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Return to:
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3520 Piedmont Road, Suite 415
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REFERENCE: DEED BOOK 3867
PAGE 489

STATE OF GEORGIA
COUNTY OF FORSYTH

REFERENCE: DEED BOOK 6725
PAGE 470

AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS FOR LIGHTHOUSE HARBOUR SUBDIVISION



IMPORTANT NOTICE:

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

CLOSING ATTORNEYS SHOULD CONTACT THE ASSOCIATION FOR ESTOPPEL CERTIFICATES REGARDING ASSESSMENTS/CHARGES DUE ON LOTS AND LIVING UNITS.

PREAMBLE

WHEREAS, a Declaration of Protective Covenants for Lighthouse Harbour Subdivision was recorded on July 14, 2005, in Deed Book 3867, Page 489, et seq., Forsyth County, Georgia land records (hereinafter referred to as the "Original Declaration"); and

WHEREAS, the Amendment to the Declaration of Protective Covenants, Conditions, Restrictions and Easements for Lighthouse Harbour Subdivision was recorded on June 16, 2011 in Deed Book 5982, Page 101, et seq., Forsyth County, Georgia land records (hereinafter referred to as the "Amendment"); and

WHEREAS, a compiled Declaration of Protective Covenants for Lighthouse Harbour Subdivision was purportedly recorded on June 17, 2013 in Deed Book 6725, Page 470, et seq., Forsyth County, Georgia land records (hereinafter referred to as the "2013 Declaration"); and

WHEREAS, although the 2013 Declaration was recorded, it was never properly adopted by the required number of Lot Owners and thus null and void, leaving the Original Declaration in full force and effect; and

WHEREAS, the Architectural Control Committee Manual also was recorded on June 17, 2013 in Deed Book 6725, Pages 548-560, et seq., Forsyth County, Georgia land records as an attachment to the 2013 Declaration ("ACC Manual"); and

WHEREAS, the provisions of the ACC Manual were properly adopted by the Board of Directors, but the ACC Manual never should have been recorded in the land records, thus the provisions of the ACC Manual shall remain in full force and effect but the recording of such document is hereby deemed invalid; and

WHEREAS, Article XIII, Section 4 of the Original Declaration provides that the Original Declaration may be amended upon the affirmative vote or written consent, or any combination of affirmative vote and written consent, of Owners holding at least sixty-seven percent (67%) of the total Association vote; and

WHEREAS, nothing in this Amended and Restated Declaration is a material amendment to the Original Declaration requiring the consent of the Eligible Mortgage Holders; and

WHEREAS, Exhibit "D" to the Original Declaration is the By-Laws of Lighthouse Harbour Homeowners Association, Inc. (hereinafter referred to as the "Original By-Laws") and Article 7, Section 5 of the Original By-Laws provides that the Original By-Laws may be altered or amended by the Board of Directors or the Members in

accordance with the provisions of the Declaration applicable to the amendment of the Declaration; and

WHEREAS, at least sixty-seven percent (67%) of the total Association vote desire to amend and restate the Original Declaration and the Original By-Laws and have agreed to this Amended and Restated Declaration and this Amended and Restated By-Laws by consent.

NOW, THEREFORE, the Original Declaration, all exhibits thereto, the Amendment, the 2013 Declaration, and the Original By-Laws are hereby stricken in their entirety and the following Amended and Restated Declaration of Protective Covenants for Lighthouse Harbour Subdivision and Amended and Restated By-Laws of Lighthouse Harbour Homeowners Association, Inc. are simultaneously substituted therefor.

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EXHIBITS

- "A" Definitions
- "B" Property Description
- "C" By-Laws

ARTICLE I

DEFINITIONS

Unless the context shall prohibit, certain words used in this Declaration shall be defined as set forth in Exhibit "A", attached and made part of this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Property Hereby Subjected To This Declaration. The real property which is, by the recording of this Declaration, subject to the covenants and restrictions set forth in this Declaration is the real property described in Exhibit "B", attached and made part of this Declaration. All such property subjected to this Declaration constitutes a residential property owners development which hereby submits to the Georgia Property Owners' Association Act, O.C.G.A. Section 44 3 220, et seq. (Michie, 1982), as such act may be amended from time to time.

Section 2. Other Property. Only the real property described in Section 1 of this Article II is made subject to this Declaration. However, by one or more Supplementary Declarations, the Association has the right, but not the obligation, to subject other real property to this Declaration, as provided in Article IX.

ARTICLE III

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Person who is the record Owner of a fee interest in any Lot that is subject to this Declaration shall automatically be a member in the Association. Membership shall not include Persons who hold a security interest only and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Membership shall go along with and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or member's spouse, but in no event shall more than one (1) vote be cast nor one (1) office held for each Lot owned.

Section 2. Voting. Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be cast as those Owners decide and instruct the Secretary prior to

any meeting. If the Secretary is not instructed, the Lot's vote shall be suspended in the event more than one Owner of a Lot attempts to cast it.

Section 3. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the Articles of Incorporation, any Architectural Guidelines, use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it or reasonably necessary to effectuate the right or privilege.

ARTICLE IV

ASSESSMENTS

Section 1. Purpose of Assessment. The Association shall have the power to levy assessments as provided herein and in the Act. 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 and occupants of Lots, including the maintenance of real and personal property, and any other purpose the Board of Directors determines will benefit the Association and its members.

Section 2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Lot in the Association, by acceptance of a deed for a Lot, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association all assessments and other charges levied pursuant to this Declaration and the By-Laws.

All assessments and charges levied against a Lot and its Owner, together with interest, costs and reasonable attorneys' fees actually incurred (including post-judgment attorneys' fees, costs and expenses), and rents (if the Board of Directors so elects), in the maximum amounts permitted under the Act, shall be: (1) a charge and a continuing lien against such Lot; and (2) the personal obligation of the Person who is the Owner of the Lot on the due date of the assessment. Each Owner and his or her grantee shall be jointly and severally liable for all assessments and charges due and payable at the time of any conveyance of the Lot. However, the liability of a grantee for the unpaid assessments of an Owner shall not apply to any first Mortgage holder taking title through foreclosure proceedings or by deed in lieu of foreclosure, provided, however any first Mortgage holder who takes title through foreclosure proceedings or by deed in lieu of foreclosure shall be liable for all assessments due after the date of foreclosure. The Association, at the Board's discretion, may record a notice of such lien in the Forsyth County, Georgia land records evidencing the lien created under the Act and this Declaration. The lien provided for herein shall have priority as provided in the Act.

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

The Association shall, within five (5) days after receiving a written request and for a reasonable charge, furnish a certificate signed by an officer or agent of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association certifying the status of assessments on a specified Lot shall be binding upon the Association as of the date of issuance.

Section 3. Computation of Annual Assessment. It shall be the duty of the Board, at least sixty (60) days before the beginning of each fiscal year, to prepare a budget covering the estimated common expenses of the Association during the coming fiscal year. The budget shall include a capital contribution establishing a reserve fund in accordance with a budget separately prepared.

The common assessment to be levied against each Lot for the coming year shall be set at a level which is reasonably expected to produce total revenue to the Association equal to the total budgeted common expenses, including reserves. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Lots subject to assessment on the first day of the fiscal year for which the budget is prepared and the number of Lots reasonably anticipated to become subject to assessment during the fiscal year.

The Board shall deliver or mail a copy of the common expense budget and notice of the amount of the assessment for each Lot to each Owner at least thirty (30) days prior to the beginning of the fiscal year. The budget and assessment shall become effective unless disapproved at a meeting by a Majority of the total Association vote. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Owners as provided in the By-Laws. The petition must be presented to the Board within ten (10) days of delivery of the notice of assessments.

Notwithstanding the above, in the event the proposed budget is disapproved or the Board fails to prepare and distribute the budget for any year then until such a budget is prepared and distributed, the budget in effect for the immediately preceding year shall continue for the current year until a new budget is adopted as provide herein. The Board may adopt an adjusted budget at any time during the year following the procedure specified above.

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

Section 4. Special Assessments. In addition to the other assessments authorized herein, the Association may levy special assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special assessments must be approved by Owners holding at least two-thirds (2/3) of the votes present in person or by proxy at a duly called meeting held for such purpose. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Section 5. Specific Assessments. The Board shall have the power to specifically assess specific Lots pursuant to this Section as, in its discretion, it shall deem appropriate.

Upon any conveyance or transfer of a Lot (other than to the spouse or heir of the Owner), the purchaser or grantee of the Lot shall be assessed and be subjected to a non-refundable, non-prorated capital contribution assessment ("Capital Contribution Assessment"). The Capital Contribution Assessment shall be an amount reasonably determined by the Board. The Capital Contribution Assessment shall not constitute an advanced payment of the annual assessment. The Capital Contribution shall constitute a specific special assessment against such Lot.

Fines levied pursuant to Article XIII, Section 1 shall be specific assessments.

The Board may also specifically assess Lots for the following Association expenses, except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association:

(a) Expenses of the Association which benefit less than all of the Lots in the Community may be specifically assessed equitably among all of the Lots which are benefited according to the benefit received.

