owner both at the address of the Lot and at any other address or addresses the Owner may have designated to the Association in writing, specifying the amount of the assessments then due and payable, together with authorized late charges and interest accrued thereon. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Association or its agents 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 aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Association and shall be for the benefit of all other Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage or convey the same. Nothing in this Section shall be construed to prohibit actions maintainable pursuant to Section 44-3-223 of the Act or otherwise pursuant to this Declaration.

Section 8. No Setoff or Deduction. No Owner may waive or otherwise exempt himself from liability for the assessments provided for in this Declaration. No setoff, diminution, or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action, alleged failure of the Association to perform the maintenance responsibilities required under Article V herein, for inconvenience or discomfort arising from the making of repairs or improvements which are responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority. The obligation to pay assessments is a separate and independent covenant on the part of each Owner and is not subject to setoff.

Section 9. Application of Payments. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

Section 10. Capital Reserve Fee. Upon each and every transfer or conveyance of a Lot to any person other than the spouse of the Owner or to a person who previously owned a Lot within the Community within ninety (90) days prior to such transfer or conveyance or to a trust if the Owner or his

spouse are the beneficiaries thereof, the transferee or grantee becoming the Owner of the Lot at each such transfer or conveyance shall be obligated to pay to the Association, in addition to all other assessments levied under this Declaration, simultaneously upon such transfer or conveyance, a non-refundable assessment in an amount equal to the then current year's annual assessment (hereinafter the "Capital Reserve Fee"). All Capital Reserve Fees collected by the Association shall be deposited by the Association in a capital reserve account which shall be for the purpose of funding capital costs required to repair or replace Improvements which are part of the Common Area. The Capital Reserve Fee may be increased by a majority vote of the Board of Directors. The Capital Reserve Fee, together with any late fees, interest, court costs and attorney's fees, also shall be the personal obligation of the person who was the Owner of such Lot immediately preceding the transfer or conveyance who shall be jointly and severally liable for such portion thereof as may be due and payable to by the transferee or grantee at the time of the transfer or conveyance; provided, however, any First Mortgagee who obtains title to a Lot pursuant to the remedies provided in a First Mortgage shall not be liable for the Capital Reserve Fee. Capital Reserve Fees shall be due and payable for any Lot from and after the recording of this Declaration. For purposes of this section, "First Mortgagee" shall mean and refer to the holder of a first priority mortgage. The Capital Reserve Fee shall, from the time it becomes due and payable, be a charge against and continuing lien upon the Lot in favor of the Association and for the benefit of all Owners.

Section 11. Certificate of Payment. Any Owner, mortgagee of a Lot, person having executed a contract for the purchase of a Lot, or lender considering the loan of funds to be secured by a Lot, shall be entitled upon request to a statement from the Association or its managing agent setting forth the amount of assessments past due and unpaid, together with late charges and interest applicable thereto against that Lot. Such request shall be in writing, shall be delivered to the registered office of the Association, and shall state an address to which the statement is to be directed. Failure on the part of the Association, within five (5) business days from the receipt of such request, to mail or otherwise furnish such statement regarding amounts due and payable at the expiration of such five (5) day period, with respect to the Lot involved, to such address as may be specified in the written request therefor, shall cause the lien for assessments to be extinguished and of no further force or effect as to the title or interest acquired by the purchaser or lender, if any, as the case may be, and their respective successors and assigns, in the transaction contemplated in connection with such request. The information specified in such statement shall be binding upon the Association and upon every Owner. Payment of a fee not exceeding Ten and No/100 Dollars (\$10.00) (or such larger amount as may be permitted, from time to time, by the Act) may be required as a prerequisite to the issuance of such a statement.

ARTICLE IX.

USE RESTRICTIONS

Section 1. General. This Article sets out certain use restrictions which must be complied with by all Owners and their respective families, tenants, guests, licensees and invitees. In addition, the Board may from time to time, without the consent of the Owners, adopt, modify or delete Rules and Regulations applicable to the Community as permitted under this Declaration.

Section 2. Residential Use. Each Lot shall be used for residential purposes only.

Section 3. Temporary Structures. No structures of a temporary character, trailer, tent, shack, carport, garage, barn, or other outbuilding, structure or facility shall be used as a residence or sleeping quarters on any portion of the Common Area at any time, either temporarily or permanently.

Section 4. Nuisance. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Common Area, except in containers specifically designated for such purpose, nor shall any odors be permitted so as to render any portion of the Community unsanitary, unsightly, offensive or detrimental to persons using or occupying other portions of the Community. No obnoxious or offensive activity shall be carried on, within or upon the Community, nor shall anything be done thereon which may become an annoyance to other Owners.

Section 5. Parking. Parking on the Common Area is prohibited. Automobiles and other transportation vehicles or devices which are either dismantled, partially dismantled, inoperative, discarded or which do not have a valid license plates attached thereto must be stored within an enclosed garage. No Owner or occupant of any Lot shall repair or restore any automobile or other transportation vehicle or device of any kind upon a Lot, except within an enclosed garage or only to the extent necessary to enable its movement in the event of an emergency repair.

Section 6. Traffic Regulations. All vehicular traffic on all streets and paved areas within the Community shall be subject to the laws of the State of Georgia and Counties of Cobb and Cherokee, Georgia, concerning operation of motor vehicles in public streets and paved areas. The Association is hereby authorized to promulgate, administer and enforce Rules and Regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits, within the Community. All vehicles of any kind and nature which are operated on the streets or paved area within the Community shall be operated in a careful, prudent, safe and quiet manner and with due consideration for the rights of all Owners and occupants of Lots.

ARTICLE X

MORTGAGEE PROVISIONS

The following provisions are for the benefit of the holders of First Mortgages on Lots in the Community. To the extent applicable, necessary or proper, the provisions of this Article shall apply to both this Declaration and to the Bylaws.

Section 1. Notice of Action. An institutional holder, insurer or guarantor of a First Mortgage who provides a written request to the Association (such request to state the name and address of such holder, insurer or guarantor and identify specifically the Lot encumbered by the First Mortgage, thereby becoming an "eligible holder") will be entitled to timely written notice of: (a) any condemnation loss or casualty loss which affects a material portion of the Community or which affects a portion of the Lot on which there is a First Mortgage held, insured or guaranteed by such eligible holder; (b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot, subject to the First Mortgage of the eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, the Association may, without request from such eligible holder, provide notice of such delinquency to such First Mortgagee; (c) any lapse, cancellation or material modification of any insurance policy maintained by the Association; or (d) any proposed action which would require the consent of a specified percentage of eligible holders.

Section 2. No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or any other person a priority over any rights of the First Mortgagee on a Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

Section 3. Notices to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any mortgage encumbering such Owner's Lot.

Section 4. Failure of Mortgagee to Respond. Any mortgagee who receives a written request from the Board to respond or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the mortgagee within thirty (30) days after the date of the Association's request.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Enforcement. Every Owner and every occupant of any Lot, and their respective families, guests, invitees, licensees, successors and assigns, shall comply with this Declaration, the Bylaws and the Rules and Regulations of the Association, as they now exist and may be amended from time to time. Except as otherwise provided herein, the Association shall send written notice of any violation to the violating Owner, who shall have ten (10) days from the date of the notice (in the event of an emergency, as determined by the Board of Directors, only reasonable notice is required) to correct and cure the violation and comply with this Declaration, the Bylaws or the Rules and Regulations. Any lack of such compliance shall entitle the Board of Directors to impose and assess fines and other sanctions against the Owner of the Lot, which shall be collected as provided herein for the collection of assessments. Furthermore, any lack of such compliance shall authorize the Board of Directors to temporarily suspend voting rights and the rights of use of the Common Area; provided, however, no such suspension shall deny an Owner or any occupant of a Lot access to the Lot owned or occupied. Additionally, any lack of such compliance shall authorize the Board of Directors to institute legal action against the Owner and occupant of a Lot to recover damages as a result of such party's action or for injunctive relief, or both, which action shall be maintainable by the Board of Directors on behalf of the Association or, in a proper case, by any aggrieved Owner. Failure by the Board of Directors or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board of Directors shall have the right to record in the appropriate land records a notice of violation of the Declaration, the Bylaws, or the Rules and Regulations, and assess the cost of the recording and removing of such notice against the Owner responsible for the violation of such documents.

Section 2. Duration. This Declaration shall run with and bind the Community for the maximum time permitted under Georgia law, and shall, to the extent so permitted, have perpetual duration.

Section 3. Amendment. This Declaration may be amended unilaterally at any time and from time to time by the Board of Directors (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any portion of the Property subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on any portion of the Property subject to this Declaration; (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on any portion of the Property subject to this Declaration; (e) if such amendment is required by an insurance carrier to enable such insurance carrier to provide coverage on any portion of the Property subject to this Declaration as may be required by Article V herein; or (f) if such amendment is required by a

Deed Book 14630 Pg 3661

governmental entity or utility provider to ensure that utilities or stormwater drainage facilities may be provided to any portion of the Property subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Lot unless any such Owner shall consent thereto in writing.