(b) Expenses of the Association which benefit all Lots, but which do not provide an equal benefit to all Lots, may be assessed equitably among all Lots according to the benefit received.

All specific assessments continuing lien against a Lot and a personal obligation of the Owner of such Lot.

Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Associations or the Board of Directors 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.

Section 6. Foreclosure Administration Fee. It is recognized that foreclosures of Mortgages on Lots create substantial administrative and other burdens on the Association. These additional burdens on the Association include, but are not limited to, having to monitor the status of Mortgages and legal periodicals to determine when foreclosures occur, searching the Forsyth County, Georgia land records to determine the names of the purchasers at foreclosure sales, contacting the foreclosure purchasers/Owners regarding foreclosure-purchaser responsibilities and assessment obligations, and updating Association records multiple times to deal with just a single Lot. Pursuant to this Declaration and Section 44-3-80(b) of the Act, the Association is authorized to assess individual Owners certain fees and expenses occasioned by and benefiting just those Owners or those Owners' Lot. In accordance with these provisions, and in addition to annual assessments, special assessments, and other charges provided for in this Declaration, any Person who acquires a Lot at a foreclosure sale of the Mortgage on such Lot, or by deed in lieu of a foreclosure, will be required to pay the Association a Foreclosure Administration Fee in an amount to be reasonably determined by the Board, in its sole discretion, at the time the foreclosure deed or deed in lieu of foreclosure is recorded in the Forsyth County, Georgia land records. The Foreclosure Administration Fee shall constitute a specific assessment as described in this Declaration.

Section 7. Delinquent Assessments. All assessments and charges not paid on or before the due date shall be delinquent, and the Owner shall be in default. In addition to the powers set forth below for collection of unpaid assessments and charges, the Association shall be entitled to exercise all other rights and remedies provided by law and in equity to satisfy an Owner's debt.

If any assessment or charge, or any part or installment thereof, is not paid in full within 10 days of the due date, or such later date as may be provided by the Board of Directors:

(a) a late charge equal to the greater of \$10.00 or 10% of the amount not paid, or such higher amounts as may be authorized by the Act, may be imposed without further notice or warning to the delinquent Owner;

(b) interest at the rate of 10% per annum, or such higher rate as may be authorized by the Act, shall accrue from the due date;

(c) the Board may accelerate and declare immediately due any unpaid installments of that Owner's assessments and charges. Upon acceleration, the Owner shall lose the privilege of paying such assessments and charges in installments, unless the Board otherwise reinstates such privilege in writing. If the Association has pending legal action against an Owner for unpaid assessments or charges, then no notice shall be required to accelerate unpaid installments of any annual or special assessments that come due during any fiscal year after such legal action commences, until all amounts owed are paid in full or the Board otherwise reinstates such privilege in writing; and

(d) the Association may bring legal action to collect all sums owed under the Declaration and Georgia law.

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

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

ARTICLE V

MAINTENANCE: CONVEYANCE OF COMMON PROPERTY TO ASSOCIATION

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and improvements located on the Common Property. The Association shall maintain the entry features for the Community which are located on Lots within the Community shall maintain and pay the expenses for any water sprinklers and electricity provided to the Common Property. The Association shall also maintain all medians located in the Community and all property outside of Lots located within the Community which was originally maintained by Declarant.

The Association shall maintain the pool, pool deck, pool area and facilities, any pool related structure, pool pumps and filters, pool equipment, and shall maintain and pay expenses for pool cleaning, electricity, phone and water.

In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether located within or without 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, which is the responsibility of the Association, is caused through the willful or negligent act of an Owner, his or her family, guests, lessees, or invitees, and is not completely covered or paid for by insurance, then the Association may perform the maintenance, repair or replacement at the expense of the Owner, and all costs shall be added to and become part of the assessment obligation of the Owner and may become a lien against the Lot.

The Association shall perform all maintenance in a manner consistent with the Community-Wide Standard.

Section 2. Owner's Responsibility. Except as provided in Section 1 above, all maintenance of the Lot and all structures, parking areas, landscaping, and other improvements on the Lot shall be the sole responsibility of the Owner, who shall maintain the Lot in a manner consistent with the Community-Wide Standard and this Declaration. In the event that the Board of Directors determines that a Lot is not maintained in a manner consistent with the Community-Wide Standard and this Declaration, except in an emergency situation, the Board of Directors shall give the Owner written notice of the Association's intent to provide the necessary maintenance, repair or replacement at the Owner's sole cost and expense. The notice shall state the maintenance, repairs or replacement deemed necessary. The Owner shall have thirty (30) days after receipt of the notice to complete the maintenance, repair or replacement. In the event that the maintenance, repair or replacement is not capable of completion within a thirty (30) day period, the Owner shall begin the work and shall complete it within a reasonable time. If any Owner does not comply, the Association may provide the maintenance, repair, or replacement at Owner's sole cost and expense, and all costs shall be added to and become part of the assessment obligation of the Owner and may become a lien against the Lot.

Section 3. Party Walls and Party Fences.

(a) General Rules of Law to Apply. Each wall, fence or driveway built as part of the original construction on the Lots which shall serve and or separate any two adjoining Lots shall constitute a party wall, party fence, or party driveway, as applicable to the extent not inconsistent with the provisions of this Section, the general rules of law regarding the party walls and liability for property damage due to negligence or willful acts of omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall, fence or driveway shall be share equally by the Owners who make use of the wall, fence or driveway.

(c) Damage and Destruction. If a party wall, fence or driveway is destroyed by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the wall, fence or driveway may restore it. If other Owners thereafter use the wall, fence or driveway, they shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

(d) Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

(e) Arbitration. In the event of any dispute arising concerning a party wall, fence, or driveway each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten days after written request by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators appointed shall appoint one (1) additional arbitrator. The decision by a majority of all three (3) arbitrators shall be binding upon the parties and shall be a condition precedent to any right of legal action that either party may have against the other.

ARTICLE VI

USE RESTRICTIONS AND RULES

Section 1. General. This Article, beginning at Section 2, sets out certain use restrictions which must be complied with by all Owners and occupants of Lots. These use restrictions may only be amended in the manner provided in Article XIII, Section 4, regarding amendment of this Declaration. In addition, the Board may from time to time, without consent of the Owners, adopt modify or delete rules and regulations applicable to the Community. These rules shall be distributed to all Owners prior to the date that they are to become effective and after distribution shall be binding upon all Owners and occupants of Lots until and unless overruled, canceled, or modified in a regular or special meeting by a Majority of the total eligible Association vote.

Section 2. Residential Use. Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Community, including business uses ancillary to a primary residential use,

except that the Owner or occupant residing in the residence on a Lot may conduct such ancillary business activities within the residence so long as (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the residence; b) the business activity does not involve people coming onto the Community who do not reside in the Community or door-to-door solicitation of residents of the Community. (c) the business activity conforms to all zoning requirements for the Community; (d) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (e) the business activity is consistent with the residential character of the Community and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Community, as may be determined in the sole discretion of the Board of Directors.

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; (i) the activity is engaged in full or part-time; (ii) the activity is intended to or does generate a profit; or (iii) a license is required for the activity. The use of a Lot by an on-site management company operating on behalf of the Association shall not be considered a trade or business within the meaning of this Section.

Section 3. Signs. No sign of any kind shall be erected by an Owner or occupant of a Lot within the Community without the prior written consent of the Architectural Control Committee except as follows: (a) one (1) "For Sale" or "For Rent" sign; and (b) one (1) professionally lettered security sign consistent with the Community-Wide Standard may be erected upon a Lot. Notwithstanding the foregoing, the Board shall have the right to erect reasonable and appropriate signs. This Section shall not apply to any Person holding a Mortgage who becomes the Owner of any Lot as purchaser at a judicial or foreclosure sale conducted with respect to a first Mortgage. No advertising, directional or vendor signs shall be permitted with the Community except as authorized by the Board of Directors under Article XIII, Section 14 of this Declaration.

Section 4. Vehicles. No ATV, bus, camper, commercial vehicle, go-cart, golf cart, mini bike, motorcycle, motor home, mobile home, scooter, recreational vehicle, towed vehicle (other than a trailered boat or boat trailer as described below), utility trailer or vehicle with commercial writing on its exterior shall be kept or stored outside of the garage on any Lot in the Community for any period in excess of forty-eight (48) hours unless permitted in writing by the Board.

A trailered boat or boat trailer may be parked upon the paved portion of an Owner's Lot as long as it is positioned and maintained in a manner consistent with Community-Wide Standard, which can be further described by rules and regulations created and published by the Board of Directors.

Automobiles, pick-up trucks or vans shall be parked within garages, driveways or other paved parking areas located on a Lot. Parking in yards is prohibited.

Except as described above, no vehicle may be left upon any portion of the Community, except in a garage or other area designated by the Board, for a period longer than five (5) days if it is unlicensed or if it is in a condition so that it cannot operate on public streets. After the five (5) day period, the inoperable vehicle shall be considered a nuisance and may be removed from the Community.

Trucks with mounted campers which are an Owner's or occupant's 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 out of public view upon removal. No eighteen wheel trucks or the cabs of these trucks or trucks with a load capacity in excess of three-quarters of a ton shall be parked, kept or stored within the Community and if so parked, kept, or stored, shall be considered a nuisance and may be removed from the Community by the Association. However, moving vans, service or delivery vehicles may be parked in the Community for such period of time as is reasonably necessary to provide each service.

No motorized vehicles shall be permitted on pathways or unpaved Common Property except for public safety vehicles and vehicles authorized by the Board.

Vehicles parked in violation of this Section shall be considered a nuisance and may be removed from the Community by the Association or at the direction of the Board at the sole cost of the violator.

Section 5. Leasing and Sales. Lots may be leased for residential purposes only. All leases shall have a minimum term of six (6) months and a copy of all leases shall be given to the Board of Directors by the Owner of the Lot within thirty (30) days of entering into the lease. All leases shall require Architectural Control Guidelines, that the tenant acknowledges receipt of a copy of the Declaration, By-Laws, use restrictions, and rules and regulations of the Association, and shall also obligate the tenant to comply with these documents.

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 of the Association, including but not limited to the use of any and all recreational facilities and other amenities.

Section 6. Occupants Bound. All provisions of the Declaration, By-Laws, Architectural Control Guidelines and of any rules and regulations, use restrictions adopted pursuant to the Declaration which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants of Lots and guests and invitees of occupants or Owners. The Owner shall be responsible for insuring that the occupant, and the guests, invitees and licensees of the Owner or the occupant strictly comply with all provisions of the Declaration, By-Laws, Architectural Control Guidelines and rules and regulations adopted by the Board of Directors. Fines may be levied against Owners or occupants. If a fine is first levied against an occupant and is not paid timely, the fine may then be levied against the Owner.

Section 7. 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 and other usual and common household pets in reasonable number, as determined by the Board. However, those pets which are permitted to roam free, or in the sole discretion of the Board, endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners or occupants or to the Owner of any property located adjacent to the Community can be removed by the Board. Animal Owners are required to clean-up their pets' feces left on other Owners' Lots and, failure to do so could result in the pet being declared a nuisance by the Board. In addition, the Board, by rule of regulation, shall have the power to limit the number and types of pets which may be kept on a Lot. No pets shall be kept, bred or maintained for any commercial purpose. Dogs shall, at all times, when outside, be on a leash held by a responsible individual or otherwise confined in a manner acceptable to the Board. All Owners and occupants keeping pets within the Community shall comply with all applicable governmental ordinances and regulations. Without prejudice to the Board's right to remove any such household pets, the Board may prohibit a household pet that has caused damage or injury from being walked in the Community. Animal control authorities shall be permitted to enter the Community to patrol and remove pets. Pets shall be registered, licensed and inoculated as required by law.

No pit bulldogs or other dogs determined in the sole discretion of the Board to be dangerous dogs may be brought onto or kept on the Property at any time by any Lot Owner, occupant, or guest of an Owner or occupant. Any pet which endangers the health of any Owner or occupant of any Lot or which creates a nuisance or unreasonable disturbance, as may be determined in the sole discretion of the Board of Directors, must be permanently removed from the Property by the Board of Directors upon seven (7) days written notice to such Owner or occupant. If the Owner or Occupant fails to comply with such notice, the Board may remove the pet. Any pet which, in the sole discretion of the Board, presents an immediate danger to the health,

safety, or property of any Owner or occupant of the Community may be removed by the Board without prior notice to the pet's Owner.

Section 8. Nuisance. It shall be the responsibility of each Owner and occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her 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 a 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 discharge foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the 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 anyone using any property within the Community. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community. Without limiting the generality of the foregoing no horn, whistle, siren, bell, amplifier or other sound device, except for devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Lot unless required by law, However, any siren or device for security purposes shall contain a device which causes it to automatically shut off within fifteen (15) minutes.

Section 9. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities which might tend to cause disorderly, unsightly, or unkempt conditions, including without limitation, the assembly and disassembly of motor vehicles and other mechanical devices, shall not be pursued or undertaken in any part of the Community except within garages located on Lots.

Section 10. Antennas. No exterior antennas, aerials, satellite dishes, or other apparatus for transmission of television, radio, satellite or other signals of any kind shall be placed, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of the Architectural Control Committee.

Section 11. Tree Removal. No trees having a diameter of six (6) inches or more and a height of more than eight (8) feet above the ground shall be removed without the express consent of the Architectural Control Committee, except for the (a) diseased or dead trees; (b) trees needing to be removed to promote the growth of other trees or for safety reasons and (c) trees within ten (10) feet of the residence, driveway, walkways constructed or to be constructed on the Lot. Diseased or dead trees and shrubs shall be removed by the Lot Owner within thirty (30) days of determining the tree

or shrub has become diseased or has died. Failure to remove diseased or dead trees or shrubs may result in the Association's use of self-help at the Lot Owner's expense.

Section 12. Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or occupant of a Lot, may obstruct or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains.

Section 13. Sight Distance at Intersections. All property located at street intersections and at the intersections of streets and driveways shall be landscaped so as to permit safe sight across the corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

Section 14. Clotheslines, Garbage Cans, Woodpiles, Basketball Equipment, Etc. All clothes lines, garbage cans, woodpiles, swimming pool pumps, filters, and related equipment and other similar items shall be located or screened so as to be concealed from view of neighboring Lots and Common Property and the street on which the Lot (on which the item is located) fronts. All construction debris, rubbish, trash, and garbage shall be regularly removed and shall not be allowed to accumulate. Basketball hoops and goals shall not be attached to the exterior portion of any house, garage or other building structure constructed on a Lot or placed on any other portion of the Lot except as provided below. Notwithstanding the above, free standing basketball poles, goals, and backboards may be erected immediately adjacent to the driveway on a Lot provided that they are set back at least twenty-five feet (25) from the front of the Lot, the poles are metal and painted black or such other color as is approved by the Architectural Control Committee and the goal and backboard are manufactured and not home-made.

Section 15. Subdivision of Lot. No Lot shall be subdivided or its boundary lines changed except with the prior written approval of the Board or its designee. Any such division, boundary line change, or re-platting, shall not be in violation of the applicable subdivision and zoning regulations.

Section 16. Firearms. The use or discharge of firearms on the Common Property or outside of residences in the Community is prohibited. The term "firearms" includes "B-B" guns, pellet guns and other firearms of all types, regardless of size.

Section 17. Fences. No fence or fencing-type barrier of any kind shall be placed, erected, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of the Architectural Control Committee, The Architectural Control Committee may issue guidelines detailing acceptable fence styles or specifications.

Section 18. Air Conditioning Units. Except as may be permitted by the Architectural Control Committee, no window air conditioning units may be installed. Condensing units for air conditioners shall only be located in the rear or along the side of a residence constructed upon a Lot.

Section 19. Lighting. Except for seasonal holiday decorative lights erected between Thanksgiving and January 15, all exterior lights must be approved by the Architectural Control Committee.

Section 20. Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any Lot. Exterior sculpture, fountains, flags and similar items must be approved by the Architectural Control Committee.

Section 21. Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless they are an integral and harmonious part of the architectural design of a structure, and approved by the Architectural Control Committee.

Section 22. Above Ground Swimming Pools. Above ground swimming pools shall not be erected, constructed, or installed on any Lot.

Section 23. Standard Mailboxes. All residences in the Community shall have standard mailboxes conforming to postal regulations and the guidelines for such mailboxes adopted by the Architectural Control Committee.

Section 24. Abandoned Personal Property. Personal property, except for personal property owned by the Association, is strictly prohibited from being stored, kept or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Property or on the rights-of-way located within the Community. If the Board or its designee, in its sole discretion, determines that personal property is kept, stored, or allowed to remain on the Common Property or on the rights-of-way located within the Community in violation of this Section, then the Board may remove and either discard or store the personal property in a location which the Board may determine. If personal property is removed in accordance with this Section, neither the Association nor any officer or agent of the Association shall be liable to any Person for any claim of damage resulting from the removal 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 remove abandoned or improperly stored personal property, as set forth herein.

ARTICLE VII

INSURANCE AND CASUALTY LOSSES

Section 1. Insurance on Common Property. The Association's Board of Directors or its duly authorized agent, shall have the authority to and shall obtain insurance for all insurable improvements on the Common Property and other property, if any, which the Association is obligated to maintain. This insurance shall provide at a minimum, fire and extended coverage, including vandalism and malicious mischief, and shall be in an 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 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 (\$1,000,000.00) Dollars.

Premiums for all insurance shall be a common expense of the Association. The policies may contain a reasonable deductible, and the deductible amount shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective benefitted parties, except as otherwise provided above and shall be governed by the people set forth below:

(a) All policies shall be written with a Company authorized to do business in Georgia.

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

(c) In no event shall the insurance coverage obtained and maintained by Association Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and

all insurance policies shall be reviewed annually by the Board of Directors, In accordance such reviews the Board may engage an expert whom in its sole discretion it deems fit.

(e) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents, and guests;

(ii) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(iii) that no policy may be canceled, invalidated, or suspended on account of any one or more individual Owners:

(iv) that no policy may be canceled, subjected to nonrenewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager any Owner or Mortgagee:

(v) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) that no policy may be canceled, subjected to nonrenewal or substantially modified without a least thirty (30) days prior written notice to the Association.

In addition to the other insurance required by this Section, the Board shall obtain worker's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors officers, employees, and other people handling or responsible for the Association's funds, if reasonably available. The amount of fidelity coverage shall be determined in the directors' best business judgment, but if reasonably available, shall not be less than three (3) months assessments plus a reasonable amount to cover all or a reasonable portion of reserve funds in the custody of the Association at any time during the term of the bond; provided, however, fidelity coverage herein required may be reduced based on financial controls which take one or more of the following: (a) the Association or management company, if any, maintains a separate bank account for the working

account and the reserve account each with appropriate access controls and the bank in which funds are deposited sends copies of the monthly bank statements directly to the Association: (b) the management company, if any, maintains separate records and bank accounts for each association that uses its services and the management company does not have the authority to draw checks on, or to transfer funds from the Association's reserve account; or (c) two members of the Board of Director's must sign any checks written on the reserve account. Banks shall contain a waiver of all defenses based upon the exclusion of people serving without compensation and may not be canceled, subjected to nonrenewal or substantially modified without at least thirty (30) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, and flood insurance, if and to the extent necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

Section 2. Individual Insurance. Each Owner shall carry blanket all-risk casualty insurance on the Lot and all structures constructed thereon and a liability policy covering damage or injury occurring on a Lot. If reasonably available, the casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an "all-risk" policy, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If all-risk coverage is not reasonably available. Owners shall obtain, at a minimum fire, and extended coverage. The policies required hereunder shall be in effect at all times and Owners shall provide a certificate of such required insurance to the Board of Directors upon request. Authority to adjust losses under policies obtained by an Owner shall be vested in the Owner and the Mortgages of such Owner.

Section 3. Damage and Destruction-Insured by Association.

(a) In General. Immediately after damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims covered 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 necessitated by changes in applicable building codes.

(b) Repair and Reconstruction. The Board of Directors must proceed to repair or reconstruct any damage or destruction to the Common Property on behalf of

the Association unless within sixty (60) days after the casualty, it obtains the agreement of at least seventy-five (75%) percent of the total Association vote, to not repair or reconstruct. 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 (60) days. No Mortgagee as provided above 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 not sufficient to cover the cost of repair or reconstruction, the Board of Directors shall, without the necessity of a vote of the Association's member, levy a special assessment against all Owners in proportion to the number of Lots owned by such Owners. 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 shall be retained by and for the benefit of the Association in an Association account.

In the event that it should be determined 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 restored to its natural state and maintained as an undeveloped portion of the Community by the Association in an attractive condition.

Section 4. Damage and Destruction – Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the Owner within seventy-five (75) days after the damage or destruction. However, where repairs cannot be completed within seventy-five days, they shall begin within the required period and shall be diligently and continuously pursued until their completion. Alternatively, the Owner may decide to demolish and remove all damaged improvements on the Lot within seventy-five (75) days after such damage or destruction.

ARTICLE VIII

CONDEMNATION

In the event of a taking by eminent domain of any portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after the taking, Owners holding at least seventy-five (75%) percent of the total

Association vote otherwise agree, the Association shall restore or replace the improvements taken on the remaining land included in the Common Property to the extent lands are available. The provisions of Article VII, Section 3, above, applicable to Common Property improvements damage, shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

ARTICLE IX

ANNEXATION AND PARTITION OF PROPERTY

Section 1. Annexation. Upon the affirmative vote, or written consent, or any combination thereof, of Owners holding a Majority of the total Association vote, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Clerk of the Superior Courts records a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be signed by the President and Secretary of the Association, and any such annexation shall be effective upon the filing for record of such Supplementary Declaration, unless otherwise provided in the Supplementary Declaration.

Section 2. Partition. The Common Property shall remain undivided, and no Lot Owner or any other Person shall bring any action for partition or division of the whole or any part of the Common Property without the written consent of two-thirds (2/3) of all Owners and all holders of all Mortgages encumbering any portion of the Community.

ARTICLE X

ARCHITECTURAL STANDARDS

Section 1. Architectural Control Committee. No exterior construction, addition, erection, or alteration shall be made upon any part of the Community unless and until plans and specifications showing at least the nature, kind, shape, height, materials, and location shall have been submitted in writing to and approved by an Architectural Control Committee. The Board of Directors shall appoint the members of the Architectural Control Committee, or may adopt a resolution making the Board of Directors the Architectural Control Committee. The Board may employ for the Architectural Control Committee architects, engineers, or other Persons necessary to enable the Committee to perform, its review. The Architectural Control Committee may, from time to time, delegate any of its rights or responsibilities hereunder to one (1) or more duly licensed architects or other qualified Persons, who shall have full authority to act on behalf of the Committee may, in its discretion, from time to time establish, abolish

or amend standards to govern the development of Lots and the design and construction of improvements. The text of such standards and amendments shall be available to each Owner. Such standards shall be binding upon all Owners. A review fee in a reasonable amount may be charged.

Section 2. Guidelines and Procedures. The Design Guidelines may contain general provisions applicable to all of the Community, as well as specific provisions which vary from one portion of the Community to another depending upon the location, unique characteristics, and intended use.

The Architectural Control Committee shall adopt such Design Guidelines at its initial organizational meeting and thereafter shall have sole and full authority to amend them from time to time, without the consent of the Owners. However, the Board retains final approval of any Architectural Control Committee guideline changes.

The Architectural Control Committee shall make the Design Guidelines available to Owners, builders, and developers who seek to engage in development of or construction upon all of any portion of the Community and all such Persons shall conduct their activities in strict accordance with such Design Guidelines. Such Design Guidelines may be recorded in the Clerk of the Superior Courts records, in which event the recorded version, as it may unilaterally be amended from time to time by the Architectural Control Committee by recordation of amendments thereto, shall control in the event of any dispute as to which version of the Design Guidelines was in effect at any particular time.

Any amendments to the Design Guidelines adopted from time to time by the Architectural Control Committee in accordance with this Section shall apply to construction and modifications approved after the date of such amendment only, and shall not apply to plans or specifications previously approved or require modifications to or removal of structures previously approved by the Architectural Control Committee.

In the event that the Architectural Control Committee fails to approve or to disapprove any application within forty-five (45) days after submission of all information and materials reasonably requested, the application shall be deemed approved. However no approval, whether expressly granted or deemed granted pursuant to the foregoing shall be inconsistent with the Design Guidelines unless a variance has been granted in writing by the Architectural Control Committee pursuant to Section 5 of this Article.

The Architectural Control Committee shall be the only judge of the plans with regard to the requirements of this Article and may withhold approval for any reason, including purely aesthetic considerations. The Architectural Control Committee shall be

entitled to stop any construction in violation of these restrictions. Any member of the Board or its representative shall have the right, during reasonable hours and after reasonable notice, to enter upon any property to inspect for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such Person(s) shall not be deemed guilty of trespass by reason of such entry. If an Owner does not comply with this Section, the Board may record in the appropriate land records a notice of violation naming the violating Owner in addition to any other available remedies.

In the event an Owner disagrees with the Architectural Control Committee, the Owner may appeal to the decision of the Board of Directors and that shall be the final decision on behalf of the Association by the Board of Directors.

Section 3. Disclaimer. The Architectural Control Committee and the Board of Directors do not warrant or represent, that their decisions under this Article constitute, and their decisions shall not be interpreted as constituting, an approval as to compliance with any building code, regulation or ordinance, or any other code, regulation, ordinance or law, nor that their decisions under this Article reflect upon the structural integrity of any proposed alteration or improvement.

Section 4. No Waiver. The approval of the Architectural Control Committee of any proposals, plans and specifications, or drawings, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or other matters later submitted for approval or consent.

Section 5. Variances.

(a) The Architectural Control Committee may authorize (subject to Board approval) variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) prevent the Committee from denying any variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

(b) The Design Guidelines and their enforcement may vary from time to time. These variances shall not constitute a waiver by the Committee or the Board of the right to adopt and enforce architectural standards under this Article. No decision by the Committee or Board shall constitute a binding precedent with respect to subsequent

decisions of the Committee or the Board. However, nothing in this Article shall permit the Committee or the Board to enforce retroactively its architectural standards against a Lot Owner whose architectural change has been approved under the architectural standards of a previous Committee or Board.

Section 6. Special Requirements. Plans and specifications will not be approved unless the residence to be erected on the Lot complies with the minimum zoning requirements and special conditions of the County under the zoning classification for the Lot on the day building permits are purchased.

ARTICLE XI

MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders of first Mortgages on Lots in the Community. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

Section 1. Notices 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 the Lot number) (therefore becoming an "eligible holder") will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which effects a material portion of the Community or which affects any 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 Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request is entitled to written notice from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or By-Laws of the Association which is not cured within sixty (60) days;

(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 Mortgage holders.

Section 2. Approval of Action. Unless two-thirds (2/3) of the first Mortgagees and Owner, give their consent, the Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Property which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with intended use of the Common Property shall not be deemed a transfer within the meaning of this subsection) other than personal property of the Association;

(b) change the method of determining the obligation assessments, dues, or other charges which may be levied against an Owner;

(c) by act or omission change, waive, or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Lots and of the Common Property (The issuance and amendment of architectural standards, procedures, rules and regulations or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this subsection):

(d) fail to maintain insurance, as required by this Declaration; or

(e) use hazard insurance proceeds for any Common Property losses for other than the repair, replacement, or reconstruction of such property.

Nothing contained in this Section 2 shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration for any of the acts set out in this Section 2.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Property and may pay overdue premiums on casualty insurance policies or secure new casualty insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

Section 3. No Priority. No provision of this Declaration or By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.

Section 4. Notice to Association. Upon request, each Lot 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 5. Amendments by Board. Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any

of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 6. Applicability of This Article. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or Georgia Law for any of the acts set out in this Article.

Section 7. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to 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 of the date of the Association's request.

ARTICLE XII

EASEMENTS

Section 1. Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and adjacent position of the Common Property or as between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, or reconstructed, or altered (in accordance with the terms of this Declaration). The easement shall be five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point. However, any easement for encroachment shall not exist if the willful conduct by an Owner, tenant, or the Association caused the encroachment.

Section 2. Easements for Use and Enjoyment

(a) Every Owner of a Lot shall have a right and easement of entry and exit, use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to the Lot, subject to the following provisions:

(i) the right of the Association to charge reasonable admission and other fees for the use of any portion of the Common Property, to limit the number of guests of Lot Owners and tenants who may use the Common Property, and to provide for the exclusive use and enjoyment of specific portions of the Common Property at certain designated times by an Owner, his or her family, tenants guests and invitees or by a separate group or entity.

(ii) the right of the Association to suspend the voting rights of a Lot Owner and the right of an Owner to use the recreational facilities available for use

by the Community, if any for any period during which any assessment against his Lot which is hereby provided for remains unpaid; and, for a reasonable period of time for a violation of the Declaration, By-Laws, or rules and regulations;

(iii) the right of the Association to borrow money for the purpose of improving the Common Property, or for constructing repairing, or improving any facilities located or to be located on the Common Property and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property. However, the Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges reserved or established for the benefit of any Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by any Lot Owner encumbering any Lot or other property located within the Community (Any provision in this Declaration or in any Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights in the Mortgage by the holder of the Mortgage in the event of a default shall not cancel or terminate any rights, easements or privileges reserved or established in this Declaration for the benefit of Declarant, or any Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant, or any Lot Owner encumbering any Lot or other property located within the Community.) No Mortgage conveying all or a portion of the Common Property shall be effective unless an instrument agreeing to the Mortgage has been approved by Owners holding at least two-thirds (2/3) of the total vote of the Association; and

(iv) the right of the Association to dedicate or transfer all or any portion of the Common Property subject to any conditions agreed on by the members of the Association. No dedication or transfer of the Common Property shall be effective unless an instrument agreeing to the dedication or transfer has been approved by Owners holding at least two-thirds (2/3) of the total Association vote.

(b) Any Lot Owner may delegate his right of use and enjoyment in and to the Common Property to the members of his family, his tenants and guests. An Owner shall be deemed to have made a delegation of all these rights to the occupants of the Owner's Lot if leased.

Section 3. Easements for Utilities. There is reserved to the Association blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining (a) all utilities serving the Community or any portion of the Common Property, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, (b) water runoff and storm drainage systems, and (c) any other services such as, but not limited to, a master television antenna system, cable television system, or monitoring system which may be

installed to serve the Community. It shall be expressly permissible for the Association, or its designee, to do or to authorize installation, repairing, replacing, and maintaining of the wires, conduits, cables and other equipment related to providing any such utility or service. Should a party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board shall have the right to grant such easement.

Section 4. Easement for Entry. In addition to the right of the Board to exercise self-help as provided in Article XIII, Section 2, the Board shall have the right, but not the obligation, to enter upon any property within the Community for emergency, security, and safety reasons. This right may also be exercised by the agents of the Association, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. The Board shall have the right to enter to cure any condition which may increase the possibility of a fire, slope erosion, or other hazard if an Owner or occupant does not cure the condition after a request by the Board.

Section 5. Easement for Maintenance. There has and continues to be reserved a perpetual easement for the benefit of the Association across such portions of the Community, determined in the sole discretion of the Association, as is necessary to allow for the maintenance required under Article V, including, without limitation, an easement over Lots on which entry features for the Community are located for maintenance, repair, and replacement of the entry features. This maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect the property, and damage shall be repaired by the Person causing the damage at its sole expense.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Enforcement. The Community shall be used only for those uses and purposes set out in this Declaration. Every Owner and occupant shall comply with this Declaration, the By-Laws and rules and regulations of the Association, and any lack of compliance therewith shall entitle the Association and, in an appropriate case, one or more aggrieved Owners, to take action to enforce the terms of the Declaration, By-Laws or rules and regulations. In addition to any rights the Association may have against an Owner's family, guests, tenants or occupants, as a result of such individual's violation of this Declaration, the By-Laws and rules and regulations of the Association, the Association may take action under this Declaration against the Owner as if the Owner

committed the violation in conjunction with the Owner's family, guests, tenants or occupants.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Lot, and to suspend an Owner's right to vote and/or to use the Common Property for violation of any duty imposed under this Declaration, By-Laws, Architectural Guidelines, or Association rules. However, nothing herein shall authorize the Association or the Board of Directors to deny ingress and egress to or from a Lot. If any occupant of a Lot violates this Declaration, By-Laws, Architectural Guidelines, or Association rules, a fine may be imposed against the Owner and/or occupant, as set forth below. The failure of the Board to enforce any provision of this Declaration, By-Laws, Architectural Guidelines, or Association rules shall not be deemed a waiver of the right of the Board to do so thereafter.

In any enforcement action taken by the Association under this Section, to the maximum extent permissible, all costs incurred by the Association in abating a violation or otherwise taking action to enforce the Declaration, By-Laws, Architectural Guidelines, or Neighborhood Association rules, including reasonable attorney's fees actually incurred, may be assessed against the violating Owner and/or occupant pursuant to Article IV.

(a) **Fining and Suspension Procedure.** The Board shall not impose a fine, suspend the right to vote or suspend the right to use the Common Property, unless and until the Association has sent or delivered written notice to the violator as provided in subsection (i) below. However, compliance with this Section shall not be required for the following: (i) late charges on delinquent assessments; (ii) suspension of voting rights and the right to use the Common Property if an Owner is shown on the Association's records to be more than thirty (30) days delinquent in any payment due the Association, in which case suspension of the right to vote and use the Common Property shall be automatic.

(i) **Notice.** If any provision of this Declaration, By-Laws, Architectural Guidelines, or any Association rule is violated, the Board shall send the violator written notice identifying the violation and fine(s) and/or suspension(s) being imposed and advising the violator of the right to request a hearing before the Board to contest the violation or the fine(s) and/or suspension(s) or to request reconsideration of the fine(s) and/or suspension(s). Fines and/or suspensions may be effective or commence upon the sending of such notice or such later date specified in such notice, notwithstanding the violator's right to request a hearing before the Board to challenge the fine(s) and/or suspension(s). In the event of a continuing violation, each day the

violation continues or occurs again constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the violator.

(ii) Hearing. If a written request for hearing is received from the violator within ten (10) days of the date of the violation notice provided above, then the Board shall schedule and hold in executive session a hearing affording the violator a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. The Board may establish rules of conduct for such hearing, which may include limits on time and on the number of participants who may be present at one time. Failure to request a timely hearing as provided herein shall result in loss of the right to challenge and request reconsideration of the fines.

(b) Additional Enforcement Rights. Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of this Declaration, the By-Laws, Architectural Guidelines, or the Association rules and regulations by self help (specifically including, but not limited to, the towing of vehicles that are in violation of parking regulations) and/or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity for compliance with the procedure set forth in subparagraph (a) above. Additionally, the Association shall have the authority to record in the Forsyth County land records a notice of violation identifying any uncured violation of this Declaration, By-Laws, Architectural Guidelines, or Association rules and regulations regarding the Lot.

(c) Failure to Enforce. Notwithstanding the above, no right of action shall exist against the Association for failure of enforcement where: (i) the Board determines that the Association's position is not strong enough to justify taking enforcement action; (ii) a particular violation is not of such a material nature as to be objectionable to a reasonable person or justify the expense and resources to pursue; or (iii) the Owner or party asserting a failure of enforcement possesses an independent right to bring an enforcement action therefore at law or in equity and has failed to do so.

Section 2. Duration. The covenants and restrictions of this Declaration shall run with and bind the real property in the Community perpetually to the extent provided in the Act.

Section 3. Amendment. Except where a higher vote is required for action under any other provisions of this Declaration, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members of the Association holding sixty six and two thirds (66 2/3%) percent of the total eligible vote thereof. Notice of a meeting, if any, at which a proposed amendment will be considered, shall state the fact of consideration and the

subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and filed in the Forsyth County, Georgia land records.

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

In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage Holders who represent at least fifty-one (51%) percent of the votes of Lots that are subject to Mortgages held by Eligible Mortgage Holders, Notwithstanding the above, the approval of any proposed amendment by an eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder receives notice of the proposed amendment sent by certified or registered mail, return receipt requested.

If legal action is not instituted to challenge the validity of any amendment hereto within one (1) year of the recording thereof in the Forsyth County, Georgia land records, then such amendment or document shall be presumed to be validly adopted.

Section 4. Security. The Association may, but shall not be required to, provide measures or take actions which directly or indirectly improve safety in the Community. However, each Owner, for themselves and their tenants, guests, licensees, and invitees acknowledge and agree that the Association is not a provider of security and shall have no duty to provide security for the Community. It shall be the responsibility of each Owner to protect his or her person and property, and all responsibility to provide security shall lie solely with each Owner. The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken.

Section 5. Dispute Resolution. Any Owner or occupant must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute before that Owner or occupant files any lawsuit against the Association, the Board, any director, or any agent of the Association. The Owner or occupant shall, in such notice and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or occupant's

grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the individual requesting the hearing. The Board shall schedule this hearing for a date no less than seven (7) nor more than twenty-one (21) days from the date of receipt of the notice of hearing by the individual requesting the hearing.

Section 6. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 7. 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.

Section 8. 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.

Section 9. Construction and Sale Period. Notwithstanding any provisions contained in this Declaration, the By-Laws, Articles of Incorporation, rules and regulations, Design Guidelines, and any amendments, so long as there is development and construction related to the ongoing sale of residences constructed on Lots, it shall be permissible, with Architectural Control Committee approval, for any Approved Builder to maintain and carry on, upon such portion of the Community as the Architectural Control Committee or any Approved Builder may deem necessary, such facilities and activities as in the sole opinion of the Architectural Control Committee or any Approved Builder may be required, convenient, or incidental to the Architectural Control Committee or any Approved Builder's development, construction, and sales activities related to property described on Exhibit "B" and Exhibit "C" to this Declaration, including, but without limitation the following:

(a) the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Community.

(b) the right to tie into any portion of the Community with driveways, parking areas and walkways:

(c) 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, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community:

Section 10. Agreements. 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 any interest in the Community or the privilege of possession and enjoyment of any part of the Community.

Section 11. Variations. Notwithstanding anything to the contrary contained in this Declaration, the Board of Directors or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the By-Laws, any Architectural Guidelines, and any rule, regulation or use restriction if it determines that a waiver in a particular case would not be inconsistent with the overall scheme of development for the Community.

IN WITNESS WHEREOF, the undersigned Officers of the Lighthouse Harbour Homeowners Association, Inc., hereby certify that the above Amended and Restated Declaration of Protective Covenants for Lighthouse Harbour Subdivision was duly adopted by Association members holding the required sixty-seven percent (67%) of the total Association vote, with any required notices properly given, this 11th day of June, 2016.

Signed, sealed, and delivered this 11th day of June, 2016 in the presence of:

Laura Turner
Witness

Cheryl Webb Litton
Notary Public

LIGHTHOUSE HARBOUR HOMEOWNERS ASSOCIATION, INC.

By: [Signature] [SEAL]
President

Attest: [Signature] [SEAL]
Secretary

[NOTARY SEAL]

[CORPORATE SEAL]

OFFICIAL SEAL
CHERYL WEBB LITTON
NOTARY PUBLIC GEORGIA
FORSYTH COUNTY
COMMISSION EXPIRES APRIL 24, 2020

EXHIBIT "A"

DEFINITIONS

The following words when used in this Declaration or in any Supplemental Declaration (unless the context shall prohibit), shall have the following meanings:

- A. "Act" shall mean the Georgia Property Owners' Association Act, O.C.G.A. Section 44 3 220, et seq. (Michie 1982), as such act may be amended from time to time.
- B. "Approved Builder" shall mean any builders or developers which are designated as Approved Builders by the Association in writing. Approved Builders shall continue to be Approved Builders for so long as they own at least one Lot for the purpose of construction of a residence and resale of the Lot and residence.
- C. "Association" shall mean Lighthouse Harbour Homeowners Association, Inc., a nonprofit Georgia corporation, its successors and assigns.
- D. "Board of Directors" or "Board" shall mean the elected body of the Association, as applicable, having its normal meaning under Georgia corporate law.
- E. "By-Laws" shall refer to the By-Laws of the Lighthouse Harbour Homeowners Association, Inc., which are incorporated herein and made a part by reference.
- F. "Common Property" shall mean any and all real and personal property and easements and other interests, together with the facilities and improvements located on the property, now or in the future owned by the Association.
- G. "Community" shall mean and refer to that certain real property and interests therein described in Exhibit "B", attached hereto, and such additions thereto as may be made by the Association by Supplementary Declaration of other real property.
- H. "Community-Wide Standard" shall mean 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.
- I. "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-family dwelling site as shown on a plat recorded or to be recorded in the Clerk of the Superior Courts records.

- J. "Majority" means those eligible votes by Owners, or other group as the context may indicate, totaling more than 50% of the eligible number.
- K. "Mortgage" means any mortgage, deed to secure debt, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.
- L. "Mortgagee" shall mean the holder of a Mortgage.
- M. "Owner" shall mean and refer to the record Owner, whether one or more Persons, of the fee simple title to any Lot included in the property in the legal description attached hereto or amended by Supplemental Declaration to be a part hereof, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.
- N. "Person" means any natural person, as well as a corporation, limited liability company, joint venture, partnership (general or limited), association, trust, or other legal entity.
- O. "Supplementary Declaration" means an amendment or supplement to this Declaration which subjects additional property to this Declaration or imposes additional restrictions and obligations on the property, or both.

EXHIBIT "B"

ALL THAT TRACT or parcel of land lying and being in Land Lots 697, 698, and 717 of the 1st District, Section, of Forsyth County, Georgia and being more particularly described as follows:

BEGINNING at the southwest corner of Land Lot 698, said corner being common to Land Lots 638, 639, 698 and 699 of said district and section; run thence north 00 degrees 40 minutes 51 seconds east a distance of 633.41 feet to a point; run thence north 00 degrees 40 minutes 51 seconds east a distance of 62.32 feet to a 1" open top pipe; run thence north 00 degrees 31 minutes 43 seconds east a distance of 542.03 feet to an iron pin found at the north west corner of Land Lot 698; run thence north 24 degrees 38 minutes 18 seconds east along the property line of the United States Government a distance of 977.07 feet to an iron pin found; run thence north 00 degrees 15 minutes 18 seconds west along the property line of the United States Government a distance of 250.78 feet to an iron pin found; run thence north 80 degrees 30 minutes 15 seconds east along the property line of the United States Government a distance of 304.17 feet to an iron pin found; run thence south 09 degrees 54 minutes 40 seconds west along the property line of the United States Government a distance of 304.55 feet to an iron pin found; run thence north 57 degrees 01 minutes 24 seconds east along the property line of the United States Government a distance of 397.28 feet to an iron pin found; run thence south 89 degrees 44 minutes 40 seconds east along the property line of the United States Government a distance of 200.28 feet to the east land lot line of Land Lot 697; run thence south 00 degrees 56 minutes 57 seconds west along the east land lot line of Land Lot 697 a distance of 654.81 feet to an iron pin; run thence south 00 degrees 56 minutes 09 seconds west a distance of 47.3 feet to a point on the south right of way of Collins Point Road (30 foot right of way); run thence easterly along the southern right of way of Collins Point Road an arc distance of 14.07 feet, said arc being subtended by a chord bearing north 71 degrees 40 minutes 00 seconds east and a chord length of 14.06 feet; run thence easterly along the southern right of way of Collins Point Road an arc distance of 65.48 feet to a point, said arc being subtended by a chord bearing north 82 degrees 23 minutes 22 seconds east and a chord length of 65.21 feet; run thence easterly along the southerly side of Collins Point Road a distance of 23.03 feet to an iron pin found; run thence south 00 degrees 39 minutes 32 seconds west a distance of 307.36 feet to an iron pin found; run thence south 01 degrees 57 minutes 53 seconds west a distance of 117.80 feet to an iron pin found on the south land lot line of Land Lot 717; run thence along the south land lot line of Land Lot 717, north 88 degrees 43 minutes 25 seconds west a distance of 100.26 feet to an iron pin found at the southeast corner of Land Lot 697; run thence north 89 degrees 56 minutes 16 seconds west along the south land lot line of Land Lot 697 a distance of 590.45 feet to an iron pin found; run thence south 02 degrees 34 minutes 11 seconds west a distance of 929.66 feet to an iron pin found; run thence south 00 degrees 02 minutes 08 seconds west a distance of 300.31 feet to an iron pin found on the south land lot line of Land Lot 698; run thence north 89 degrees 58 minutes 53 seconds west along the south land lot line of Land Lot 698 a distance of 549.88 feet to the southwest corner of Land Lot 698 and the point of beginning, being shown as Tract One (13.327 acres), Tract Two (21.753 acres), Tract Three (1.391 acres) and Tract Four (0.982 acres) on Survey for Bragg Road-Lanier, LLC, New South Federal Savings Bank and First American Title Insurance Company by Barton Surveying, Inc. (David Barton GRLS #2873) dated May 13, 2003, incorporated herein by reference.

EXHIBIT "C"

BY-LAWS OF LIGHTHOUSE HARBOUR HOMEOWNERS ASSOCIATION, INC.

A Georgia Nonprofit Corporation
(The "Association")

These By-Laws are the By-Laws of the Association, which is the above corporation created by Articles of Incorporation filed with the Secretary of State of Georgia ("The Articles of Incorporation"). All references herein to the "Declaration" shall refer to that certain Declaration of Protective Covenants for Lighthouse Harbour Subdivision recorded in the deed records of the Clerk of the Supreme Courts office and all capitalized undefined terms used herein shall have the meanings assigned thereto by the Declaration unless the context clearly requires otherwise. The "Community" referred to herein shall mean Lighthouse Harbour Subdivision, Forsyth County, Georgia.

ARTICLE 1

OFFICES AND GENERAL PROVISIONS

Section 1. Registered Office. The initial registered office of the Association was 826 Buford Hwy, Buford Georgia 30518, which can be changed by the Board of Directors as may be listed with the Secretary of State of Georgia.

Section 2. Other Offices. The Association may also have offices at such other places both within and without the State of Georgia as the Board of Directors may from time to time determine or the business of the Association may make appropriate.

Section 3. Membership. An Owner of a Lot shall automatically become a member of the Association upon taking title to the Lot and shall remain a member for the entire period of ownership. An Owner's spouse or Domestic Partner may exercise any of the membership powers and privileges of the Owner. If more than one Person holds title to a Lot, the membership shall be shared in the same proportion as the title, but there shall be only one membership and one vote per Lot. Membership does not include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. Membership shall be appurtenant to the Lot and shall be transferred automatically by conveyance of the Lot. Membership may be transferred only in connection with the transfer of the Lot.

Section 4. Entity Members. If an Owner is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person(s), then any natural person who is an officer, director or other designated agent of such corporation, manager or member of such limited liability company, partner of such partnership,

beneficiary or other designated agent of such trust, or representative of such other legal entity shall be eligible to represent such entity in the affairs of the Association, including, without limitation, serving on the Association's Board of Directors. Such person's relationship with the Association, and any office or directorship held, shall terminate automatically upon the termination of such person's relationship with the entity that is the Owner of the Lot. Termination of the person's relationship with the Association will create a vacancy in any elected or appointed position within the Association in which such person may have been serving and such vacancy may be filled in accordance with these By-Laws.

Section 5. Voting. Each Lot shall be entitled to one vote, which vote may be cast by the Owner or by a lawful proxy as provided below. When more than one Person owns a Lot, the vote for such Lot shall be exercised as they determine between or among themselves. In no event shall more than one vote be cast with respect to any Lot. If only one co-Owner or only an Owner's spouse or Domestic Partner attempts to cast the vote for a Lot, it shall be conclusively presumed that such vote is authorized for the Lot. If the co-Owners or an Owner and his or her spouse or Domestic Partner disagree about how to cast the Lot's vote, and two or more of them attempt to cast the Lot's vote, such Persons shall not be recognized and such votes shall not be counted.

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

Section 6. Electronic Communications.

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

Whenever these By-Laws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if: (a) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (b) the electronic signature is easily recognizable

as a secure electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (c) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

(b) Verification and Liability for Falsification.

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

ARTICLE 2

MEETING OF MEMBERS

Section 1. Location of Meetings. All meetings of Members shall be held at such place within the State of Georgia as may be from time to time fixed by the Board of Directors or shall be stated in the notice of the meeting or in a duly executed waiver of notice thereof, or at the Association's registered office if not so fixed or stated.

Section 2. Annual Meetings. Annual meeting of the Members shall be held on the second Tuesday of May in each year, or if such day is a legal holiday, then on the next following Tuesday. At each such meeting, the Members shall, by a Majority vote, elect a Board of Directors, and by Majority vote, transact such other business as may be properly brought before the meeting.

Section 3. Special Meetings. Unless otherwise prescribed by law, by Declaration, or by the Articles of Incorporation, special meeting of Members may be called for any purpose or purposes by the president, the Board of Directors, the holders of twenty-five (25%) of the outstanding voting interest in the Association, or such other officers or individuals as may at the time be provided in the Articles of Incorporation or in the event there are no officers or Directors, then by any Member.

Section 4. Notice of Meetings. Written notice of a meeting stating the place, day and hour of meeting and, in the case of a special meeting, the purpose or purposes for which the meeting called, shall be delivered not less than twenty-one (21) days before the date of an annual meeting and not less than seven (7) days before the date of a special meeting.

Section 5. Business of Meetings. At an annual meeting of Members, any matter relating to the affairs of the Association, whether or not stated in the notice of meeting, may be brought up for action (unless otherwise provided by law). Unless at least a Majority of the Members of this Association entitled to vote are present and all such Members who are present specifically agree thereto in writing, no matter that was not stated in the notice of a special meeting of Members shall be brought up for action at such a special meeting.

Section 6. Quorum. The holders of more than twenty (20%) percent of the interests entitled to vote, present in person or by proxy, shall constitute a quorum at all meeting of Members for the transaction of business except as otherwise provided by law. If a quorum shall not be present, the Members present in person or by proxy shall have the power to adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present. At such reconvened meeting, any business may be transacted which might have been transacted at the adjourned meeting.

Section 7. Proxies. Any Owner entitled to vote may do so by written proxy. To be valid, a proxy must be signed, dated, and presented to the Board of Directors at or before registration at the membership meeting for which it is to be used. The Board may accept proxies by whatever means it deems acceptable. A proxy is revoked only if: (a) the Owner giving the proxy attends the meeting in person and requests the proxy back during registration for the meeting (attendance alone does not invalidate the proxy); (b) the Owner giving the proxy signs and delivers to the Board a written statement revoking the proxy or substituting another individual as proxy; or (c) before the proxy is exercised, the Board receives notice of the death or incapacity of the Owner giving the proxy. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

Section 9. Majority. If a quorum is present, the affirmative vote of a Majority of the Members entitled to vote who are represented at the meeting shall be the act of the Members, except that the unanimous vote of all Members entitled to vote who are represented at the meeting shall be required to approve matters at a special meeting of Members with respect to which matters no notice had been given in the notice of such special meeting.

Section 9. Action Taken Without A Meeting. In the Board's discretion, any action that may be taken by the Owners at any annual or special membership meeting may be taken without a meeting by written ballot or written consent as provided below.

(a) Written Ballot.

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

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

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

(b) Written Consent.

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

(c) Notice to Members of Approval.

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

ARTICLE 3

DIRECTORS

Section 1. Number: Election. The Directors shall be elected at a special meeting of the Members, and thereafter Directors shall be elected at the annual meeting of the Association. Each Director elected shall serve until the next succeeding, annual meeting and until his successor shall have been elected and qualified. All Directors must be at least twenty-one years old, but need not be (i) residents of the State of Georgia, (ii) Owners of Lots, or (iii) residents of the Community. The number of Directors shall be not less than five nor more than nine Directors, as determined by the Members at each meeting called for the purpose of electing Directors.

Section 2. Vacancy. Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors even though the remaining Directors may constitute less than a quorum of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired portion of the term of his predecessor in office.

Any Directorship to be filled by reason of an increase in the number of Directors may be filled by the affirmative vote of a majority of the remaining Directors present at a meeting even though less than a quorum of the Board of Directors is present. A Director elected to fill a newly created Directorship shall serve until the next election of Directors by the Members and the election and qualifications of his successor.

Section 3. Powers. The business and affairs of the Association shall be managed by its Board of Directors which exercise all such powers of the Association and do all such lawful acts and things as are allowed by law, the Declaration, the Articles of Incorporation or these By-Laws directed or required to be exercised or done by Members.

Section 4. Compensation of Directors. As an inducement to the officers and Directors of the Association to act on the Association's behalf, the Association shall, out of its general funds or special assessment, indemnify and hold harmless, each officer or Director acting in accordance with these By-Laws and the Declaration, including without limitation all actions taken in connection with the levying, collection and enforcement of assessments. All such indemnification shall be paid upon written request of the officer or Director setting forth in reasonable detail the reason for such indemnification, which request shall be given to each of the officers of the Association.

ARTICLE 4

MEETING OF THE BOARD OF DIRECTORS

Section 1. Location of Meetings. Meeting of the Board of Directors, regular or special, may be held within the State of Georgia.

Section 2. First Meeting of the New Board. The first meeting of the newly elected Board of Directors shall be held immediately following the annual meeting of Members at the place where such annual meeting is held. Such meeting shall be designated as the annual meeting of the Board of Directors, and no notice of such meeting shall be necessary to the newly newly elected Directors in order to legally constitute the meeting, provided a quorum shall be present. Alternatively, the new Board of Directors may convene at such place and time as shall be fixed by the consent in writing of all its Members.

Section 3. Regular Meetings. Regular meeting of the Board of Directors may be held with such frequency and at such time and at such place as shall from time to time be determined by the Board. If the Board has so fixed the frequency, time and place of regular meetings, no notice thereof shall be necessary.

Section 4. Special Meetings. Special meeting of the Board of Directors may be called by the chairman of the Board, by the president, or by any two Directors on three days' notice to each Director in accordance with Article 6.

Section 5. Notice of Meetings. Notice of a meeting need not be given to any Director who signs a waiver of notice either before or after the meeting, or who attends the meeting without protesting the lack of notice thereof. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or wavier of notice of such meeting.

Section 6. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business unless a greater number is required by law or by the Articles of Incorporation. If a quorum shall not be present at any meeting of Directors, the Directors present may adjourn the meeting from time to time until a quorum shall be present, without notice of the time and place that the meeting will be reconvened other than announcement at the adjourned meeting.

Section 7. Majority. The act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the Articles of Incorporation.

Section 8. Action Without a Meeting. The Board of Directors can take action outside of a properly called meeting if a majority of the eligible Directors consent in writing to such action. Such signed, written consents must describe the action taken outside a meeting and be filed with the minutes of the Board meetings.

ARTICLE 5

NOTICES

Section 1. Required Notices. Whenever, under the provisions of applicable law, the Articles of Incorporation or these By-Laws, any notice is required to be given to any Director or Member, such notice shall be given in writing and delivered either personally or by first class mail or overnight bonded courier, addressed to such Director or Member, at his address as it appears on the records of the Association. If mailed, such notice shall be deemed to be delivered three (3) business days after it was deposited in the United States mail with first class postage prepaid. Notices given by any other means shall be deemed delivered when received by the addressee.

Section 2. Wavier of Notice. Whenever, under provisions of applicable law, the Articles of Incorporation or these By-Laws, any notice is required to be given to any Director or Member, in the event written wavier thereof is signed by the individual(s) entitled to such notice, either before or after the time started therein, shall be deemed the equivalent to giving of such notice.

ARTICLE 6

OFFICES

Section 1. Offices: Election: Term. The officers of the Association shall be chosen by the Board of Directors and shall be a President, a Secretary and a Treasurer. Except as otherwise provided by law, any individual may hold more than one office. Officers shall be elected at the first meeting of the Board of Directors following the annual meeting of Members. All officers shall hold offices until their respective successors have been elected and shall have qualified, and if the Board of Directors shall fail in any year or years to meet to elect officers, the officers last elected shall continue to hold office. No officer need be (i) a Member of the Board of Directors, (ii) a resident of the State of Georgia, (iii) an Owner of any Lot, or (iv) a resident of the Community.

Section 2. 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 determine is 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.

Section 3. Salaries. The officers shall receive no compensation except as provided in Section 5 of Article 3,

Section 4. Removal: Vacancies. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board at any time with or without cause by the affirmative vote of a majority of the Board of Directors. Officers and agents otherwise elected or appointed may be removed in accordance with Georgia law. Any vacancy occurring in any office of the Association may be filled by the Board of Directors.

Section 5. The President. The president shall be the chief executive officer of the Association, shall preside at all meetings of Members and the Board of Directors, shall have general and active management of the business of the Association and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall have the authority and power to execute on behalf of the Association bonds, mortgages, notes, contracts, deeds, leases and other documents and instruments (whether or not requiring a seal of the Association) except where such documents or instruments are required by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association.

Section 6. Vice President. The vice president, or if there shall be more than one, the vice presidents in the order determined by the Board of Directors, shall, in the absence or disability of the president, perform the duties and exercise the powers of the president. Each vice president shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 7. Secretary and Assistant Secretaries. The secretary shall attend all meetings of Members and the Board of Directors and shall record the proceedings of such meetings in books to be kept for that purpose, and shall perform, like duties for the committees of Directors when required. He shall give, or cause to be given, notice of all meetings of Members and special meetings of the Board of Directors, and shall perform, such other duties as may be prescribed by the Board of Directors or the president, under whose supervision he shall be. He shall have custody of the corporate seal of the Association and he shall have authority to affix it to any instrument requiring it and when so affixed it may be attested by his signature. The assistant secretary, or if there be more than one, the assistant shall, in the absence or disability of the secretary, perform the duties and exercise the powers (including affixation of the Corporate seal) of the

secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 8. Treasurer and Assistant Treasurers. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Association as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and the Board of Directors, at its regular meetings or when the Board of Directors so requires, an account of all his transactions as treasurer and of the financial condition of the Association. If required by the Board of Directors, he shall give the Association a bond in such sum and with surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his or her office, or all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association. The assistant treasurer, or if there shall be more than one, the assistant treasurers, in the order determined by the Board of Directors, shall, in the absence or disability of the treasurer, perform the duties and exercise the powers of the treasurer, perform the duties and exercise the powers of the treasurer and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

ARTICLE 7

LIABILITY AND INDEMNIFICATION

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

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

extent that such Directors or officers may also be members of the Association), and the Association shall indemnify and forever hold each such Director and officer free and clear and harmless against any and all liability to others on account of any such contract or commitment.

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

ARTICLE 8

GENERAL PROVISIONS

Section 1. Seal. The Association shall have a corporate seal which shall have inscribed thereon the name of the association, the year of its organization and the words "Corporate Seal Georgia". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced. The Board of Directors may from time to time authorize any other officer to affix the seal of the Association and to attest to such affixation by his signature.

Section 2. Fiscal Year. The fiscal year of the Association shall be fixed by resolution of the Board of Directors. In the absence of such a resolution, the fiscal year shall be the calendar year.

Section 3. Checks. All checks, drafts, demands for money and notes of the Association shall be signed by two (2) officers or such other individual(s) as the Board of Directors may from time to time designate.

Section 4. Financial Review. A review of the accounts of the Association shall be made annually in the manner as the Board of Directors may decide; provided, however, after having received the Board's reviewed financial statement at the annual meeting, by a Majority of the Association vote present, or represented by proxy, the Owners may require that the accounts of the Association be audited as a common expense by a public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all necessary costs, such holder shall be entitled to receive a copy of an audited financial statement within ninety (90) days of the date of request. The Association shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of its Members, Board of Directors, and committees of Directors. Not later than three (3) months after the close of each fiscal year, and in any

case prior to the balance sheet showing in reasonable detail the financial condition of the Association as of the close of its preceding fiscal year, and a profit and loss statement showing the results of its operations during such fiscal year. Upon written request, the Association promptly shall mail to any Member of record a copy of such balance sheet and profit and loss statement.

Section 5. Book and Records.

(a) All members of the Association and any institutional holder of a first Mortgage shall be entitled to inspect the following records at a reasonable time and location specified by the Association, upon written request at least five (5) business days before the date on which the member wishes to inspect and copy:

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

(ii) its By-Laws or restated By-Laws and all amendments to them currently in effect;

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

(iv) resolutions adopted by either its members or Board of Directors relating to the characteristics, qualification, rights, limitations, and obligations of members or any class or category of members;

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

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

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

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

(b) A member may inspect and copy the following records upon written notice at least five (5) business days before the date on which the member wishes to inspect and copy only if the member's demand is made in good faith and for a proper purpose that is reasonably relevant to the member's legitimate interest as a member; the member

describes with reasonable particularity the purpose and the records the member desires to inspect; the records are directly connected with this purpose; and the records are to be used only for the stated purpose:

(i) excerpts from minutes of any meeting of the Board of Directors, records of any action of a committee of the Board of Directors while acting in place of the Board of Directors on behalf of the Association, minutes of any meeting of the members, and Records of action taken by the members or the Board of Directors without a meeting, to the extent not subject to inspection under subsection 9 (a):

(ii) accounting records of the Association; and

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

The Association may impose a reasonable charge, covering the cost of labor and material, for copies of any documents provided to the member.

Section 6. Conflict. In the event of any conflict between the By-Laws and the following, the controlling language shall be found in the laws of the State of Georgia, the Declaration, the Articles of Incorporation or the By-Laws, in the order listed.

Section 7. By-Law Amendments. These By-Laws may be altered, amended, or repealed or new By-Laws may be adopted by the Board of Directors or the Members in accordance with the provisions of the Declaration applicable to the amendment of the Declaration.

Section 8. Dissolution. The corporation may not be dissolved without the approval of the County or Municipality in which the property is located.

Section 9. Captions. The captions herein are inserted only as a matter of convenience and for reference. They in no way define, limit, or describe the scope or intent of these By-Laws.

Section 10. Gender and Grammar. The use of the masculine or feminine gender in these By-Laws shall be deemed to include the opposite gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 11. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-Laws or the Declaration.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Lighthouse Harbour Homeowners Association, Inc., a Georgia corporation;

That the foregoing By-Laws constitute the Amended and Restated By-Laws of said Association, as duly adopted by the Board of Directors and the members of the Association on the 11th day of June, 2016.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 11th day of June, 2016.

**LIGHTHOUSE HARBOUR HOMEOWNERS
ASSOCIATION, INC.**

OFFICIAL SEAL
CHERYL WEBB LITTON
NOTARY PUBLIC GEORGIA
FORSYTH COUNTY
COMMISSION EXPIRES APRIL 24, 2020

Cheryl Webb Litton

Nancy Brooks (Seal)
Secretary
[CORPORATE SEAL]