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 member Lots in the Community. Amendments to the Declaration shall become effective upon recordation, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within two (2) months of its recordation. In no event shall a change of conditions or circumstances operate to amend any provisions of the Declaration or Bylaws.

Section 4. Partition. The Common Area shall remain undivided, and no Owner or any other person shall bring any action for partition or division of the whole or any part thereof without the written consent of every Owner, the written consent of all holders of mortgages encumbering the Property. No Lot may be subdivided or partitioned.

Section 5. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid. If the application of any provision of this Declaration 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.

Section 6. Captions. The captions of each Article and Section hereof 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.

Section 7. Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 8. 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. This Article shall not apply, however, to (a) actions brought by the Association to enforce the provisions of the Declaration (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided in this Declaration; (c) proceedings involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings against it.

Section 9. Indemnification. In accordance with Section 14-3-850, et seq., of the Georgia Nonprofit Corporation Code, the Association shall indemnify every person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the name of the Association), by reason of the fact that such person is or was serving as a director, officer or committee member of the Association, against any and all expenses, including attorney's fees, imposed upon or reasonably incurred in connection with any action, suit or proceeding, if such person acted in a manner reasonably believed to be in or not opposed to the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Association only as authorized in a specific case upon a determination that indemnification of the person is proper under the circumstances.

The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be liable as Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right of indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or coroner officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is available at reasonable cost, as determined in the sole discretion of the Board.

Section 10. Books and Records. This Declaration, the Bylaws, the Articles of Incorporation, the Rules and Regulations, design guidelines, membership register, books of account, and minutes of meetings of the Members, of the Board and of committees shall be made available for inspection and copying by any Member of the Association or by his duly appointed representative and, by holders, insurers, or guarantors of any First Mortgage, at their expense, at any reasonable time and for a purpose reasonably related to his or her interest as a Member or holder, insurer, or guarantor of a First Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.

The Board shall establish reasonable rules with respect to:

- (a) notice to be given to the custodian of the records;
- (b) hours and days of the week when such an inspection may be made; and
- (c) payment of the cost of reproducing copies of documents.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a reasonable number of extra copies of documents at the expense of the Association.

Section 11. Financial Statements. Financial statements reflecting the accounts of the Association shall be compiled annually, in adherence to Generally Accepted Accounting Principles, in such a manner as the Board may decide; provided, however, after having received the Board's financial statements at the annual meeting, the Members representing a Majority of the total Association vote may require that financial statements of the Association be audited as an Association expense by a certified public accountant. Upon written request of an institutional holder of a First Mortgage, such holder, upon payment of the costs associated therewith, shall be entitled to receive financial statements within ninety (90) days of the date of the request.

Section 12. Agreements. All agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, assigns and others having an interest in the Community.

Section 13. Implied Rights. The Association may exercise any right or privilege given to it expressly by the Declaration, the Bylaws, the Articles of Incorporation, or the Rules and Regulations and every other right or privilege reasonably to be implied from the existence of any such right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

Section 14. Variances. Notwithstanding anything to the contrary contained herein, the Board of Directors shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws or any Rule or Regulation, if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

Section 15. Conflict. 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.

Section 16. Security. ALL OWNERS, OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS 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 THE ASSOCIATION AND THE BOARD OF DIRECTORS ARE NOT INSURERS AND THAT EACH OWNER, OCCUPANT, GUEST, LICENSEE, AND INVITEE ASSUMES ALL RISKS OF PERSONAL INJURY AND PROPERTY DAMAGE AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION AND THE BOARD OF DIRECTORS 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.

Section 17. Gender and Grammar. The singular whenever used herein shall be construed to mean and include the plural, when applicable, and vice versa, and the use of the masculine or neuter pronoun shall include the feminine, when applicable, and vice versa.

Section 18. Interpretation. In all cases, the provisions set forth in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Board of Directors, will best evidence the intent of the general plan of the Community. The provisions hereof are to be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective.

Section 19. Notice of Sale. Upon acquisition of a Lot, the acquiring Owner shall notify the Board in writing of the name of the acquiring Owner and such other information as the Board may reasonably require.

IN WITNESS WHEREOF, the undersigned has executed this instrument under seal this 30th day of September, 2008.

Signed, sealed and delivered
in the presence of:

Jefferson Township Owners Association, Inc.
a Georgia non-profit corporation

Witness

Notary Public

My Commission Expires: 1-10-2010 [Notary Seal]

By:

Print Name:

Print Title:

