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 Fee Amt: \$32.00 Page 1 of 9
 Forsyth County, GA
 Greg G. Allen Clerk Superior Ct

BK **8926** PG **705-713**

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Return To: NowackHoward, LLC
 945 East Paces Ferry Road
 Resurgens Plaza, Suite 1250
 Atlanta, GA 30326
 Attn: Julie M. Howard

Ret

**STATE OF GEORGIA
 COUNTY OF FORSYTH**

Cross-Reference:
 Deed Book 3825, Page 494
 Deed Book 4776, Page 41
 Deed Book 7337, Page 370

**AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS,
 CONDITIONS, AND RESTRICTIONS FOR LAUREL SPRINGS**

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Laurel Springs was recorded on June 13, 2005 in Deed Book 3825, Page 494, *et seq.*, Forsyth County, Georgia Records ("Declaration"), as amended; and

WHEREAS, Paragraph 19 of the Declaration and O.C.G.A. § 44-3-226 provide that the Declaration may be amended by the affirmative vote, written consent, or any combination thereof, of members of the Laurel Springs Homeowners' Association, Inc. ("Association") holding at least two-thirds (2/3's) of the total eligible Association vote and approval of at least a majority of the Association directors; and

WHEREAS, the Association has no known Eligible Mortgage Holders and, therefore, this amendment does not materially and adversely affect the security title or interest of any Eligible Mortgage Holders whose consent would be required for this Amendment

WHEREAS, members of the Association holding at least two-thirds (2/3) of the total eligible Association vote and a majority of the Association directors desire to amend the Declaration as provided herein and have approved this Amendment;

NOW, THEREFORE, the Declaration is hereby amended as follows:

1.

Paragraph 10 of the Declaration is deleted in its entirety and the following is inserted in lieu thereof:

10. LEASING

- (A) **Definition of "Owner" for Purposes of Paragraph 10.** For the purposes of this Paragraph 10 only, the definition of "Owner" shall not include any record holder of an interest in title to a Lot that is ten percent (10%) or less, unless all title interests are held in equal percentages or unless the holders of all record title interests prove to the satisfaction of the Board of Directors of the Association by sworn affidavits and competent evidence (and in addition to the title documents filed in the land records or with other governmental agencies or departments) that the distribution of title interests in the Lot: (1) is a bona fide fee simple transfer for value, (2) is otherwise in good faith, and (3) is not intended to avoid a violation of the requirements of this Paragraph or of any other provision of, or the purposes of, the Declaration, all Exhibits to the Declaration, the Association's Bylaws and/or Rules and Regulations ("Governing Documents"), the plats, all as may be amended or supplemented from time to time, as such is determined by the Board in its discretion. The record holders of all of the title interests in the Lot shall have the burden of proof and it shall be presumed that a holder of a title interest of 10% or less is not an "Owner" for the purposes of this Paragraph 10. In its sole discretion, the Board may require submission of true and accurate information in order to evaluate the transaction and aid its determination.

This modification to the definition of "Owner" shall not be construed to affect the validity of any transfer of title to, or ownership of, a Lot (as ownership may otherwise be defined by law), it being the intent of this Paragraph to only regulate and restrict the occupancy of Lots to bona fide owners and the others allowed herein. Further, this modification to the definition of "Owner" shall not be construed to exempt any record holder of an interest in title to a Lot who is otherwise an "Owner" pursuant to the terms of this Declaration, regardless of his or her respective percentage of ownership interest, from any rights, liabilities or obligations applicable to an Owner pursuant to any provision of this Declaration other than this Paragraph 10, including but not limited to, the obligation to pay assessments pursuant to this Declaration.

(B) Definitions Related to Occupancy for Purposes of Paragraph 10.

- (i) Definitions. “Occupant” means any person, natural or otherwise, who stays or remains at a Lot overnight. “Occupy” or “Occupancy” shall refer to the situation when a person, natural or otherwise, stays or remains at a Lot overnight. By way of example, but not in limitation, a person who is permitted access to a Lot using the services of Airbnb or similar transient lodging company is considered an Occupant and the use of the Lot is considered Occupancy.
- (ii) Number of Occupants. No more than two Occupants per bedroom (as such bedrooms are depicted on the original Survey and Floor Plans filed in the Forsyth County, Georgia records may occupy a Lot at any time. This Occupancy restriction shall not apply to require the removal of any person lawfully Occupying a Lot on the date of recording of this Amendment (“Effective Date”) and remaining in continuous Occupancy of the Lot thereafter, without interruption, as determined by the Board in its sole discretion.

The Board, in its sole discretion, may establish rules permitting temporary exceptions to the limitation on the number of Occupants established herein for periodic overnight guests.

Additionally, upon written application, the Board of Directors shall grant variances to this restriction in order to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

- (iii) Corporate Occupancy. If an Owner is a corporation, limited liability company, partnership, trust or any other legal entity or an unincorporated association that is not a natural person, the Owner shall designate in writing to the Board the name of an individual who will Occupy the Lot (hereafter the “Authorized Corporate Occupant”). An Authorized Corporate Occupant shall only be a single officer, (but not an assistant officer), or the majority or 50% shareholder/member of an Owner that is a corporation; the majority or 50% member of an Owner that is a limited liability company; the majority or 50% member of an Owner that is a partnership; or a single beneficiary of an Owner that is a non-revocable trust; provided the Owner, or other interest holder in the Lot or in the Owner, does not receive any rent or other consideration for such Occupancy and provided further that, with the exception of a single beneficiary of an Owner that is a trust, the Authorized Corporate Occupant must perform a valid corporate/entity/partnership/association function(s) for the Owner that is unrelated to the Lot or the Authorized Corporate Occupant’s Occupancy thereof. A person’s designation as an Authorized Corporate Occupant shall terminate automatically upon the termination of such person’s relationship with the Owner. The Authorized Corporate Occupant may not be changed more frequently than once every twelve (12) months without the Board’s written consent, which the Board may grant or withhold in its sole discretion.

(C) **Grandfathering Definitions.**

(i) **Grandfathered Owner.** "Grandfathered Owner" means an Owner who is an Owner of a Lot who is leasing such Lot on the Effective Date and who submits a copy of the lease that is in force on the Effective Date to the Association's Board of Directors within sixty (60) days from the Effective Date and receives back written confirmation from the Board of such receipt. Grandfathering shall apply only to the Lot owned and leased by such Grandfathered Owner on the Effective Date. Grandfathering shall automatically expire on the earlier of: (1) the date that the lease in force on the Grandfathered Lot on the Effective Date of this Amendment terminates or expires; (2) the date that all occupants of the Grandfathered Lot on the Effective Date of this Amendment vacate and cease to occupy the Lot; (3) the date the Grandfathered Owner conveys title to the Grandfathered Lot to any other Person (other than the Owner's spouse); (4) the date the Grandfathered Owner begins to occupy the Lot; or (5) the date that the Grandfathered Owner becomes sixty (60) days delinquent in the payment of any charges-owed to the Association. Upon the earliest of any of these events, the Lot shall automatically lose Grandfathering hereunder and to lease, the Owner must apply for and be given a Leasing Permit or a Hardship Leasing Permit.

(ii) **Grandfathered Lot.** "Grandfathered Lot" means the Lot owned by a Grandfathered Owner and that is being leased on the Effective Date of this Amendment. Grandfather status shall be valid only as to the specific Grandfathered Owner and Grandfathered Lot and shall not be transferable between either Lots or Owners (including but not limited to a subsequent Owner of a Lot where a permit was issued to the Owner's predecessor-in-title). Additionally, any lease assignment, extension, renewal, including but not limited to a change in occupancy, shall be considered a termination of the lease.

(D) **Leasing.** For the express purpose of preserving the character of the Community as a community of predominantly owner-occupied Lots, the Leasing of Lots is prohibited, except as provided herein. For the purposes of this Declaration "Leasing" means the Occupancy of a Lot by any person(s) other than: (1) the Owner or a parent, child or legal spouse of an Owner (collectively referred to as "Authorized Occupant"); (2) an Authorized Corporate Occupant; or (3) a roommate of an Authorized Occupant or Authorized Corporate Occupant, when the Authorized Occupant or Authorized Corporate Occupant also Occupies the Lot as his or her primary residence, as determined in the sole discretion of the Board based on any evidence requested from the Owner by the Board. Notwithstanding the presence of an Owner, a person shall not be considered a roommate when that person's access to the Lot is arranged through the services of Airbnb or similar transient lodging company. Leasing of Lots is allowed only by: (1) a Grandfathered Owner; (2) a non-Grandfathered Owner who has received a Leasing Permit as provided below; (3) a non-Grandfathered Owner who has received a Hardship Permit as provided below; or (4) the Association. Leasing Permits and Hardship Permits shall be valid only as to a specific Owner and Lot and shall not be transferable between either Lots or Owners (including

a subsequent Owner of a Lot where such permit was issued to the Owner's predecessor-in-title). In its sole discretion, the Board may adopt, modify, amend and repeal Rules to accommodate and allow for periodic overnight guests. In addition to the foregoing, any Occupancy of a Lot pursuant to a written or oral lease or other tenancy relationship while an Authorized Occupant or Authorized Corporate Occupant resides at the Lot is prohibited, except that the Board of Directors may, in its sole discretion, approve such with regard to a parent, grandparent, child, grandchild, brother or sister of an Owner who is a natural person.

(i) Leasing Permits. The Board of Directors shall approve an Owner's written request for a Leasing Permit if the total number of current, outstanding Leasing Permits plus leased Grandfathered Lots is less than fifteen (15) Lots ("Leasing Cap"). No Leasing Permit shall be issued to an Owner for a Lot if fifteen (15) or more of the Lots have current outstanding Leasing Permits and/or are leased Grandfathered Lots. Notwithstanding the foregoing, a Leasing Permit also shall not be issued to any Owner if the Lot is shown on the Association's books and records to be more than thirty (30) days past due in any assessment or charge or if the Owner is in violation of the Association's Governing Documents. Owners who have been denied a Leasing Permit shall be placed on a waiting list to be issued such a permit, if they so desire by written request to the Association, when the above conditions have been satisfied. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

A Leasing Permit authorizes an Owner to lease the Lot as set forth in the Leasing Permit. All Leasing Permits shall automatically expire one (1) year from the date issued. However, a lease with a term of one (1) year that was entered into in compliance with this Declaration, the Leasing Permit in effect when the lease was executed, any Rules adopted by the Board, and which otherwise complies with this Declaration, may continue until expiration without the lease or Occupancy of the tenant constituting a violation of the Declaration.

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

A "hardship" as described herein may include, but not be limited to, the following situations: (1) when the Board determines that an Owner must relocate his or her residence more than 40 miles outside of Forsyth County, Georgia and cannot, within six months from the date that the Lot was placed on the market, sell the Lot, except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) when the Board determines that an Owner must temporarily relocate more than 40 miles outside of Forsyth County, Georgia for employment purposes and intends to return to reside in the Lot within one year; or (3) when an Owner dies and the Lot is being administered by his or her estate.

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

(iii) Expiration and Revocation of Permits. Leasing Permits and Hardship Permits are automatically revoked upon: (1) the sale or transfer of any ownership or record title interest in the Lot, or the transfer of any interest in an Owner that is not a natural person, change of trustee(s) or beneficiary(s) of an Owner that is a Trust, or change in any ownership or membership interest of an Owner that is a partnership or other unincorporated association (excluding sales or transfers to an Owner's legal spouse); (2) the failure of an Owner to have a written lease for the Lot and bona fide tenant Occupying the Lot as his/her primary residence for ninety (90) consecutive days at any time after the issuance of such permit; or (3) the Occupancy of the Lot by the Owner. The Board also shall have the power to and may revoke any Leasing Permit or Hardship Permit issued to any Owner if the Lot is shown on the Association's books and records to be more than sixty (60) days past due in any assessment or charge, if the Owner is in violation of the Governing Documents and such violation(s) has continued uncorrected for a period of sixty (60) days or more.

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

The Association may charge the Owner a Lease Administrative Fee, as further provided below, to cover its costs of administering the Leasing Permits and Hardship Permits.

(E) General Leasing Provisions.

(i) Notice and Approval. All leases shall be in writing prior to the effective date of the lease. At least seven days before entering a lease, the Owner shall provide the Board with: (1) a copy of the lease; (2) the names, phone numbers, and email contact information of all of the proposed Occupants of the Lot; (3) the Owner's primary residence address, phone number and email contact information; and (4) such other information required by the Board. If the form of a lease is

disapproved, the Board shall notify the Owner what changes are required to bring the lease into compliance with the Governing Documents. Nothing herein gives the Board the right to approve or disapprove a proposed Occupant; the Board's approval or disapproval shall be limited to the form of the proposed lease. Within 10 days after executing a lease for a Lot, the Owner shall provide the Board with a copy of the executed lease.

(ii) Lease Signs. No "for lease" signs may be placed in any windows, on any Lots, or on any part of the Community.

(iii) Lease Terms. All leases must be for a term of at least one year, except with written Board approval in its sole discretion. No lease shall exceed the expiration date of the respective Leasing Permit or Hardship Leasing Permit. Lots shall not be leased in a manner consistent with a hotel, motel, vacation rental or bed and breakfast or rented for social events. Transient leases are prohibited. Notwithstanding anything to the contrary herein, the Board shall not approve a lease term that is less than 30 days.

(iv) Lease of Entire Lot. A Lot may be leased only in its entirety; no rooms or fractions of a Lot may be leased. There shall be no subleasing of a Lot or assignment of a lease without prior written Board approval, in its sole discretion.

(v) Compliance with Governing Documents. The Owner must provide the tenant/Occupant of the Lot copies of the Governing Documents. The terms of the Governing Documents are deemed to be incorporated into each lease or other occupancy agreement for any Lot, whether or not expressly stated therein, and into the terms of any tenancy or other Occupancy arrangement even if no written lease or agreement exists between the Owner and the Occupant.

The Owner and each Occupant shall comply with all provisions of the Governing Documents. The Owner and Occupants are responsible for violations by any guests of the Lot and may be sanctioned for any such violation.

If a Lot is leased or Occupied in violation of the Governing Documents, if an unauthorized lease, tenancy or occupancy arrangement is entered into for the Lot, or if the Owner, Occupant or guest violates the Governing Documents, the Association shall be authorized to take all enforcement actions against the Owner and/or Occupant authorized under the Governing Documents.

Any costs, fees or expenses incurred by the Association in permitting an Owner to lease his or her Lot subject to the requirements of this Paragraph 10, including, but not limited to, attempts to obtain a copy of any lease an Owner fails to provide to the Board, providing copies of the Governing Documents to the Occupant, and determining the names of the Occupants, shall be levied as a fine and Specific Assessment against the responsible Lot Owner. The Owner shall pay the Association the fine upon notice of the fine from the Association, which fines shall be a lien against the Lot until paid in full.

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

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

(viii) Enforcement. If a Lot is leased or Occupied in violation of the Governing Documents, or if the Owner, Occupant or any guest violates same, such violation shall be deemed to be a default under the terms of any lease or occupancy agreement (or arrangement) for the Lot and the Association may require the Owner to evict the Occupants. In addition to all other remedies permitted by this Declaration, such default authorizes the Owner and/or the Association, as the Owner's delegate and attorney-in-fact, to terminate the lease and/or occupancy and to evict all Occupants, without liability, in accordance with Georgia law, and all costs incurred, including the Association's reasonable attorney fees actually incurred, shall be a specific special assessment against the Owner and a lien against the Owner's Lot. In any such eviction action by the Association, the Association may terminate the Occupancy rights upon fifteen (15) days' notice, notwithstanding any notice requirement in the lease or Occupancy terms. Once the Association invokes its right to terminate the lease or Occupancy and evict the Occupant(s), the Owner no longer has the right to extend or revive the terminated lease or Occupancy in any way.

(F) Lease Administrative Fee. Effective upon the date of recording of this Amendment, any Owner who leases a Lot shall be assessed an annual Lease Administrative Fee in an amount determined by the Board from time to time, but not to exceed one-sixth (1/6) of the annual assessment applicable to the Lot for the year in which the Lease Administrative Fee is levied.

Payment of the first such fee shall be due within thirty (30) days of the Effective Date for all Lots leased as of such date. Thereafter, the Lease Administrative Fee


shall be due on January 1st for Lots leased on that date and due within ten (10) days after the execution of a lease for all Lots first leased after January 1st of any year. The Lease Administrative Fee shall constitute a specific special assessment against the leased Lot. The Lease Administrative Fee shall be non-refundable and shall not be subject to pro-ration for any period of the calendar year during which the Lot is not leased.

- (G) **Applicability of this Paragraph.** Notwithstanding the above, this Paragraph 10 shall not apply to any leasing transaction entered into by the Association, or by any first Mortgagee who becomes the Owner of a Lot through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage. Such parties shall be permitted to lease a Lot without first obtaining a permit in accordance with this Paragraph, and such Lots shall not be considered as being leased in determining the maximum number of Lots that may be leased in accordance with this Paragraph.

IN WITNESS WHEREOF, the undersigned Officers of Laurel Springs Homeowners' Association, Inc. hereby swear on oath and certify that the above Amendment was duly adopted by the required majority of the Association members and directors, that such agreement to the above Amendment by the required majority of the Association members and directors was lawfully obtained, and that any required notices were properly given.

THIS 14 day of JUNE, 2019.


Sworn to and subscribed before me
this 14 day of JUNE,
2019.


Witness

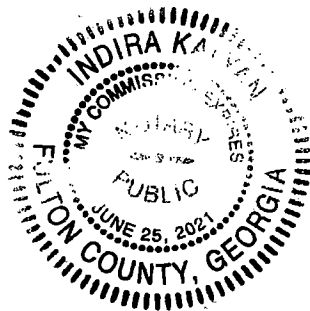
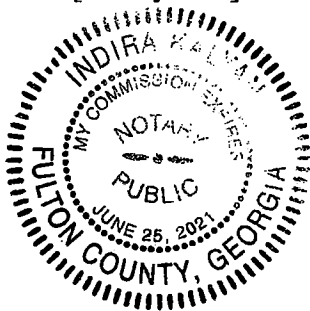
Notary Public

LAUREL SPRINGS HOMEOWNERS'
ASSOCIATION, INC.

By: 
President

Attest: 
Secretary

[Notary Seal]





Doc ID: 014645860003 Type: GLR
Recorded: 04/14/2015 at 03:42:12 PM
Fee Amt: \$16.00 Page 1 of 3
Forsyth County, GA
Greg G. Allen Clerk Superior Ct

BK 7337 PG 370-372

Ret

Return to: Lazega & Johanson LLC
3520 Piedmont Road, Suite 415
Atlanta, Georgia 30305 Attention: SWH

[Space Above Reserved for Recording Data]

STATE OF GEORGIA
COUNTY OF FORSYTH

Cross Reference: Deed Book 3825
Page 0494

**AMENDMENT
TO THE
AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR LAUREL SPRINGS**

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Laurel Springs was recorded on June 13, 2005 in Deed Book 3825, Page 0494, *et seq.*, Forsyth County, Georgia Records ("Declaration"), as amended; and

WHEREAS, Article 19 of the Declaration provides for amendment of the Declaration by the Board of Directors of the Laurel Springs Homeowners Association, Inc. ("Association"), to bring Laurel Springs under, and submit Laurel Springs to, the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, *et seq.* ("POA"), without a vote of the Association membership; and

WHEREAS, the Board of Directors of the Association desires to amend the Declaration to submit and conform to the POA and has approved this Amendment;

NOW, THEREFORE, the Declaration is hereby amended as follows:

1.

Article 1, of the Declaration is hereby deleted and the following new language is inserted in lieu thereof.

The name of the Community is Laurel Springs, which 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.

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 .

2.

Article 6, Section 6(B) of the Declaration is hereby amended by deleting that Section in its entirety and substituting the following therefor:

(B) Creation of the Lien and Personal Obligation For Assessments. Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) Capital Contribution assessments; (iii) special assessments provided for herein; and (iv) specific special assessments which may be assessed hereunder and in accordance with Section 44-3-225(a) of the Act, including but not limited to reasonable fines imposed in accordance with the terms of this Declaration or the Bylaws.

All such assessments, together with charges, interest, costs, and reasonable attorneys' fees actually incurred (including post-judgment attorneys' fees, costs and expenses), and if the Board so elects, rents, in the maximum amount permitted under the Act, shall be a charge on the Lot and shall be a continuing lien upon the Lot and Lot Owner against which each assessment is made. Such amounts shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the assessment fell due. 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. The Association, in the Board's discretion, may, but shall not be obligated to, record a notice of such lien in the Forsyth County, Georgia records evidencing the lien created under the Act and this Declaration. Assessments shall be paid in such manner and on such dates as may be fixed by the Board. No Owner may exempt himself or herself from liability, or otherwise withhold payment of assessments, for any reason whatsoever.

The lien provided for herein shall have priority as provided in the Act.

3.

Article 6, Section 6(C) of the Declaration is hereby amended by deleting that Section in its entirety and substituting the following therefor:

(C) Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default. If any assessment or other charge, or any part thereof, is not paid in full within 10 days of the due date, then: (1) the Board may accelerate any unpaid installments of the annual assessment or other assessments, if paid in installments; (2) 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; (3) interest at the rate of 10% per annum or such higher rate as may be permitted by the Act shall accrue from the due date; (4) the Board may suspend voting rights, Common Property use rights and Association-provided services to the Lot; (5) the Board may bring legal action against the Owner to collect all sums owed under this Declaration; and (6) the Board may take any other lawful action authorized under this Declaration, the Bylaws or Georgia law to collect all such amounts. The delinquent Owner shall be assessed and responsible for all reasonable attorneys' fees actually incurred by the Association in collecting any sums owed hereunder.

4.

Article 17 of the Declaration is hereby amended by adding the following to the end of the first paragraph of Article 17:

The Association also shall have all enforcement powers authorized under the Act.

5.

Article 20, Section 20(F) of the Declaration is hereby amended by deleting that Section in its entirety and substituting the following therefor:

(F) Duration. The covenants and conditions of this Declaration shall run with and bind the Community perpetually to the extent provided in the Act.

6.

Article 19 of the Declaration is hereby amended by deleting the word "majority" from the third line of the first paragraph of Article 19 and inserting the following in lieu thereof:

"at least two-thirds(2/3's) of the total eligible Association vote"

IN WITNESS WHEREOF, the undersigned officers of Laurel Springs Homeowners Association, Inc. hereby certify that this Amendment to the Declaration was duly adopted by the Association's Board of Directors in accordance with Article 19 of the Declaration.

This 30 day of March, 2015.

LAUREL SPRINGS HOMEOWNERS ASSOCIATION, INC.

By: David E. Edell (Seal)
President

Attest: Mary Anne Payne (Seal)
Secretary

[Corporate Seal]

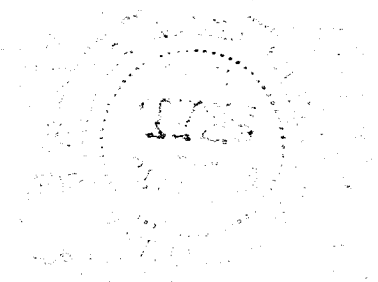
Sworn to and subscribed to before me this 30 day of March, 2015.

Debbin Brock
Witness

Charles E. Mattingly
Notary Public

[Notary Seal]

CHARLES E. MATTINGLY
NOTARY PUBLIC
FORSYTH COUNTY, GEORGIA
MY COMMISSION EXPIRES SEPTEMBER 6, 2015





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 Filed: 06/08/2007 at 02:53:29 PM
 Fee Amt: \$12.00 Page 1 of 2
 Forsyth County, GA
 Douglas Sorrellis Clerk Superior Ct

BK 4776 PG 41-42

-----[SPACE ABOVE RESERVED FOR RECORDING DATA]-----

Return to: Weissman, Nowack, Curry & Wilco, P.C.
 3500 Lenox Road, 4th Floor
Ret Atlanta, Georgia 30326
 Attention: Jay Lazega

STATE OF GEORGIA
 COUNTY OF FORSYTH

Cross Reference: Deed Book 3825
 Page 494

**AMENDMENT TO THE AMENDED AND RESTATED DECLARATION OF
 COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
 LAUREL SPRINGS**

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Laurel Springs was recorded on June 13, 2005, in Deed Book 3825, Page 494, *et seq.*, Forsyth County, Georgia Records ("Declaration"); and

WHEREAS, Paragraph 19 of the Declaration provides that the Declaration may be amended by the affirmative vote, written consent, or any combination thereof, of members of the Laurel Springs Homeowners' Association, Inc. ("Association") holding a majority of the total eligible Association vote and approval of a least a majority of the Association directors; and

WHEREAS, this amendment is not made without the approval of Eligible Mortgage Holders who represent at least fifty-one (51%) of the votes of Lots that are subject to the Mortgages held by the Eligible Mortgage Holders and does not materially and adversely affect the security title or interest of any such mortgage holder; provided however, if a court of competent jurisdiction determines that it does so without such mortgage holder's consent, then this amendment shall not be binding on the mortgage holder so involved, unless it consents hereto; and if such consent is not forthcoming, then the provisions of the Declaration prior thereto shall control with respect to the affected mortgage holder; and

WHEREAS, members of the Association holding a majority of the total eligible Association vote and a majority of the Association directors desire to amend the Declaration as provided herein and have approved this Amendment;

NOW, THEREFORE, the Declaration is hereby amended as follows:

1.

Paragraph 12(A) of the Declaration is amended by adding the following to the end thereof:

Insurance obtained by the Association under this Paragraph shall cover the members of the Association committees established under Article IV, Section 15 of the Association By-Laws, including but not limited to officers and directors of the Ladies Club, to the same extent as Association directors and officers are covered hereunder.

IN WITNESS WHEREOF, the undersigned officers of Laurel Springs Homeowners' Association, Inc., hereby certify that this amendment to the Declaration was duly adopted by the required majority of the Association membership and Board of Directors.

This _____ day of _____, 200__.

ASSOCIATION: LAUREL SPRINGS HOMEOWNERS' ASSOCIATION, INC.

Sworn to and subscribed to before me this 16th day of May, 2007.

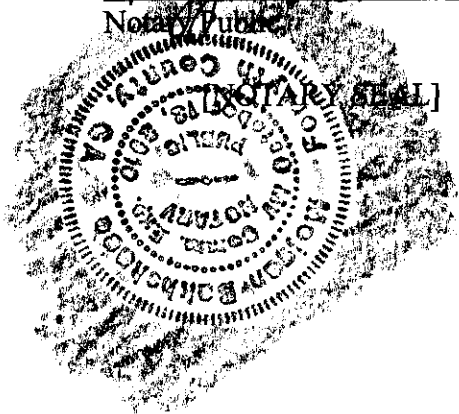
By: Donna Gue McKenzie (Seal)
President

Conrad Kennedy
Witness

Attest: _____ (Seal)
Secretary

Maria Bell
Notary Public

[CORPORATE SEAL]





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STATE OF GEORGIA
COUNTY OF FORSYTH

Reference: Deed Book: 931
Page: 107

**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LAUREL SPRINGS**

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PREPARED BY:

**WEISSMAN, NOWACK,
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**AMENDED AND RESTATED DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
LAUREL SPRINGS**

WHEREAS, Laurel Springs Limited Partnership, a Delaware limited partnership, recorded a Declaration of Covenants, Conditions and Restrictions for Laurel Springs, on January 5, 1996 in Deed Book 931, Page 107, *et seq.*, Forsyth County, Georgia Records (hereinafter referred to as the "Original Declaration"), as amended; and

WHEREAS, Article XV, Section 15.2 of the Original Declaration provides that the Original Declaration may be amended by the affirmative vote or written consent of the members of the Laurel Springs Homeowners Association, Inc. ("Association") representing fifty-one (51%) percent of their voting power present in person or by proxy at a duly called meeting of the Association; and

WHEREAS, members of the Association representing fifty-one (51%) percent of their voting power desire to amend the Original Declaration and have approved this Amended and Restated Declaration; and

WHEREAS, this Amended and Restated Declaration is not made without the approval of eligible first mortgage holders on lots at Laurel Springs and is not material with respect to eligible first mortgage holders on lots in that it does not materially and adversely affect the security title or interest of any such first mortgage holder; provided, however, if a court of competent jurisdiction determines that it does so without such first mortgage holder's consent, then this Amended and Restated Declaration shall not be binding on the first mortgage holder so involved, unless it consents hereto; and if such consent is not forthcoming, then the provisions of the Original Declaration, as amended, prior hereto shall control with respect to the affected first mortgage holder;

NOW, THEREFORE, the Original Declaration and all exhibits thereto, are hereby stricken in their entirety and the following is simultaneously substituted therefor:

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LIST OF EXHIBITS

- | | | |
|-------------|---|-----------------------------------|
| EXHIBIT "A" | - | DESCRIPTION OF SUBMITTED PROPERTY |
| EXHIBIT "B" | - | GOLF CLUB PROVISIONS |

1. NAME

The name of the Community is Laurel Springs, which is a residential property owners' development. The Community is not hereby submitted to the Georgia Property Owners' Association Act, but may be submitted by an amendment hereto approved and executed by the Board of Directors, as provided in Paragraph 19 hereof.

2. DEFINITIONS

Generally, terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Georgia Nonprofit Corporation Code. Unless the context otherwise requires, certain terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall be defined as follows:

(A) **Act** means the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, *et seq.* (Michie 1982), as may be amended.

(B) **Architectural Review Committee** or **ARC** means the committee established to exercise the architectural review powers set forth herein, which shall be the Board of Directors of the Association unless the Board appoints a separate Architectural Review Committee.

(C) **Area of Common Responsibility** means the Common Property, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other Person become the responsibility of the Association.

(D) **Articles of Incorporation** or **Articles** mean the Articles of Incorporation of Laurel Springs Homeowners Association, Inc., filed with the Secretary of State of the State of Georgia.

(E) **Association** means Laurel Springs Homeowners Association, Inc., a Georgia nonprofit corporation, its successors or assigns.

(F) **Association Legal Instruments** means this Declaration and all exhibits hereto, and the plats, all as may be supplemented or amended.

(G) **Board of Directors** or **Board** means the body responsible for management and operation of the Association.

(H) **Builder/Owner** means the Owner of a Lot who as a primary vocation is in the business of construction of residences for third parties and who acquires and owns such Lot for the purpose of development and construction of a dwelling thereon and the sale thereof to a third party. No person or entity shall constitute a Builder/Owner as to a Lot, if the dwelling on such Lot is occupied by such person or any person related to or affiliated with such person or entity.

(I) **By-Laws** mean the By-Laws of Laurel Springs Homeowners Association, Inc.

(J) **Club Operator** means the owner of the property on which the Golf Club is located, its successors and assigns.

(K) **Common Property** means any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.

(L) **Common Expenses** mean the expenses incurred or anticipated to be incurred for the general benefit of all Lots, including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Property.

(M) **Community-Wide Standard** means the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board and the Architectural Review Committee.

(N) **Community** means that real estate which is submitted to this Declaration, as described in Exhibit "A" attached hereto and incorporated herein by reference. The Community is a residential property owners' development.

(O) **Declarant** means Laurel Springs Limited Partnership, its successors-in-title and assigns, provided any such successors-in-title or assigns shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the real property described in Exhibit "A," or the real property which is intended to become part of the Community, and provided further, in all instruments of conveyance to any such successors-in-title or assigns, such successors-in-title or assigns are designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance; provided, further, upon such designation of successor Declarant, all rights and obligations of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that there shall be only one person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one time.

(P) **Effective Date** means the date that this Declaration is recorded in the Forsyth County, Georgia land records.

(Q) **Eligible Mortgage Holder** means a holder of a first Mortgage secured by a Lot who has requested in writing notice of certain items as set forth in this Declaration.

(R) **Golf Club** shall mean and refer to the property on which Declarant develops the golf course and related facilities located in the vicinity of the Properties and which is known or to be known as the Golf Club, including the eighteen hole golf course, clubhouse, golf driving range, putting green, golf cart paths, golf pro shop, locker room facility, food and beverage facilities, or related facilities, and, any lakes, ponds or water courses located within the boundaries of or contiguous to the golf course. Declarant presently owns the Golf Club (as the Club Operator at the time of initial recordation of this Declaration) and the Golf Club is not part of the Common Property nor is it governed by the provisions of this Declaration except as specifically provided herein. No Owner, or other person, nor the Association, shall have any rights in and to, or obligations with respect to the Golf Club except as expressly and specifically provided herein.

(S) **Lot** means a portion of the Community intended for ownership and use as a single-family dwelling site as permitted in this Declaration and as shown on the plats for the Community, or amendments or supplements thereto, recorded in the Forsyth County, Georgia land records.

(T) **Mortgage** means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance of fee title for such purpose.

(U) **Mortgagee** or **Mortgage Holder** means the holder of any Mortgage.

(V) **Occupant** means any Person staying overnight in a dwelling on a Lot for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year, regardless of whether such Person is a tenant or the Owner of such property.

(W) **Officer** means an individual who is elected by the Board to serve as President, Vice President, Secretary, or Treasurer, or to hold such other subordinate office as the Board may establish.

(X) **Owner** means the record title holder of a Lot, but shall not include a Mortgage Holder. For purposes hereof, the holder of a tax deed on a Lot shall be deemed the Owner thereof, notwithstanding the fact that there may exist a right of redemption on such Lot.

(Y) **Person** means any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity.

3. LOCATION, PROPERTY DESCRIPTION, AND PLATS

The real property in the Community subject to this Declaration is more particularly described in Exhibit "A" attached to this Declaration and incorporated herein by this reference. Plats of survey relating to the Community have been filed in Plat Book 48, Pages 86-108 and 146-157; Plat Book 45, Pages 196-217; Plat Book 49, Pages 164-172; Plat Book 50, Pages 28-34 and 258-273; Plat Book 53, Pages 89-102; Plat Book 54, Pages 25-33; Plat Book 57, Pages 123-135; Plat Book 58, Pages 120-135; Plat Book 60, Pages 274-279; Plat Book 61, Pages 55-62; Plat Book 64, Pages 204-205, Forsyth County, Georgia records, as may be supplemented. The plats of survey are incorporated herein by reference.

4. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

(A) **Membership.** All Lot Owners, by virtue of their ownership of a Lot in the Community are members of the Laurel Springs Homeowners Association, Inc. This is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned.

(B) **Voting.** The Owner or collective Owners of a Lot shall be entitled to one (1) equally weighted vote for such Lot. Members shall be entitled to one (1) equal vote for each Lot owned. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves, otherwise, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it.

5. ALLOCATION OF LIABILITY FOR COMMON EXPENSES

(A) **General Allocations.** Except as provided below or in the Association Legal Instruments, the amount of all Common Expenses shall be assessed against all the Lots equally.

(B) **Specific Special Assessments.** Notwithstanding the above, the Board of Directors shall have the power to levy specific special assessments as provided in this Paragraph. Failure of the Board to do so shall not be grounds for any action against the Association or the Board and shall not constitute a waiver of the Board's right to do so in the future.

(i) Except for expenses incurred for maintenance and repair of Association Common Property, Common Expenses benefiting less than all of the Lots or significantly disproportionately benefiting all Lots may be specifically specially assessed equitably among all of the Lots which are benefited according to the benefit received, if the Board is requested to incur such Common Expenses by the individuals benefited thereby, or their authorized representatives.

Under this provision, the Association may levy specific special assessments against Owners of Lots within particular neighborhoods or phases of the Community for expenses for services or items disproportionately benefiting that particular neighborhood or phase, such as maintenance of landscaping on Lots within phases or portions of the Community, but only if: (1) the Association is contractually required to maintain such Lots; or (2) the Owners of Lots in that phase or portion of the Community, or their authorized representatives, have requested that the Association provide such service.

(ii) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any such Lot or Lots may be specifically specially assessed against such Lot(s), including attorney's fees incurred by the Association in enforcing the Declaration, By-Laws or Association rules.

6. ASSESSMENTS

(A) **Purpose of Assessment.** The Association shall have the power to levy assessments as provided herein. The assessments for Common Expenses 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, as may be more specifically authorized from time to time by the Board.

(B) **Creation of the Lien and Personal Obligation For Assessments.** Each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments; (iii) Capital Contribution Assessments; and (iv) specific special assessments against any particular Lot which are established pursuant to the terms of this Declaration, including fines imposed in accordance with the terms of this Declaration.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred (including post-judgment collection costs, attorneys' fees, and expenses), and if the Board so elects, rents, in the maximum amount permitted under law, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Lot at the time when the assessment fell due. 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. The Association, in the Board's discretion, may, but shall not be obligated to, record a notice of such lien in the Forsyth County, Georgia records evidencing the lien created under this Declaration.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board. No Owner may exempt himself or herself from liability, or otherwise withhold payment of assessments, for any reason whatsoever, including, but not limited to, nonuse of the Common Property, the Association's failure to provide services or perform its obligations required hereunder, inconvenience or discomfort arising from the Association's performance of its duties, or a dispute with the Association over any matter.

The lien provided for herein shall have priority over all other liens whatsoever except:

- (1) Liens for ad valorem taxes on the Lot;
- (2) The lien of any first priority mortgage covering the Lot; and
- (3) The lien of any secondary priority purchase money mortgage covering the Lot, provided that neither the grantee nor any successor grantee on the mortgage is the seller of the Lot.

(C) **Delinquent Assessments.** All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(i) If the annual assessment, any part or installment thereof or any other fine, special assessment or charge is not paid in full within ten (10) days of the due date, or such later date as may be provided by the Board:

(a) a late charge equal to the greater of \$10.00 or 10% of the amount not paid may be imposed without further notice or warning to the delinquent Owner;

(b) interest at the maximum legal rate shall accrue from the due date; and

(c) upon thirty (30) days written notice to the Owner, the Board may accelerate and declare immediately due all of that Owner's unpaid installments. Upon acceleration, that Owner shall thereby lose the privilege of paying any and all assessments and charges in installments for that fiscal year, unless such privilege is otherwise reinstated in the Board's sole discretion.

(ii) If assessments, fines or other charges, or any part thereof, remain unpaid more than thirty (30) days after the assessment payments first become delinquent, the Owner's and Occupant's right to vote shall be automatically suspended, and right to use the Common Property may be suspended by written notice from the Association, until all amounts owed are paid in full, and the Association, acting

through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the By-Laws and Georgia law, including reasonable attorney's fees actually incurred. Enforcement under this subparagraph is not dependent upon or related to other restrictions and/or other actions.

In connection with this provision, the Board is authorized to suspend entry gate access card use for vehicular access over Common Property and require access through the main Community access gate; however, the Board may not deny pedestrian ingress or egress to or from a Lot through the main Community access gate and over the Common Property roadways.

(iii) If any assessment, fine or other charge is delinquent for thirty (30) days or more, in addition to all other rights provided herein, the Association shall have the right upon thirty (30) days written notice, to suspend any utility services paid for as a Common Expense, to that Lot until such time as the delinquent assessments and all costs incurred by the Association pursuant to this Paragraph, including reasonable attorney's fees, are paid in full. Any costs incurred by the Association in discontinuing and/or reconnecting any utility or other service, including reasonable attorney's fees, shall be an assessment against the Lot.

(iv) If part payment of assessments or other charges is made, the amount received may be applied first to post-judgment attorney's fees, costs and expense, then to costs and attorney's fees not reduced to a judgment, then to interest, then to late charges, then to delinquent assessments and then to current assessments.

(D) Computation of Operating Budget and Assessment. Prior to the beginning of each fiscal year, the Board shall prepare a budget covering the estimated costs of operating the Community during the coming year, and the Board shall establish the annual assessment or installments for the coming year. The Board shall cause the budget and notice of the assessment(s) to be delivered to each Owner at least 30 days prior to the due date for such assessment, or the first installment thereof. The budget and the assessment shall become effective without any membership vote if the budget and assessment is increased no more than 12% above the previous year's budget. Any budget and assessment increase greater than 12% above the previous year's budget and assessment shall become effective if approved by a majority of those eligible Owners who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws.

If the Owners fail to approve a proposed budget when required, or the Board fails for any reason to determine the budget for the succeeding year, then, until a budget is determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. In such event, the Board may propose a new budget at any time during the year by causing the proposed budget and assessment to be delivered to the Owners at least 30 days prior to the proposed effective date thereof. Unless a special meeting is requested by the members, as provided in the By-Laws for special meetings, the new or adjusted budget and assessment shall take effect without a meeting of the Owners.

The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is merely an estimate of Common Expenses on which the Board may base the annual assessments.

Except with approval of at least a majority of those eligible Owners who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws, the Board shall in no event whatsoever either: (i) make or budget for an expenditure of more than \$50,000 for any capital project in a year, other than for repair or replacement of existing infrastructure; or (ii) make or budget for any cumulative expenditures of more than \$100,000 for capital projects in a year, other than for repair or replacement of existing infrastructure in the Community.

(E) Special Assessments. In addition to the annual assessment provided for in subparagraph (b) above, the Board may, at any time, and in addition to any other rights it may have, levy a special assessment against Owners. At least 30 days before the due date thereof, the Board shall send or issue notice of any such special assessment to all Owners subject to such assessment. If such special assessment is for any purpose other than scheduled or emergency repairs to, or replacement of portions of the Common Property, then such special assessment shall become effective only if approved by a majority of those eligible members of the Association who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws.

(F) **Capital Budget and Contribution.** The Board of Directors shall set the annual capital reserve contribution(s) required, and the Board shall include such contribution within the budget and assessment as provided in subparagraph (D) of this Paragraph. A copy of the capital reserve budget shall be distributed to each member in the same manner as the operating budget.

(G) **Roads and Infrastructure.** The Board shall have prepared by a registered civil engineer, and shall update annually, a reserve study and funding analysis covering roads, curbs, sidewalks and drainage facilities on the Common Property (the "Roads and Infrastructure"). The Board shall appropriate funds annually for capital road reserves in an amount sufficient to permit meeting the projected capital needs of the Association with respect to the Roads and Infrastructure. The reserve account for Roads and Infrastructure shall be kept in a separate reserve account and earmarked for repair and replacement of Roads and Infrastructure, and shall not be used for other purposes except with approval of a majority of those eligible members of the Association who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws.

Each year, the Board shall either: (1) perform Roads and Infrastructure repairs and/or replacements in the Minimum Annual Road Contribution, as hereinafter defined; or (2) contribute at least the Minimum Annual Road Contribution amount to the designated Roads and Infrastructure reserve account. For the first three (3) years after the Effective Date of this Declaration, the Minimum Annual Road Contribution shall be \$100,000.00. Each year thereafter, the Minimum Annual Road Contribution shall increase five (5%) percent above the Minimum Annual Road Contribution for the previous year. To meet the Minimum Annual Road Contribution requirements, the Board can appropriate a portion of the annual operating budget, allocate funds from the unrestricted capital reserves, or establish a special assessment.

(H) **Other Capital Items.** In addition to the above, the Board shall annually prepare a capital reserve budget that shall take into account the number and nature of other replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board may, but shall not be obligated to, set the required capital reserve contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital reserve budget, with respect both to amount and timing by equal annual assessments over the period of the budget.

(I) **Capital Contribution Assessment Upon Transfer of Lots.** In addition to all other assessments, fees and charges provided for herein, the purchaser or grantee of every Lot shall be assessed and be subject to a non-refundable, non-prorated capital contribution assessment ("Capital Contribution Assessment"), upon each and every conveyance or transfer of the Lot to any person other than to the spouse of the Owner. The Capital Contribution shall be in an amount established by the Board prior to each calendar year. However, the Capital Contribution shall be equal among all Lots subject to such assessment during each particular calendar year.

The Capital Contribution Assessment shall be due and payable by the purchaser at the time of conveyance or transfer of the Lot and shall be collected at the closing of each such conveyance or transfer. The Capital Contribution Assessment shall not constitute an advance payment of annual assessments. The Capital Contribution Assessment shall constitute a specific special assessment and continuing lien against such Lot, and a personal obligation of the Owner of such Lot, from the time it is due until it is paid in full. The Capital Contribution Assessment shall be in addition to the annual, special and other specific assessments provided for herein.

(J) **Statement of Account.** Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against such Lot. The Association shall respond in writing within five (5) business days of receipt of the request for a statement; provided, however, the Association may require the payment of a reasonable fee as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein, if such statement is reasonably relied upon in connection with the issuance of any mortgage on such Lot.

(K) **Surplus Funds and Common Profits.** Common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, be: (1) distributed to

the Owners; (2) credited to the next assessment chargeable to the Owners; or (3) added to the Association's capital reserve account.

7. MAINTENANCE RESPONSIBILITY

(A) Owner's Responsibility. Each Owner shall maintain and keep his or her Lot and dwelling in good repair, condition and order. In addition, each Owner shall maintain any public right-of-way located between the Owner's Lot and the curb of the street(s) bordering such Lot. Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. Each Owner shall perform his or her responsibility hereunder in such manner so as not to unreasonably disturb other Lot Owners.

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

The Association shall have the right, but not the obligation, to maintain public rights of way adjacent to the Community and other property not owned by the Association if the Board determines that such maintenance would benefit the Community. The foregoing maintenance shall be performed consistent with the Community-Wide Standard.

If, during the course of performing its maintenance responsibilities hereunder, the Association discovers that maintenance, repair or replacement is required of an item which is the Owner's responsibility and the Owner has failed to perform, and such maintenance, repair or replacement must be performed for the Association to properly complete its maintenance project, then the Association may perform such work on behalf of the Owner and at the Owner's sole expense, without prior notice to the Owner as provided in subparagraph (C) below.

In addition to the above, if the Board determines that the need for maintenance or repair in the Area of Common Responsibility is caused through the willful or negligent act of any Owner or Occupant or their family, guests, lessees, or invitees, then the Association may perform such maintenance, repair or replacement without notice to the Owner, and assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Lot, which shall become the personal obligation of the Owner, a lien against the Lot and shall be collected as provided herein for the collection of assessments.

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

(C) Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board.

Unless the Board determines that an emergency exists or a violation is re-occurring for which notice previously has been issued hereunder, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (i) an emergency exists or a violation is re-occurring for which notice has been previously issued hereunder, or (ii) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which the Owner is subject, shall become and be the personal obligation of the Owner and a lien against the Lot, and shall be collected as provided herein for the collection of assessments.

(D) Maintenance Standards and Interpretation. The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another term of the Board. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Paragraph. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

8. ARCHITECTURAL CONTROLS

(A) Architectural Review Committee. The Architectural Review Committee ("ACC") shall constitute a standing committee of the Association. The ARC shall consist of the Board unless the Board delegates to other Persons the authority to serve on the ACC. The ARC shall have the authority to select and employ professional consultants to assist it in discharging its duties, the cost of such consultants to be paid by the Owner of any Lot for which plans and specifications have been submitted for approval. The ARC also is authorized to charge a reasonable fee, as a specific assessment hereunder, to cover its time and expense in connection with the review process. The ARC further is authorized to require placement of a bond by an applicant to assure compliance with this Declaration and to cover any damages caused by the construction of improvement activities approved by it hereunder.

(B) Modifications on Lots or Common Property. Except as otherwise provided herein, no Owner, Occupant, or any other person may, without first obtaining written approval of the ACC:

- (i) make any encroachment onto the Common Property,
- (ii) construct any dwelling or other improvement on a Lot, or
- (iii) make any exterior change, alteration or construction on a Lot, or post any object on the Lot, or make or any alteration of the Lot which affects the exterior appearance of the Lot.

Reasonable seasonal decorative lights may be displayed for reasonable periods of time determined by the ACC.

(C) Required Action by Board or ACC; Community Standards. Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ARC may reasonably require. The Board may establish procedures, forms, conditions and requirements for the submission of applications for ARC approval hereunder. Except as may otherwise be determined by the Board, the ARC or its designated representative shall make a determination on such application and may withhold approval for any reason, including purely aesthetic considerations. The Association, acting through the Board, shall be entitled to stop any construction which is not in conformance with approved plans. Within 12 months of the Effective Date, the Board will promulgate and publish updated written standards for exterior alterations or additions covered by this Paragraph. The Board may periodically update or revise such standards, as the Board determines is appropriate. Any standards established by the Board hereunder may be amended or vetoed by a majority of the total eligible Association vote.

The standard for approval of such improvements shall include, but not be limited to: (1) aesthetic considerations; (2) materials to be used; (3) compliance with the Community-Wide Standard, this Declaration, or the design standards which may be adopted by the Board or ACC; (4) harmony with the external

design of the existing buildings, Lots and structures, and the location in relation to surrounding structures and topography; and (5) any other matter deemed to be relevant or appropriate by the Board or ACC.

If the Board or ARC fails to approve or to disapprove such application within 45 days after the application and all information as the Board or ARC may reasonably require have been submitted, then the Owner submitting the application may issue written notice, via certified mail, to both the Association President and managing agent, informing the President and managing agent of the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within 10 days of receipt of the Owner's notice, the approval will not be required and this subparagraph will be deemed complied with as to the items specifically identified in the application; provided, however, even if the requirements of this subparagraph are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, By-Laws or rules and regulations of the Association, or of any applicable zoning or other laws.

(D) Landscaping. Notwithstanding anything contained herein to the contrary, the following actions relating to landscaping on Lots shall not require submission to and approval by the ARC if done in compliance with any standards that may be published by the Board or ACC:

(i) The planting of trees and shrubbery, unless they are along a property line (row or cluster style) plantings.

(ii) The removal of trees unless they have a diameter in excess of six inches at a point 12 inches above the ground.

(iii) The planting of annual and perennial flowers.

(iv) The installation of reasonably sized plant beds, but any brick or stone walls accompanying such beds require prior written ARC approval.

(v) The placement of appropriate potted plants and decorations at the front door and entry area of the dwelling. Such pots and decorations must coordinate with the style and character of the home, and such pots, decorations, and plants must be maintained in a neat, proper and healthy condition.

(vi) The placement of appropriate statuary not greater than twenty inches in total height, and coordinated with the style and character of the dwelling. All other exterior decorative objects require written ARC approval before installation.

(vii) The construction of a vegetable garden plot provided that the plot (a) is located behind the rear line of the house so as to minimize the visual impact on adjacent properties and from the street; (b) the size of the plot is limited to 100 square feet; and (c) the plot is cleared at the completion of the growing season.

(E) Appeal. If the ARC or its designated representative disapproves any application or part thereof, an Owner shall have the right to appeal the ACC's decision to the Board of Directors. The Board shall rule on the appeal by majority vote within 45 days of receiving written notice requesting an appeal from the Owner. In ruling on the appeal, the Board shall consider all relevant materials presented to it by either the Owner or the ACC. The Board of Directors shall have the final authority to approve, disapprove, or conditionally approve or disapprove the Owner's application. If the Board does not receive written notice from the Owner by certified mail requesting an appeal within 21 days from the date of the ACC's notice to the Owner of its decision, the decision of the ARC shall become final and all rights of appeal shall terminate.

(F) Limitation of Liability. Review and approval of any application pursuant to this Paragraph may be made on any basis, including solely the basis of aesthetic considerations, and neither the Board of Directors nor the ARC shall bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations and other governmental requirements. Neither the Association, the Board of Directors, the ACC, nor member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner,

design or quality of approved construction on or modifications to any Lot, nor may any action be brought against the Association, the Board of Directors, the ACC, or any member thereof, for any such injury, damage or loss.

(G) **No Waiver of Future Approvals.** Each Owner acknowledges that the members of the Board of Directors and the ARC will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the Board of Directors and ARC may adopt different architectural standards for different parts of the Community, based on street visibility and location of the proposed modification. The approval of either the Board of Directors or the ARC of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors or the ACC, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

(H) **Commencement and Completion of Construction.** All changes, modifications and improvements approved by the ARC hereunder must be commenced within six (6) months from the date of approval. If not commenced within such time, then such approval shall be deemed revoked by the ACC, unless the ARC gives a written extension for commencing the work. All work approved by the ARC hereunder shall be completed in its entirety within nine (9) months from the date of commencement, unless otherwise agreed in writing by the ACC. All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or improvement. No dwelling on a Lot may be occupied until the exteriors thereof and the landscaping on the Lot have been completed in accordance with plans approved by the ARC hereunder and a certificate of occupancy on such dwelling has been issued by Forsyth County, Georgia or the applicable governmental entity.

(I) **Dwellings and Garages.** The dwelling on a Lot shall not exceed a height as may be authorized by applicable zoning or the ARC standards, whichever is more restrictive. A detached garage shall not exceed the height of the dwelling. The garage must be connected to the street by a driveway of concrete, asphalt or such other material as approved by the ACC. Each dwelling constructed on a Lot shall have at least 2,200 square feet of heated area, exclusive of open porches, garages and/or carports. The ARC is expressly authorized to limit the size of a dwelling that may be constructed on a Lot.

(J) **Walls and Fences.** Owners must obtain ARC approval before installing or constructing fences and walls, pursuant to standards adopted by the Board. No chain link or welded wire fencing is permitted on Lots. No walls or fences may be installed on any Lot nearer to the street front than the plane formed by the front building line of the dwelling on the Lot, unless otherwise approved in writing by the ARC. All walls and fences on any Lot must be no higher than approved by the ARC. No fence may be installed which will impede the natural flow of water across the Lot. Each Owner is responsible for promptly correcting any encroachment onto property other than his or her Lot created by his or her installation of a wall or fence, and Owners are encouraged to survey their property to avoid unauthorized encroachments. Each Owner shall be responsible for maintaining any wall, fence or hedge as may exist on his or her Lot.

(K) **Outbuildings.** No structure of a temporary character, trailer, tent, shack, carport, garage, barn or other outbuilding shall be erected or used by any Owner or Occupant in any portion of the Community, at any time, either temporarily or permanently.

(L) **Flagpoles.** ARC approval is not required to install a single flagpole for the purpose of displaying a United States flag. The flagpole must be no longer than six feet in length and must be attached to the front or side portions of the dwelling. The size of the United States flag displayed may not be greater than three feet by five feet in size. Freestanding flagpoles or more than one pole per Lot is not permitted without the prior written consent of the ARC. The United States flag must be properly maintained.

(M) **Golf Club Lot Landscaping and Fencing.** The rear yards of Lots lying adjacent at any boundary to the Golf Club may not be fenced without the approval of the ARC and Club Operator. Owners of Lots adjacent to the Golf Club may not grow nor permit to grow in the area of such Lots adjacent to the Golf Club varieties of grasses or other vegetation, which, in the opinion of the owner of the Golf Club is inimical to the Golf Club grasses or vegetation. Such Owners, may, however, with the prior approval of the ARC and Club Operator install barriers which will prevent the spread of otherwise prohibited grasses and vegetation adjacent to the Golf Club.

9. USE RESTRICTIONS

Each Owner of a Lot shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of the Association Legal Instruments. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants or Occupants, as a result of such person's violation of the Association Legal Instruments, 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.

In addition to the following use restrictions, the Board of Directors may adopt rules and regulations in accordance with the terms hereof and as specified in the By-Laws.

(A) **Above-Ground Pools.** No above ground pools are permitted on Lots.

(B) **Antennas and Satellite Dishes.** Except as provided below, no antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained outdoors in any portion of the Community, whether attached to a home or structure or otherwise, except by the Board. The following shall apply to all Lot Owners:

(i) No transmission antenna, of any kind, may be erected anywhere in the Community without written approval of the Board or the ACC.

(ii) No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) larger than one meter in diameter shall be placed, allowed, or maintained in any portion of the Community, including a Lot.

(iii) DBS and MMDS antennas one meter or less in diameter and television broadcast service antennas may only be installed in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association authorized by the FCC, both as may be amended from time to time. Any such items shall be installed in the least conspicuous location available on the Lot that permits reception of an acceptable signal.

(C) **Basketball Goals.** No portable basketball goals shall be permitted on Lots. All backboards shall be of clear material.

(D) **Drainage/Sprinkler Systems.** 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. If drainage grating and/or headwalls are located on a Lot, the Owner of such Lot shall be responsible for ensuring that such drainage grating and/or headwalls are clear of obstruction and debris to allow for proper drainage flow. Furthermore, no Owner or Occupant may obstruct or rechannel the drainage flows after the initial location and installation of drainage swales, storm sewers, or storm drains before or during construction of the dwelling on the Lot.

(E) **Drainage.** Natural drainage of streets, Lots, or roadway ditches will not be impaired by any Owner. Driveway culverts will be of sufficient size to afford proper drainage of ditches without backing water up into a ditch or diverting flow. Declarant or the Board may remove any culvert that obstructs the flow of water through the street ditches. The breaking of curbs for drive installations will be accomplished in a good and workman-like manner. Such break will be installed without hindrance to drainage and such work is subject to inspection and approval by the ACC.

(F) **Erosion Control; Contamination.** No activity which may create erosion or siltation problems in any portion of the Community shall be undertaken on any Lot without the prior written approval of the Board of Directors or ARC of plans and specifications for the prevention and control of such erosion or siltation. Such plans and specifications shall be designed by a professional engineer licensed in the State of Georgia, and all costs and expenses related thereto shall be borne exclusively by the Lot Owner. The Board of Directors or ARC may, as a condition of approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion or siltation. Such means may include, by way of example and not of limitation, physical devices for controlling the run-off and drainage of water, special precautions in grading, clean-up

activities and requiring landscaping as provided for herein. No activity which results in contamination of or any damage to any stream, water course or any other Lot shall be conducted on any Lot, and each Owner shall be liable for all resulting damages from such activity and for restoration of a property damaged from contamination resulting from or attributable to such activity. Notwithstanding any approval of plans or specifications for improvements on a Lot under Paragraph 8 hereof, the Owner shall be responsible for correcting any erosion, siltation or drainage problems created by the Owner's or a predecessor in title's modification or improvement.

(G) **Firearms and Fireworks.** The display or discharge of firearms or fireworks in the Community is prohibited, except: (i) lawful firearms by law enforcement officers; and (ii) for the limited purpose of transporting the firearms on the Owner's Lot for transport between the Owner's dwelling and vehicle. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. The term "fireworks" shall include those items as listed in O.C.G.A. Section 25-10-1, as amended.

(H) **Garage Sales.** No garage sale, carport sale, yard sale, flea market, or similar activity shall be conducted in any portion of the Community without prior written Board consent and subject to reasonable conditions established by the Board. However, Owners may conduct estate sales or similar sales entirely within their dwellings, provided only Laurel Springs residents are invited to such sale.

(I) **Garages.** If garage space is available, Owners and Occupants should park their cars and other motor vehicles in the garage before parking in the driveway. While occasional driveway parking is acceptable, the intent of this provision is to prohibit frequent or recurring parking in driveways (as may be determined by Board resolution) when garage space is available. Garage doors also should remain closed when not in use for ingress, egress or garage use, or when the Owner or Occupant is not outside on the Lot, and the Board shall be authorized to establish reasonable regulations further defining this provision. To minimize the necessity of driveway parking in the community, garages shall be maintained in a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible.

(J) **Impairment of Dwellings and Easements.** An Owner shall do no act nor any work that will impair the structural soundness or integrity of another dwelling or impair any easement in favor of the Association or any other Owner or party.

(K) **Mailboxes.** Only one mailbox may be located on each Lot. In the event a mailbox is destroyed or damaged, it shall be replaced or restored to its original appearance by the Owner, unless prior approval is given by the ARC for a different mailbox. The Board may establish mailbox standards and require reasonable modifications or upgrades to mailboxes and mailbox posts to meet revised community standards.

(L) **Merger and Subdivision of Lots.** Upon application in writing by an Owner of adjoining Lots, the Board of Directors may authorize the merger of adjoining Lots or the subdivision of a Lot, subject to the consent of such Mortgagees as may have an interest in the affected Lot. Such plats and plans as may be necessary to show the merged or subdivided Lots shall be thereafter prepared at the expense of the requesting Owner, who shall additionally be responsible for all costs, including legal fees, associated with the merger or subdivision of such Lots. The Board may impose conditions for use of the merged or subdivided Lot as a condition precedent to granting approval for such a merger or subdivision. From and after the time a merger or subdivision of Lots is approved, such resulting Lots shall, for all purposes, be considered Lots in accordance with their new boundaries.

(M) **Oil and Mining Operations.** No oil drilling or development operation, water wells, soil refining, quarrying, or mining operations of any kind shall be permitted upon or in any Lot, nor shall oil wells, tanks, tunnels, mineral excavations, or shafts be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil, water, natural gas, or minerals shall be erected, maintained, or permitted upon any Lot.

(N) **Parking.** No Owner or Occupant may keep or bring into the Community more than a reasonable number of vehicles per Lot at any time, as determined by the Board; provided, however, the Board may adopt reasonable rules limiting the number of vehicles which may be parked in the Community. Vehicles only may be parked in garages, driveways on Lots, designated parking spaces, or other areas authorized in writing by the Board. Vehicles may not be parked on any grass or landscaped areas on Lots.

Disabled and stored vehicles are prohibited from being parked in the Community, except in garages or with written Board approval. For purposes of this subparagraph, a vehicle shall be considered

"disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains in the Community, other than in a garage, for fourteen (14) consecutive days or longer without being driven.

Boats, trailers, jet-skis, panel trucks, buses, trucks with a load capacity of one (1) ton or more, full-size vans (excluding vans used by handicapped persons, mini-vans or sport utility vehicles used as passenger vehicles and receiving a "car" or "passenger vehicle" classification by the Georgia Department of Motor Vehicles), recreational vehicles (RV's and motor homes), vehicles used primarily for commercial purposes and containing visible evidence of commercial use (such as tool boxes or tool racks), and vehicles with commercial writings on their exteriors (except for Sheriff's, Marshall's or police officer's vehicles marked as such) are also prohibited from being parked in the Community, except: (1) in garages or as otherwise approved by the Board, or (2), in the case of service vehicles, on a temporary basis during daytime business hours or during emergencies for the purpose of serving a Lot.

If any vehicle is parked in any portion of the Community in violation of this Paragraph or in violation of the Association's rules and regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of the person or entity that will do the towing or booting and the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the Board or agent of the Association may have the vehicle towed or booted in accordance with the notice, without further notice to the vehicle owner or user.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Lot or dwelling, is obstructing the flow of traffic, is parked on any grassy area, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed or booted immediately. If a vehicle is towed or booted in accordance with this subparagraph, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing or booting activity. The Association's right to tow or boot is in addition to, and not in limitation of all other rights of the Association, including the right to assess fines. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

(O) Pets. No Owner or Occupant may keep any animals other than a reasonable number of generally recognized household pets in any portion of the Community, as determined in the discretion of the Board.

No Owner or Occupant may keep, breed or maintain any pet for any commercial purpose. Pets may not be left unattended outdoors and become a nuisance under subparagraph (E) above. No structure for the care, housing, or confinement of any pet shall be constructed or maintained in any part of the Community. No pets are allowed on any recreational facilities located on the Common Property. Dogs must be kept on a leash and be under the physical control of a responsible person at all times while outdoors in areas which are not fully enclosed by a fence. Feces left by pets upon the Common Property or on any yard or lawn area on a Lot, including the pet owner's Lot, must be removed promptly by the owner of the pet or the person responsible for the pet.

No potbellied pigs, venomous snakes or animals determined in the Board's sole discretion to be dangerous may be brought onto or kept in the Community at any time. The Board may require that any pet which, in the Board's opinion, endangers the health of any Owner or Occupant of any Lot or which creates a nuisance or unreasonable disturbance, be permanently removed from the Community upon seven (7) days' written notice. If the Owner or Occupant fails to comply with such notice, the Board may remove the pet and/or obtain a court order requiring the Owner or Occupant to do so. Without prior notice to the pet's owner, the Board may remove any pet, which, in the Board's sole discretion, presents an immediate danger to the health, safety or property of any community member.

The Board is authorized to establish additional rules or restrictions concerning pets in the Community. Any Owner or Occupant who keeps or maintains any pet in any portion of the Community shall be deemed to have agreed to indemnify and hold the Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet in the Community.

(P) **Play Equipment.** All play equipment on Lots, including wading pools, shall be located in the rear yard and within the extended sidelines of the house. The play equipment shall be located so that it will have minimum visual impact from the golf course, street and from adjacent Lots.

(Q) **Prohibition of Damage, Nuisance and Noise.** Except with the prior written consent of the Board, nothing shall be done or kept in the Community or any part thereof which would increase the rate of insurance for the Association, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses.

Noxious, destructive, offensive or unsanitary activity shall not be carried on in the Community. No Owner or Occupant may use or allow the use of the Lot or any portion of the Community at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Community. In this regard, specific unauthorized and unreasonable annoyances or disturbances shall include, but not be limited to, the following:

(i) Any fighting, raucous behavior or insobriety on the Common Property, or any Lot, if such conduct can be heard in the normal course of activities from within a dwelling on any other Lot;

(ii) The use of any alarm, equipment or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations, if such sounds can be heard or vibrations felt in the normal course of activities from within a dwelling on any other Lot, except for periodic emergency use or testing of alarm systems.

(iii) Any threatening or intimidating conduct towards any Association director, officer, agent, security personnel or vendor, or towards any resident, guest or pet in the Community;

(iv) Any conduct which, in the Board's reasonable discretion, creates any danger or risk of injury to others or damage to property in the Community, or which creates any threat to health or safety of any other resident or pet in the Community;

(v) Any conduct which creates any noxious or offensive odor in the Community, if such odors can be detected in the normal course of activities from within a dwelling on any other Lot;

(vi) Any incessant or excessive pet noises, including dog barking, if such conduct can be heard in the normal course of activities from within a dwelling on any other Lot;

(vii) Any construction or similar activities on a Lot, between the hours of 9:00 p.m. and 7:30 a.m., which can be heard from within a dwelling on any other Lot; or

(viii) Any similar action or activity in the Community which unreasonably interferes with the peaceful use and enjoyment of other Lots or the Common Property by any other Owner, members of his or her family, guests, invitees, or Occupants of his or her Lot.

However, nothing herein shall be construed to affect the rights of an aggrieved Owner or Occupant to proceed individually against a violator hereof for relief from interference with his or her property or personal rights, and the Board may, in its discretion, require aggrieved individuals to seek redress personally for interference with their personal property rights before the Association intervenes and commences enforcement action hereunder. No claim for any loss, damage or otherwise shall exist by an aggrieved Owner or Occupant against the Association for failure to enforce the provisions hereof if the aggrieved Owner or Occupant has not personally pursued all available remedies against the violator for redress provided under Georgia law.

No damage to or waste of the Common Property, or any part thereof, shall be permitted by any Owner or any Occupant, guest or invitee of any Owner. Each Owner and Occupant shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner or Occupant, or the Owner's or Occupant's guest or invitee.

(R) **Prohibition of Timesharing.** No arrangement such as time-share estates, time-share intervals, time-share programs, time-share projects and time-share uses as might be subject to registration under the Georgia Timeshare Act (O.C.G.A. § 44-3-160 *et seq.*) nor any other plan, scheme, idea, or similar device, whether by membership, agreement, tenancy-in-common, sale, lease, deed, rental agreement, license, right to use agreement, whereby a purchaser or other consumer, in exchange for and in consideration, receives the right to use or an interest in accommodations or facilities, or both, for a specific period of time less than a full year during any given year, but not necessarily for consecutive years, and which extends for a period of more than three (3) years shall be permitted within the Community.

(S) **Rubbish, Trash, and Garbage.** All rubbish, trash, and garbage shall be regularly removed from the Lot and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Property, temporarily or otherwise, except as provided herein. Rubbish, trash, and garbage shall be disposed of in appropriate sealed bags and placed in proper receptacles for collection. Garbage receptacles shall be located or screened so as to be concealed from view of neighboring Lots, streets, Common Property and the Golf Club when stored. The Board may establish additional regulations regarding placement of trash cans for pick-up and/or storage, including requiring waste removal in the Community from a single vendor and establishing schedules for trash can placement and waste pickup. Containerized household trash, garbage cans and landscape trash are to be placed at the curb no earlier than 6:00 p.m. on the day prior to collection, and all containers are to be removed from the curb no later than 9:00 p.m. on collection day.

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

(U) **Signs.** Except as may be provided for herein or as may be required by legal proceedings or any governmental construction permitting process, no signs, advertising posters, political placards or billboards of any kind shall be erected, placed, or permitted to remain in the Community, except that two (2) professional security signs not to exceed ten (10") inches by ten (10") inches each in size may be displayed on a Lot. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association. The Board also shall have the authority to adopt regulations permitting and governing "For Sale" signs and other signs on Lots. If the Board authorized any such signs, the Board may regulate the size, design, graphics, location, color, materials and number of such signs and may require that uniform signs be used or obtained. Notwithstanding the above, a Builder/Owner may erect one appropriate, professionally lettered and designed sign on a Lot, as approved by the Board or ACC, during the construction of a residence on such Lot.

(V) **Traffic Regulations.** All vehicular traffic on the private streets and roads within the Community shall be subject to the provisions of the laws of the State of Georgia and Forsyth County concerning operation of motor vehicles on public streets. The Board is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic within the Community, including reasonable safety measures and speed limits (including modifications of those in force on public streets) and restrictions on the types of vehicles which may be driven or kept in the Community. The Association shall be entitled to enforce same by establishing such enforcement procedures as it deems appropriate, including levying fines for the violation thereof. In the event of a conflict between such provisions of the laws of the State of Georgia and Forsyth County and the Association rules, the Association rules shall control unless the laws of the State of Georgia or Forsyth County are determined by the Board to be more restrictive.

Only drivers licensed to operate motor vehicles by the State of Georgia or by any other state in the United States may operate any type of motor vehicle within the Community, including golf carts, mopeds, motorcycles and motor driven bicycles. In order to operate a golf cart in the Community, the Owner or user thereof shall have complied with any regulations and requirements for the operation thereof as may be required by the Association and the Club Operator. All vehicles of any kind and nature which are operated on the streets or sidewalks of the Community shall be operated in a careful, prudent, safe, and quiet manner with due consideration for the rights of all Owners within the Community.

(W) **Unightly or Unkempt Conditions.** The pursuit of hobbies or other activities, including, but not limited to the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community except within a dwelling or garage. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the dwelling. Only appropriate outdoor items, such

as neatly stacked firewood, potted plants, patio furniture, grills, and bicycles may be kept outside the dwelling on the Lot, and such items shall be maintained in a neat and attractive condition, as determined by the Board.

(X) Use of Common Property and Amenities. There shall be no obstruction of the Common Property, nor shall anything be kept, parked or stored on or removed from any part of the Common Property without prior written Board consent, except as specifically provided herein.

With prior written Board approval, and subject to any restrictions imposed by the Board, Owner(s) and/or Occupant(s) may reserve portions of the Common Property for use for a period of time as set by the Board. Any such Owner(s) and/or Occupant(s) who reserve a portion of the Common Property as provided herein shall assume, on behalf of himself/herself/themselves and his/her/their Occupants, guests and family, all risks associated with the use of the Common Property and all liability for any damage or injury to any person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees. The Association shall not be permitted to charge any Owner to use any of the recreational facilities located on the Common Property in an amount in addition to the annual dues charged to all Owners, and shall not be permitted to allow use of the recreational facilities on the Common Property by non-Owners, unless they are guests of Owners.

The Association shall not be liable to the Owner of any Lot or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Property.

(Y) Use of Lots.

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

(a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the dwelling;

(b) the business activity does not involve visitation of the dwelling by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residential dwelling without business activity;

(c) the business activity does not increase traffic in the Community in excess of what would normally be expected for residential dwellings in the Community without business activity (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services);

(d) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage;

(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 in the Community, as determined in Board's discretion; and

(f) the business activity does not result in a materially greater use of Common Property facilities or Association services.

The terms "business" and "trade," as used in this provision, shall 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) such activity is engaged in full or

part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor.

(ii) **Number of Occupants.** The maximum number of Occupants in a dwelling on a Lot shall be limited to two (2) people per bedroom in the dwelling. "Occupancy," for purposes hereof, shall be defined as staying overnight in a dwelling for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any calendar year. This occupancy restriction shall not apply to require the removal of any person lawfully occupying a dwelling on the Effective Date hereof. Upon written application, the Board shall grant variances to this restriction to comply with provisions of the Fair Housing Amendments Act of 1988 or any amendments thereto.

If an Owner of a Lot is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the person(s) who will occupy the dwelling on the Lot. The designated person(s) to occupy the dwelling may not be changed more frequently than once every six (6) months without the express written consent of the Board as determined in the Board's sole discretion.

(Z) **Window Treatments.** Unless otherwise approved in writing by the Board, all windows on a dwelling on a Lot which are exposed to a street or another dwelling shall have customary and appropriate window treatments. The Board may establish additional regulations regarding the location, type and exterior color of window treatments.

10. LEASING

The Board shall have the power to make and enforce reasonable rules and regulations and to fine, in accordance with the Declaration and By-Laws, in order to enforce the provisions of this Paragraph.

(A) **Definition.** "Leasing," for purposes of this Declaration, is defined as regular, exclusive occupancy of a Lot by any person(s) other than: (i) the Owner or a parent, child or spouse of the Owner; or (ii) a roommate who occupies the Lot with the Owner or parent, child or spouse of the Owner occupying the Lot as his or her primary residence. For purposes of this paragraph, if an Owner is a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is a shareholder of such corporation, manager or member of such limited liability company, partner of such partnership, beneficiary or other designated agent of such trust, or agent of such other legal entity shall be deemed an Owner of such Lot for purposes of determining whether such occupancy constitutes leasing under this Paragraph. Such person's designation as an Owner of such Lot pursuant to this Paragraph shall terminate automatically upon the termination of such person's relationship with the entity holding record title of the Lot.

(B) **Leasing Provisions.** Leasing of Lots shall be governed by the following provisions:

(i) **General.** Lots may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The Board shall maintain in its files and, upon request, shall provide to any Owner a form that is deemed acceptable. There shall be no subleasing of Lots or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than six (6) months, except with written Board approval. Within seven (7) days after executing a lease agreement for the lease of a Lot, the Lot Owner shall provide the Board with a copy of the lease and the name of the lessee and the names of all other people to occupy the Lot. The Lot Owner must provide the lessee copies of the Declaration, By-Laws, and the rules and regulations.

(ii) **Compliance With Declaration, By-Laws, and Rules and Regulations, Use of Common Property, and Liability for Assessments.** Any lease of a Lot shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner and each lessee, by occupancy of a Lot, covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant on the Lot:

(a) Compliance With Declaration, By-Laws, and Rules and Regulations. The Owner and lessee shall comply with all provisions of the Declaration, By-Laws and Association rules and shall control the conduct of all other occupants and guests of the leased Lot in order to ensure such compliance. The Owner shall cause all occupants of his or her Lot to comply with the Declaration, By-Laws and Association rules, and shall be responsible for all violations by such occupants, notwithstanding the fact that such Occupants are fully liable and may be sanctioned for any such violation.

If a Lot is leased or occupied in violation of this Paragraph or if the Owner, lessee, or a person living with the lessee, violates the Declaration, By-Laws, or a rule or regulation, the Association's Board of Directors shall be authorized, in addition to all other available remedies, to levy fines against the lessee and/or the Owner and to suspend all voting and/or Common Property use privileges of the Owner, Occupants and unauthorized tenant(s).

If a Lot is leased or occupied in violation of this Paragraph, the Association may require the Owner to evict the tenant. If the Owner, lessee, or a person living with the lessee, violates the Declaration, By-Laws, or a rule or regulation, such violation is deemed to be a default under the terms of the lease and shall authorize the Owner or the Association, as more fully described herein, to terminate the lease without liability and to evict the lessee in accordance with Georgia law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. Alternatively, the Association may require the Owner to evict the violating tenant. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall be an assessment and lien against the Lot.

(b) Use of Common Property. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Property, including, but not limited to, the use of any and all recreational facilities.

(c) Liability for Assessments. When a Lot Owner who is leasing his or her Lot fails to pay any annual or special assessment or any other charge for a period of more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Association all amounts authorized under Paragraph 7 herein as if lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for assessments, for which he or she would otherwise be responsible.

(C) Applicability of this Paragraph. Leases existing on the Effective Date hereof shall not be subject to the terms of subparagraph (b) above. Such leases may continue in accordance with the terms of the Original Declaration. However, any assignment, extension, renewal, or modification of any lease agreement, including, but not limited to, changes in the terms or duration of occupancy, shall be considered a termination of the old lease and commencement of a new lease which must comply with this Paragraph. Any Owner of a Lot which is leased on the date this Declaration is recorded in the Forsyth County land records shall place on file with the Board of Directors a copy of the lease agreement in effect within thirty (30) days of the date on which this Declaration is recorded in the Forsyth County, Georgia land records.

This Paragraph shall not apply to any leasing transaction entered into by the holder of any first Mortgage on a Lot who becomes the Owner of a Lot through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage.

11. SALE OF LOTS

A Lot Owner intending to make a transfer or sale of a Lot or any interest in a Lot shall give the Board written notice of such intention within seven (7) days after execution of the transfer or sales documents. As part of the notice, the current Owner shall furnish the Board the name and address of the intended grantee and such other information as the Board may reasonably require. This Paragraph shall not be construed to create a right of first refusal in the Association or in any third party.

At the closing of the conveyance or transfer of the Lot to any person other than to the spouse or heir of the Owner, the purchaser/grantee shall pay to the Association the non-refundable, non-prorated Capital Contribution Assessment, as set forth in Paragraph 6(F) above.

Within seven (7) days after receiving title to a Lot, the purchaser or grantee of the Lot shall give the Board written notice of his or her ownership of the Lot. As part of the notice, the new Owner of the Lot shall furnish the Board his/her/their name(s) and mailing address(es) and such other information as the Board may reasonably require. Upon failure of an Owner to give the required notice within the seven-day time period provided herein, the Board may levy fines against the Lot and Owner thereof, and assess the Owner for all costs incurred by the Association in determining his or her identity.

12. INSURANCE

(A) Hazard Insurance on Common Property. The Association's Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements on the Common Property. This insurance shall include fire and extended coverage, including coverage for 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.

Association Liability and Directors' and Officers' Liability Insurance. The Board shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents in their capacities as such, 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.

(B) Premiums and Deductible on Association Policies. Premiums for all insurance obtained by the Association shall be a Common Expense of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

(C) Policy Terms. All such insurance coverage obtained by the Board shall be written in the name of the Association, as trustee, for the respective benefited parties, as further identified in subparagraph (ii) below, with such terms as are deemed appropriate to the Board. Such insurance shall be governed by the provisions hereinafter set forth:

(i) All policies shall be written with a company licensed to do business in Georgia.

(ii) All policies on the Common Property shall be for the benefit of the Association and its members. Any policies covering improvements on Lots shall be for the benefit of Lot Owners and their Mortgagees, as their interests may appear.

(iii) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Board; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(iv) In no event shall the insurance coverage obtained and maintained by the Board 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.

(v) 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 one or more qualified persons, at least one of whom must be in the real estate industry and familiar with construction in the county where the Community is located.

(D) **Additional Association Insurance.** In addition to the other insurance required by this Paragraph, 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 persons handling or responsible for the Association's funds or dishonesty insurance. The amount of fidelity coverage or dishonesty insurance 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 forms: (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 Board members must sign any checks written on the reserve account. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled, substantially modified, or subjected to nonrenewal without at least thirty (30) days' prior written notice to the Association.

(E) **Individual Lot Owner Insurance.** Each Owner shall carry blanket all-risk casualty insurance, if reasonably available, or if not reasonably available, fire and extended coverage, on his or her Lot and structures constructed thereon meeting the same requirements as set forth in subparagraphs (a) and (c) of this Paragraph for insurance on the Common Property.

13. REPAIR AND RECONSTRUCTION AFTER CASUALTY DAMAGE

In the event of damage to or destruction of all or any part of the Community insured by the Association as a result of fire or other casualty, unless eighty (80%) percent of the Lot Owners, vote not to proceed with the reconstruction and repair of the structure, the Board or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure. In the event of substantial damage or destruction, each institutional holder of a first Mortgage shall be entitled to written notice of the damage, and nothing in these documents shall be construed to afford a priority to any Lot Owner with respect to the distribution of proceeds to any such Lot.

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

(B) **Source and Allocation of Proceeds.** If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair, as determined by the Board, or if at any time during the reconstruction and repair or upon completion of reconstruction and repair the funds for the payment of the costs thereof are insufficient, a special assessment shall be made against all of the Lot Owners without the necessity of a vote of the members or compliance with Paragraph 7(e) above. If, after repair and reconstruction is completed, there is a surplus of funds, such funds shall be common funds of the Association to be used as directed by the Board.

(C) **Plans and Specifications.** Any such reconstruction or repair shall be substantially in accordance with the plans and specifications under which the Community was originally constructed, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original plans and specifications are approved by the Board.

(D) **Encroachments.** Encroachments upon or in favor of Lots which may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Lot Owner

upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Community was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

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

(F) **Damage to or Destruction of Dwellings on Lots.** In the event of damage to or destruction of structures on a Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved by the ARC in accordance with this Declaration, unless a determination not to rebuild is made by the Lot Owner in cases of substantial damage or destruction. Unless otherwise approved in writing by the Board or ACC, the Owner of the damaged Lot shall complete all restoration and rebuilding of the improvements on the Lot within nine (9) months of the date of the casualty, damage or destruction of the improvements. If the structure is substantially destroyed and a determination is made not to rebuild or to reconstruct, the Owner shall clear the Lot of all debris, sod all portions of the Lot on which the removed structure was located, and, thereafter, continue to maintain the Lot in a neat and attractive condition consistent with the Community-Wide Standard.

14. EMINENT DOMAIN

Whenever all or any part of the Common Property shall be taken or conveyed in lieu of or under threat of condemnation by any authority having power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. If the taking involves a portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after such taking at least seventy-five (75%) percent of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Property to the extent lands are available therefor. The provisions of Paragraph 13 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.

15. EASEMENTS

(A) **Easements for Encroachment.** There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Property adjacent thereto due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association.

(B) **Easements for Use and Enjoyment.** Every Owner and Occupant of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to his or her Lot, subject to the following provisions:

(i) the right of the Association 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 thereof at certain designated times by an Owner, his or her family, tenants, guests, and invitees;

(ii) the right of the Association to suspend the voting rights of an Owner and the right of an Owner to use the Common Property and the recreational facilities in the Community for any period during which any assessment or charge against his or her Lot which is provided for herein remains

unpaid, and for a reasonable period of time for an infraction of the Declaration, By-Laws, or rules and regulations;

(iii) the right of the Association to borrow money as may be set forth in the By-Laws; provided, however, the lien and encumbrance of any such mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, encumbering any Lot or other property located within the Community. Any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, encumbering any Lot or other property located within the Community;

(iv) the right of the Association to grant permits, licenses or easements across the Common Property, as authorized in this Declaration or the By-Laws;

(v) the right of the Association to dedicate or transfer all or any portion of the Common Property subject to such conditions as may be agreed to by the members of the Association;

(vi) all other rights of the Association, Owners and Occupants set forth in this Declaration or in any deed conveying the Common Property to the Association; and

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

Any Lot Owner may delegate his or her right of use and enjoyment in and to the Common Property and facilities located thereon to the members of his or her family, his or her tenants and guests, and shall be deemed to have made a delegation of all such rights to the Occupants of his or her Lot, if leased.

(C) Easements for Utilities. There is hereby 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 thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity; (b) any 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 security system which the Association may have installed to serve the Community. It shall be expressly permissible for the Association or its designee, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any 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.

(D) Easement for Entry. The Association shall have an easement and the right, but not the obligation, to enter onto any Lot for emergency, security, safety and enforcement of this Declaration and/or Association regulations. The right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner or Occupant. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event that an Owner fails or refuses to cure the condition upon request by the Board.

(E) Easement for Association Maintenance. The Association shall have an easement across all portions of the Community as are necessary to allow for the maintenance required or permitted hereunder and to permit the Association to discharge its rights and obligations hereunder. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect the Owner's property.

(F) Easement of Encroachment. If any portion of the improvements constructed on the Common Property encroaches upon a Lot, or if any improvement constructed on a Lot encroaches upon the Common

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

(G) **Easement for Walks, Trails, Signs and Perimeter Walls.** It is hereby reserved for the benefit of the Association and its respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over, and across (i) those strips of land ten (10) feet in width located along and adjacent to the exterior boundaries of all Lots, such strips to be bounded by the exterior boundaries adjacent to streets and roads and by lines in the interior of such Lots which are ten (10) feet from and parallel to such exterior boundaries, for the installation, maintenance, and use of sidewalks, traffic directional signs, entrance monuments and related improvements. There is further reserved for the benefit of the Association and its respective successors and assigns, the alienable, transferable and perpetual right and easement upon, over, and across those strips of land fifteen (15) feet in width located along those boundaries of all Lots that constitute part of the perimeter boundary of the Community, provided that the Association shall not have any obligation to construct any such perimeter wall or fence.

(H) **Gate Easement.** There is reserved unto the Association the right and privilege, but not the obligation, to maintain guarded or electronically-monitored gates controlling vehicular access to and from the Community. However, the Board shall not eliminate either the controlled access gates in the Community or the on-site gate monitoring personnel without the approval of at least a majority of those eligible members of the Association who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws.

(I) **Declarant Easements.** The Declarant shall have perpetual, alienable and transferable easement and right reserved to the benefit of Declarant and its successors and assigns and, subject to regulation by the Declarant, to the benefit of Builder/Owners, to enter and travel upon, over, and across the Common Property for the purpose of completion and repair of improvements within the Community, including Lots and for all reasonable purposes to further assist and enhanced the marketing and sale of the Community or Lots together with the easement in and to the Common Property and Lots not conveyed to an Owner for the maintenance of signs, sales offices, construction offices, business offices, and model homes, together with such other facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the completion, improvement and/or marketing and sale of Lots, so long as Declarant or any Builder/Owner owns any Lot primarily for the purpose of sale.

(J) **Public in General.** The easements and rights created in this Paragraph do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public; provided, however, nothing set forth herein shall in any way limit or restrict any existing easements or rights already granted to the public as such easements or rights are previously recorded in the Forsyth County, Georgia records. The Board shall not offer use Association recreational facility use privileges to any Persons, other than Association members, their families and guests, without the approval of at least a majority of those eligible members of the Association who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws

16. MORTGAGEE'S RIGHTS

(A) **Approval of Actions.** Unless at least two-thirds (2/3) of the first Mortgagees or Lot Owners give their consent, the Association shall not:

- (i) by act or omission seek to abandon or terminate the Community or the Association;
- (ii) change the pro rata interest or obligations of any individual Lot for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;
- (iii) partition or subdivide any Lot;

(iv) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Property (the granting of utility easements or rights-of-way for public purposes and the granting other easements for the benefit of the Association shall not be deemed a transfer within the meaning of this clause); or

(v) use hazard insurance proceeds for losses to the Common Property for other than the repair, replacement, or reconstruction of the Common Property.

The provisions of this subparagraph shall not be construed to reduce the percentage vote that must be obtained from Mortgagees or Lot Owners where a larger percentage vote is otherwise required by the Association Legal Instruments for any of the actions contained in this Paragraph.

(B) Liability for Assessments. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Lots, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

(C) Right to Information. Upon written request to the Association, identifying the name and address of the holder and the Lot number or address, any Eligible Mortgage Holder will be entitled to timely written notice of:

(i) any condemnation loss or any casualty loss which affects a material portion of the Common Property;

(ii) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Lot Owner of any other obligation under the Association Legal Instruments which is not cured within sixty (60) days;

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

(iv) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

(D) Right to Financial Statement. Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time after request, a copy of the financial statement of the Association for the immediately preceding fiscal year, free of charge to the Mortgagee so requesting.

(E) Leasing and Sales. Notwithstanding anything to the contrary herein contained, the provisions of Paragraphs 12 and 13 governing sales and leases shall not apply to impair the right of any first Mortgagee to: (i) foreclose or take title to a Lot pursuant to remedies contained in its Mortgage; (ii) take a deed or assignment in lieu of foreclosure; or (iii) sell, lease, or otherwise dispose of a Lot acquired by the Mortgagee.

17. **AUTHORITY AND 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 person's violation of the Association Legal Instruments, 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 the Declaration, By-Laws 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 the Declaration, By-Laws 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 the Declaration, By-Laws 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 Paragraph, 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 or Association rules, including reasonable attorney's fees actually incurred, may be assessed against the violating Owner and/or Occupant pursuant to Paragraph 8(b)(ii) above.

(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 subparagraph shall not be required for the following: (i) late charges on delinquent assessments; (ii) suspension of voting rights 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 shall be automatic; (iii) suspension of 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 use the Common Property shall be automatic; provided, however, suspension of gate access privileges shall require compliance with Paragraph 6(c)(ii) above; and (iv) suspension of common utility services, which shall require compliance with the provisions of Paragraph 6(c)(iii) above.

(i) Notice. If any provision of the Declaration or By-Laws 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, the Board may elect to enforce any provision of the Declaration, the By-Laws, or the 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.

The Association or its duly authorized agent shall have the power to enter upon any Lot or any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the By-Laws or the rules and regulations. If the Association exercises its right subject to this subparagraph, all costs of self-help, including but not limited to, reasonable attorney's fees actually incurred, shall be assessed against the violating Owner or Occupant and shall constitute a lien against the Lot. All such amounts shall be collected as an assessment pursuant to this Declaration. Additionally, the Association shall have the authority to record in the Forsyth County, Georgia land records a notice of violation identifying any uncured violation of the Declaration, By-Laws or 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.

18. GOLF CLUBS AND LAKES

Provisions related to the use and development of the Golf Club are set forth in Exhibit "B" attached hereto and incorporated herein by reference.

19. AMENDMENTS

Except where a higher vote is required for action under any other provisions of this Declaration, this Declaration may be amended by the affirmative vote, written consent, or any combination thereof, of members of the Association holding a majority of the total eligible Association vote and approval of at least a majority of the Association directors. 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 Association President and Secretary and filed in the Forsyth County, Georgia land records.

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.

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to comply with any applicable state, city or federal law, regulation or guideline, including but not limited to, compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA").

Additionally, the Board shall be authorized to amend this Declaration without the consent of the members for the purpose of submitting the Community to the Act and conforming this Declaration in all or any respects to the Act.

If legal action is not instituted to challenge the validity of this Declaration or 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.

20. GENERAL PROVISIONS

(A) **Security.** The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve security in the Community, such as maintaining controlled access gates and on-site property monitors. The Board shall not eliminate either the controlled access gates in the Community or the on-site gate monitoring personnel without the approval of at least a majority of those eligible members of the Association who are voting in person or by proxy at a duly called meeting, or who vote by ballot in lieu of a meeting as provided in the By-Laws.

However, the Association does not guarantee that non-Owners and non-Occupants will not gain access to the Community and commit criminal acts in the Community, nor does the Association guarantee that criminal acts in the Community will not be committed by other Owners or Occupants. It shall be the responsibility of

each Owner to protect his or her person and property, and all responsibility to provide such security shall lie solely with each Owner. The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of measures undertaken.

(B) Dispute Resolution. Any Lot 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 Association officer or director, or the property manager 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 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 person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) nor more than thirty (30) days from the date of receipt of the request, except with approval of such Owner or Occupant. If the Board is unable to resolve the dispute to the Owner's satisfaction at such hearing, then the Board may require that such dispute be submitted to mediation before an agency or entity selected by the Board providing certified mediation services in Forsyth County or the metropolitan Atlanta area, and Owner agrees to participate in such mediation.

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

(D) 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 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 therein or reasonably necessary to effectuate any such right or privilege.

(E) Electronic Records, Notices and Signatures. Notwithstanding any other portion of this Declaration, records, signatures and notices shall not be denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made or presented electronically. The relevant provisions of the By-Laws shall govern the giving of all notices required by this Declaration.

(F) Duration. The covenants and restrictions of this Declaration shall run with and bind the real property in the Community perpetually to the extent provided under Georgia law. As long as Georgia law limits the period during which certain covenants may run with the land, then, unless terminated as provided in O.C.G.A. Section 44-5-60(d), this Declaration and such covenants shall automatically be extended at the expiration of such period for successive periods of 20 years each. Nothing in this Paragraph shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

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

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

21. PREPARER

This Declaration was prepared by Jay S. Lazega, Esq., Weissman, Nowack, Curry & Wilco, P.C., One Alliance Center, 4th Floor, 3500 Lenox Road, Atlanta, Georgia 30326.

IN WITNESS WHEREOF, the undersigned officers of Laurel Springs Homeowners Association, Inc., hereby certify that the above amendment to the Original Declaration was duly adopted by the required majority of the Association and its membership, with any required notices duly given.

This 3rd day of May, 2005.

Sworn to and subscribed to before me this 3rd day of May, 2005.

Jacqueline Magee
Witness

L. H. Gunn
Notary Public

LAUREL SPRINGS HOMEOWNERS ASSOCIATION, INC.

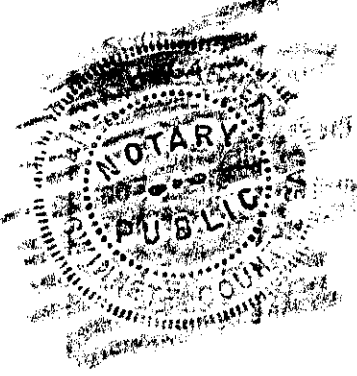
By: [Signature] (Seal)
President

Attest: [Signature] (Seal)
Secretary

[Corporate Seal]

[Notary Seal]

Notary Public, Gwinnett County, Georgia
My Commission Expires Aug. 24, 2007



LAUREL SPRINGS

EXHIBIT "A"

All those lots, tracts and parcels of land lying and being in Land Lots 1067, 1087, 1088, 1089, 1134, 1135 and 1155 of the 2nd District, 1st Section, Forsyth County, Georgia, as show on Final Plat for Unit 1, Phase A, Laurel Springs Subdivision, A Golden Bear Community, dated December 20, 1995, and recorded in Plat Book 45, at pages 109-120 Forsyth County, Georgia records.

AND

All those lots, tracts and parcels of land lying and being in Land Lots 1067 and 1088 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat for Unit I, Phase B, Laurel Springs Subdivision, A Golden Bear Community, dated December 4, 1995, recorded in Plat Book 45, pages 196-217, Forsyth County, Georgia Records.

AND

All those lots, tracts and parcels of land lying and being in Land Lots 949 and 996 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat of Newhaven at Laurel Springs, Phase III, dated August 23, 1996, last revised September 19, 1996, recorded in Plat Book 48, pages 86 - 97, Forsyth County, Georgia Records.

AND

All those lots, tracts and parcels of land lying and being in Land Lots 1067, 1068, 1087 and 1099 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat for Unit II, Phase A, Laurel Springs Subdivision, A Golden Bear Community, dated September 13, 1996, recorded in Plat Book 48, pages 98-108, Forsyth County, Georgia Records.

AND

All that tract or parcel of land and being in Land Lot 1134, the 2nd District, 1st Section of Forsyth County, Georgia, and being Lots 3 - 8, Phase I, Laurel Springs Subdivision, as per plat thereof recorded in Plat Book 48, page 146 - 157, Forsyth County, Georgia records, which plat is by reference incorporated herein and made a part hereof.

AND

All those lots, tracts and parcels of land lying and being in Land Lots 1020, 1021, 1066, 1067 and 1089 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat of Laurel Springs, Phase II C, dated December 23, 1996, recorded in Plat Book 49, pages 164 - 172, Forsyth County, Georgia Records.

AND

All those lots, tracts and parcels of land lying and being in Land Lots 1018, 1019 and 1020 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat of Laurel Springs, Phase II B, dated April 23, 1997, recorded in Plat Book 50, pages 28 - 34, Forsyth County, Georgia Records.

AND

All those lots, tracts and parcels of land lying and being in Land Lots 1021, 1065, 1066, 1089, 1133 and 1134 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat for Weston Trace at Laurel Springs, Phase IV, dated May 5, 1997, last reviewed June 7, 1997, recorded in Plat Book 50, pages 258 - 273, Forsyth County, Georgia Records.

AND

All those lots, tracts and parcels of land lying in Land Lots 998, 1018, 1019, 1068 and 1069 of the 2nd District, 1st Section, Forsyth County, Georgia, as shown on Final Plat for Unit Five-Laurel Springs, as recorded on May 12, 1998 at 4:20 p.m. in Plat Book 53 at pages 89 - 102, Forsyth County, Georgia records.

AND

That certain real property lying and being in Land Lots 1021, 1066, and 1067, 2nd District, 1st Section, Forsyth County, Georgia and being more particularly described as Lots 212 - 217, Phase II, as shown on that certain Final Subdivision Plat for Laurel Springs, being recorded in Plat Book 54, Pages 25-33, Forsyth County, Georgia records.

AND

That certain real property lying and being in Land Lots 997, 998, 1019, 1069 and 1070, 2nd District, 1st Section, Forsyth County, Georgia and being more particularly described as Lots 612, 614, 622, 632, 636, 638, 702, 703, 716, 773, 777, 781 and 789, Unit I, Phases VI and VII, as shown on that certain Final Subdivision Plat for Laurel Springs, being recorded in Plat Books 57 and 58, Pages 120-127 and 123-135, Forsyth County, Georgia records.

AND

That certain real property lying and being in Land Lot 998, 2nd District, 1st Section, Forsyth County, Georgia and being more particularly described as Lot 630, Unit 0, Phase VI, as shown on that certain Final Subdivision Plat for Laurel Springs, being recorded in Plat Book 57, Pages 123-135, Forsyth County, Georgia records.

AND

That certain real property lying and being in Land Lot 1017, 1069, 1070 and 1079, 2nd District, 1st Section, Forsyth County, Georgia and being more particularly described as Lots 704, 705, 709, 710, 711, 712, 729, 730, 732 - 751, 753 - 759, 761 - 769, 780, 783, 784, 787, 794, and 798, Unit I and III, Phase VII, as shown on that certain Final Subdivision Plat for Laurel Springs, being recorded in Plat Book 58 and 60, Pages 120-127 and 274-279, Forsyth County, Georgia records.

AND

That certain real property lying and being in Land Lots 1069 and 1070 of the 2nd District, 1st Section, Forsyth County, Georgia, being Lots 701 and 793, Worthington Unit I at Laurel Springs Phase VII Subdivision, as per plat recorded in Plat Book 61, pages 55 - 62, which plat is incorporated herein and made a part hereof by reference.

AND

That certain real property lying and being in Land Lots 1069 and 1070, 2nd District, 1st Section, Forsyth County, Georgia and being more particularly described as Lots 763 and 730, Unit III, Phase VII, as shown on that certain Final Subdivision Plat for Laurel Springs, being recorded in Plat Books 64, Pages 204-205, Forsyth County, Georgia records.

AND

TRACT A:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 1070, 2nd District, 1st Section, Forsyth County, Georgia, and being more particularly described as follows:

COMMENCE at the point of intersection of the land lot line common to Land Lots 1017, 1016, 1070, and 1071, 2nd District, 1st Section, Forsyth County, Georgia; thence run along and coincident with the land lot line common to Land Lots 1017 and 1070 North $88^{\circ}34'31''$ West, a distance of 573.10 feet to a point, said point being the TRUE POINT OF BEGINNING; FROM THE TRUE POINT OF BEGINNING AS THUS ESTABLISHED, thence leave the land lot line common to Land Lots 1017 and 1070 and run South $06^{\circ}15'08''$ East, as distance of 163.69 feet to a point located on the northerly right-of-way line of Brixton Place along the arc of a curve to the left, and arc distance of 32.03 feet (said curve having a radius of 370.00 feet, being subtended by a chord bearing South $85^{\circ}08'30''$ West, a chord distance of 32.02 feet) to a point; thence continue to run along and coincident with the northerly right-of-way line of Brixton Place South $82^{\circ}39'41''$ West, a distance of 17.99 feet to a point; thence leave the northerly right-of-way line of Brixton Place and run North $06^{\circ}15'08''$ West, a distance of 153.45 feet to a point; thence run South $87^{\circ}52'28''$ West, a distance of 131.51 feet to a point; thence run North $75^{\circ}08'38''$ West, a distance of 105.67 feet to a point on the land lot line common to Land Lots 1017 and 1070; thence run along and coincident with the land lot line common to Land Lots 1017 and 1070 South $88^{\circ}34'31''$ East, a distance of 282.28 feet to a point being the TRUE POINT OF BEGINNING.

Said tract being more particularly shown as "Tract Six" on that certain survey for The Peachtree Development Group, Inc., prepared by Arcadis Geraghty & Miller, bearing the seal and certification of Clyde R. Eldredge, Georgia Registered Land Surveyor No. 2669, dated January 15, 2000 and last revised March 28, 2000.

AND

TRACT B:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 1070, 2nd District, 1st Section, Forsyth County, Georgia, and being more particularly described as follows:

BEGIN at the point of intersection of the land lot line common to Land Lots 1017, 1016, 1070, and 1071, 2nd District, 1st Section, Forsyth County, Georgia; thence run along and coincident with the land lot line common to Land Lots 1070 and 1071 and run South 00°19'38" East, a distance of 89.06 feet to a point; thence leave the land lot line common to Land Lots 1070 and 1071 and run North 89°35'28" West, a distance of 160.47 feet to a point; thence run North 69°24'46" West, a distance of 279.84 feet to a point on the land lot line common to Land Lots 1017 and 1070; thence run along and coincident with the land lot line common to Land Lots 1017 and 1070 South 88°34'31" East, a distance of 422.06 feet to a point, said point being the POINT OF BEGINNING.

Said tract being more particularly shown as "Tract Seven" on that certain survey for The Peachtree Development Group, Inc., prepared by Arcadis Geraghty & Miller, bearing the seal and certification of Clyde R. Eldredge, Georgia Registered Land Surveyor No. 2669, dated January 15, 2000 and last revised March 28, 2000.

AND

TRACT C:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 998, 2nd District, 1st Section, Forsyth County, Georgia, and being more particularly described as follows:

COMMENCE at the point of intersection of the land lot line common to Land Lots 998, 999, 1017, and 1018, 2nd District, 1st Section, Forsyth County, Georgia; thence run along and coincident with the land lot line common to Land Lots 998 and 999 North 00°08'07" West, a distance of 336.32 feet to a point, said point being the TRUE POINT OF BEGINNING; FROM THE TRUE POINT OF BEGINNING AS THUS ESTABLISHED, thence leave the land lot line common to Land Lots 998 and 999 and run North 58°08'37" West, a distance of 139.18 feet to a point on the easterly right-of-way line of Laurel Oak Drive (50' Utility Easement); thence run North 27°00'00" East, a distance of 10.66 feet to a point located on the easterly right-of-way line of Laurel Oak Drive (50' Utility Easement width); thence run along and coincident with the easterly right-of-way line of Laurel Oak Drive along the arc of a curve to the left, an arc distance of 464.45 feet (said curve having a radius of 375.00 feet, being subtended by a chord bearing

North 01°31'07" East, a chord distance of 435.33 feet) to a point; thence leave the easterly right-of-way line of Laurel Oak Drive and run North 38°32'11" East, a distance of 147.95 feet to a point located on the land lot line common to Land Lots 998 and 999; thence run South 00°06'18" East, a distance of 419.43 feet to a point; thence continue to run along and coincident with the land lot line common to Land Lots 998 and 999 South 00°08'07" East, a distance of 223.40 feet to a point, said point being TRUE POINT OF BEGINNING.

Said tract being more particularly shown as "Trace Eight" on that certain survey for The Peachtree Development Group, Inc., prepared by Arcadis Geraghty & Miller, bearing the seal and certification of Clyde R. Eldredge, Georgia Registered Land Surveyor No. 2669, dated January 15, 2000 and last revised March 28, 2000.

AND

TRACT D:

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lot 999, 2nd District, 1st Section, Forsyth County, Georgia, and being more particularly described as follows:

BEGIN at the point of intersection of the land lot line common to Land Lots 947, 946, 998, and 999, 2nd District, 1st Section, Forsyth County, Georgia; thence run along and coincident with the land lot line common to Land Lots 946 and 999 North 89°45'51" East, a distance of 506.76 feet to a point located on the westerly right-of-way line of Old Atlanta Road (80' right-of-way width); thence leave the land lot line common to Land Lots 946 and 999 and run along and coincident with the westerly right-of-way line of Old Atlanta Road South 44°32'19" East, a distance of 766.58 feet to a point; thence leave the westerly right-of-way line of Old Atlanta Road and run South 44°47'12" West, a distance of 163.25 feet to a point; thence run South 89°53'57" West, a distance of 928.21 feet to a point of intersection of the land lot line common to Land Lots 998 and 999; thence run along and coincident with the land lot line common to Land Lots 998 and 999 North 00°06'18" West, a distance of 661.81 feet to a point of intersection of the land lot line common to Land Lots 947, 946, and 999, said point being the POINT OF BEGINNING.

Said tract containing 12.350 acres and being more particularly shown as "Tract Five" on that certain survey for The Peachtree Development Group, Inc., prepared by Arcadis Geraghty & Miller bearing the seal and certification of Clyde R. Eldredge, Georgia Registered Land Surveyor No. 2669, dated January 15, 2000 and last revised March 28, 2000.

EXHIBIT "B"

GOLF CLUB PROVISIONS

(A) Golf Play and Maintenance Easements. The following easements apply to the Golf Club:

The Club Operator and its successors, and assigns, shall have non-exclusive easements over the Common Property for ingress and egress, utilities, and such other purposes as may be reasonably necessary or convenient to the establishment, operation, maintenance, repair and replacement of the Golf Club. The Club Operator, members (regardless of whether such members are Owners hereunder), if any, of the Golf Club, their guests and invitees, such other guests or customers having a right to use the Golf Club, and the employees, agents, contractors, and designees of the Golf Club shall at all times have a right and non-exclusive easement of access and use over the Common Property for purposes commonly associated with playing the game of golf on the Golf Club. The benefited parties shall be obligated to use due care in the exercise of such easement rights. Any specific damage to the Common Property caused by the failure to exercise due care shall be the responsibility of the Club Operator and the user of the Common Property pursuant to the easement rights stated herein.

Such easement shall include, but not be limited to, allowing the flight of golf balls over and above the Community, the use of necessary and usual equipment on the Golf Club, the usual and common noise level created by the playing of the game of golf, and permitting golf balls unintentionally to come upon such Common Property or the Lots and for golfers at reasonable times and in a reasonable manner to come upon the Common Property or the exterior portions of a Lot (not to exceed twenty (20) feet from the boundary line of each such Lot as separates such Lot from the Golf Club) to retrieve errant golf balls from the Common Property (including any bodies of water) located thereon and from the Lots; provided, however, if any Lot is fenced or walled, the golfer shall seek the Owner's permission before entry; provided further, that no fence or wall shall be constructed on any Lot which interferes with the easement rights granted herein, unless approved by the Club Operator. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage or injury resulting from errant golf balls or the exercise of this easement: the Declarant, the Association or its members (in their capacity as such); the Club Operator or its successors, successors-in-title, or assigns; any successor Declarant; any Builder or contractor (in their capacities as such); any officer, director or partner of any of the foregoing, or any officer or director of any partner; or any organizer or sponsor of any tournament or special event.

The Association shall not exercise its authority over the Common Property to frustrate the rights of the owners of the Golf Club, their respective agents, successors and assigns, as well as their members, guests, invitees, employees, contractors, designees, and authorized users.

(B) Pedestrian/Golf Cart Path Easement. There is hereby reserved for the benefit of the Club Operator, its successors and assigns, the perpetual, alienable and transferable right and easement on, over, under and across the Common Properties, for all invitees, licensees, guests and other authorized users of the Golf Club for the use of the pedestrian and golf cart paths located in such portions of the Community as serve the Golf Club.

(C) Landscape Easement. There is hereby reserved over, across and upon each and every Lot which abuts or is contiguous to or otherwise lies adjacent to the Golf Club for the benefit of the Declarant and the Club Operator a twenty (20) foot perpetual, alienable and transferable easement as measured from the boundary line of each such Lot as separates such Lot from the Golf Club to a line running parallel thereto and being located twenty (20) feet into the interior of each such Lot. Such easement shall be usable and enjoyable by the Declarant and the Golf Club, together with their lawful successors and assigns, for the purpose of operation and maintenance of the Golf Club including, but not limited to, irrigation thereof, which easement specifically shall constitute a part of the Golf Club. By way of example and not limitation, such easement shall be for the purpose of authorizing entry into any such portions of such Lots to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping shall include planting of grass, irrigation, fertilizer application, mowing and edging, and removal of any underbrush, trash, debris and trees. No planting or other use of this area, nor any improvement thereof, shall be permitted by the Owner

of any such Lot as hereinabove referenced without the prior Owners of such Lots as might be encumbered by the easement referred to in this subparagraph may not grow nor permit to grow in the area of such Lots adjacent to the Golf Club varieties of grass or other vegetation which, in the opinion of the Declarant or the Club Operator may be inimical to golf course grasses or vegetation. Such restriction on the growing of grasses or other vegetation shall expressly apply to the twenty (20) foot easement area hereinabove referred to. In no event shall any Owner of a Lot encumbered hereby use the afore-referenced easement area for storage of materials or equipment; nor shall such Lot Owner or any occupant thereof commit the accumulation of garbage, trash or rubbish of any kind; nor shall there be any burning of anything within such easement area unless permitted by the Declarant or by the Club Operator and each such permission as might be granted shall expressly be deemed revocable at the option of Declarant or the afore-referenced Golf Club. The easement created herein shall also be usable and enjoyable by the Declarant and the Club Operator, together with their lawful successors and assigns in ownership or interest to the Golf Club, for the purpose of maintaining the lakes, ponds or water courses which are part of the Golf Club.

(D) Irrigation. The Club Operator, its respective agents, employees, contractors, successors and assigns, shall have a perpetual non-exclusive easement, to the extent reasonably necessary, over the Community, for the installation, operation, maintenance, repair, replacement, monitoring and controlling of irrigation systems and equipment, including, without limitation, wells, pumps and pipelines, utility lines, wires and drainage pipelines and drip lines serving all or portions of the Golf Club. The Declarant hereby reserves for itself, its successors and assigns, and may assign to the owner(s) of the Golf Club, an easement to draw water from bodies of water within the Common Property for purposes of irrigation of the Golf Club and for access to and the right to enter upon the Common Property for installation and maintenance of any irrigation systems. The portion of the Community immediately adjacent to the Golf Club is hereby burdened with a non-exclusive easement in favor of the adjacent Golf Club for overspray of water from the irrigation system serving the Golf Club. Under no circumstances shall the Association or the owner(s) of the Golf Club be held liable for any damage or injury resulting from such overspray or the exercise of this easement. The Community is hereby burdened with easements in favor of the Golf Club for natural drainage of storm water runoff from the Golf Club.

(E) Easements for Utilities, Connection.

(i) It is hereby reserved to the Declarant and its successors and assigns in interest to the Golf Club, the perpetual, alienable and transferable right and easement to connect to and otherwise enjoy any and all utility services as might exist within the Common Property for the benefit of the development and operation of the Golf Club. There is hereby further reserved to the Declarant and its successors and assigns in and to the Club Operator and its successors and assigns in interest to Golf Club, for the benefit of the Golf Club, the right and easement across, over, under and upon the Common Property and those portions of Lots (excepting dwellings on Lots) as might be reasonably necessary, for the installation, maintenance, repair, replacement and use of utility facilities and distribution lines, including without limitation, drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and master television antenna and/or cable system lines, and for the drainage and discharge of surface water onto and across the Community, provided that such drainage and discharge shall not unreasonably interfere with the use and enjoyment of any Lot or improvements as might be located on any Lot from time to time, and provided further that such easement shall expressly include the right of Declarant and the Club Operator to attach to and otherwise enjoy such utility facilities and distribution lines including but not limited to drainage systems, storm sewers, and electrical, gas, telephone, water, sewer and other utility systems as might exist in the Common Property and Lots (excluding dwellings on Lots), all for the benefit of the Golf Club.

(ii) There is hereby reserved on, over and within the unimproved portions of the Golf Club for the benefit of each Lot and the Common Property, a perpetual, alienable and transferable non-exclusive right and easement to connect to and otherwise enjoy utility distribution lines, pipes, wires, conduits and culverts for electrical, gas, telephone, water, sewer service and drainage as such pipes, wires, conduits and culverts are installed by Declarant; provided, however, that the scope of such right and easement shall be limited as determined by the installation and completion thereto of the foregoing by Declarant in the initial development of the Community. The easement hereby reserved shall not authorize access or entry onto the Golf Club by any Owner, Builder/Owner or the Association except as expressly authorized by Declarant or the

Club Operator. The purpose of this easement is to provide connection and maintenance of the foregoing utility services if such is provided by Declarant across, over and on any portion of the Golf Club.

(F) **View Impairment.** Neither the Declarant nor the Association guarantees or represents that any view over and across the Golf Club from adjacent dwellings on Lots will be preserved without impairment. The Club Operator shall have no obligation to prune or thin trees or other landscaping and shall have the right, in its sole and absolute discretion, to add trees and other landscaping to the Golf Club from time to time. In addition, the Club Operator may, in its sole and absolute discretion, change the location, configuration, size and elevation of the tees, bunkers, fairways and greens on the Golf Club from time to time. Any such additions or changes to the Golf Club may affect the view of the Golf Club from the dwellings on Lots.

(G) **Allocation of Costs.** The Association may enter into a contractual arrangement or covenant to share costs with the Golf Club whereby the Golf Club will maintain and bear the cost of maintaining certain portions of areas of common responsibility as determined by Declarant or the Association and the Club Operator or will contribute funds for, among other things, maintenance of such areas.

(H) **Jurisdiction and Cooperation.** It is Declarant's intention that the Association and the Club Operator shall cooperate to the maximum extent possible in the operation of the Community and the Golf Club. Each shall reasonably assist the other in upholding the Community-Wide Standard. Paramount common objectives of Declarant, the Association and the Club Operator (i) ensuring the security of Owners in the Community, and (ii) minimizing unnecessary wear and tear on the Common Property. Accordingly, the Association shall have the right and power to promulgate, and the Golf Club and the Club Operator shall be subject to reasonable rules and regulations with respect to (1) limitation of routes of public access to the Golf Club through the Community, and (2) limitation of routes over Common Property to be used by the Club Operator, members of the Golf Club, if any, and the guests, invitees, customers having a right to use the Golf Club and the employees, agents, contractors and designees of the Club Operator. Except as provided to the contrary in this Paragraph, the Association shall have no power to promulgate rules and regulations affecting activities on or use of the Golf Club.

(I) **Easement Encroachment Respecting Golf Club.** If any portion of improvements relating to the Golf Club encroaches upon a Lot or on the Common Property as a result of construction, re-construction, repair, shifting, settlement or movement of any portion of such improvements, a valid perpetual easement for encroachment and for the maintenance of the same shall exist so long as the encroachment exists; provided, however, no such easement shall exist to an extent of greater than ten (10) feet except as otherwise expressly set forth herein.

(J) **Assumption of Risk and Indemnification.** Each Owner, by its purchase of a Lot in the vicinity of the Golf Club, hereby expressly assumes the risk of noise, personal injury or property damage caused by maintenance and operation of the Golf Club, including, without limitation: (1) noise from maintenance equipment (it being specifically understood that such maintenance typically takes place around sunrise or sunset) (2) noise caused by golfers, (3) use of pesticides, herbicides and fertilizers, (4) view restrictions caused by maturation of trees and shrubbery, (5) use of effluent in the irrigation of the Golf Club, (6) reduction in privacy caused by constant golf traffic on the Golf Club or the removal or pruning of shrubbery or trees on the Golf Club, (7) errant golf balls and golf clubs, and (8) design of the Golf Club. Each such Owner agrees that neither Declarant, the Association nor any of Declarant's affiliates or agents, including, but not limited to, Nicklaus Design, Paragon Golf Construction, Inc., nor any other entity owning or managing the Golf Club shall be liable to Owner or any other person claiming any loss or damage, including, without limitation, indirect, special or consequential loss or damage arising from personal injury, destruction of property, trespass, loss of enjoyment or any other alleged wrong or entitlement to remedy based upon, due to, arising from or otherwise related to the proximity of Owner's Lot to the Golf Club, including, without limitation, any claim arising in whole or in part from the negligence of Declarant, the Association or any other entity owning or managing the Golf Club. Each Owner hereby agrees to indemnify and hold harmless Declarant, the Association and any other entity owning or managing the Golf Club against any and all claims by Owner's visitors, tenants and others upon such Owner's Lot.

(K) Easement to Association Members in Relation to Lakes and Ponds.

Subject to the provisions hereof, a perpetual, alienable and transferable right and easement is hereby reserved for the benefit of the members of the Association and their family members residing at the Community to enter upon each lake, pond or water course which is a part of the Golf Club and use and enjoy the same for recreational fishing use, provided:

- (i) No fishing shall be permitted except by rod and reel, or pole, hook and line;
- (ii) Fishing shall not be permitted near spawning beds, if any, unless permitted by the Club Operator;
- (iii) Fishing limits shall be those established by the laws of the State of Georgia;
- (iv) No water craft, canoe, raft or boats shall be permitted on any lake, pond or water course which is a part of the Golf Club at any time;
- (v) No activity which will disturb the peace, quiet, safety, comfort or use and enjoyment of the occupants of the surrounding Lots and the users of the Golf Club shall be permitted at any time;
- (vi) No retrieval of golf balls shall be allowed by any member or their family members or invitees except as permitted by Club Operator in connection with play at the Golf Club; and
- (vii) In no event shall Declarant, Club Operator or the Association be liable for the use of fertilizers and pesticides and any effect thereon on any fish in any lake, pond or water which is part of the Golf Club.

(L) Maintenance of Lakes. Each lake, pond, or water course which is a part of the Golf Club shall be maintained by the Club Operator except as otherwise set forth herein. Such maintenance shall include, but not be limited to, the obligation of the Club Operator to minimize weed or other aquatic growth within any lake, pond or water course which is a part of the Golf Club, prevent such lake, pond or water course from becoming polluted, and taking any and all actions necessary to effect compliance with environmental rules, regulations and procedures as from time to time promulgated or instituted by any governmental authority as well as implement any and all erosion control procedures and practices; provided, however, nothing herein shall be construed to prevent or inhibit the maintenance or upkeep of the Golf Club property, as determined to be performed from time to time by the owner of such Golf Club property. Notwithstanding the foregoing, the banks and shorelines along and around any lake, pond or watercourse which is part of the Golf Club shall be maintained, including mowed and weeded and trash removed, by the owner of the property (including Lot Owner) which abuts the high water line of such lake, pond or watercourse, such maintenance to be performed to at least the Community-Wide Standard.

(M) Lot Easement in Relation to Lakes, Ponds and Water Courses. There is hereby reserved for the benefit of the Club Operator together with its lawful agents, employees, successors and assigns, the perpetual, alienable and transferable right and easement to enter upon any unimproved portion of Lots which are located within twenty (20) feet from the high water line of any lake, pond or other water course located on the Golf Club for the purpose of mowing and weeding such area and keeping the same free and clear from unsightly growth and trash (which shall be at the expense of the owner of the burdened property as provided herein), as well as for the purpose of maintaining such lakes, ponds and water courses, such maintenance to include, without limitation, dredging and the maintenance of reasonable water quality standards including but not limited to the application of fertilizer to the lake, pond, or water course and the removal of underbrush, stumps, trash or debris and trees as might otherwise be deemed by the Declarant or Club Operator inimical to the aesthetics or water quality of the lake, pond or other water course: provided, however, that no trees, underbrush, stumps, or other vegetation or natural portions of such area may be removed or otherwise altered if such are regulated by any state or federal agency.

(N) Reserved Right in Club Operator. Each lake, pond, or water course which is a part of the Golf Club shall be subject to the reserved perpetual, alienable and transferable right to the exclusive benefit of the Club Operator for the use of the water as may exist within such lake, pond or water course for the

purpose of irrigation of the Golf Club as might be owned by the Club Operator. Each Owner of a Lot, other than the Club Operator and the Association, shall be expressly prohibited from using the water as might exist within any lake, pond or water course located within the Golf Club for any purpose, including irrigation, other than as might be expressly authorized, in writing, by the Club Operator.

(O) Restriction on Use of Ponds, Lakes and Water Courses.

(i) There shall be no water craft, canoe, raft or boats, including but not limited to any gas or petroleum product powered water craft, canoe, raft or boat permitted on any lake, pond or water course within the Golf Club, except as permitted by the Club Operator.

(ii) Notwithstanding any other provision contained herein to the contrary, any Owner who uses any lake, pond or water course shall be limited in use to any such lake, pond, or water course for recreational fishing purposes and such recreational fishing purposes may be regulated by rules and regulations promulgated by the Club Operator.

(iii) Any Lot or parcel of land which borders on any lake, pond or water course when transferred by deed of conveyance, of any nature whatsoever, shall only include such land as is within the description by metes and bounds of such Lot or other parcel of land and as shown on a recorded plat or described in the deed of conveyance into such Owner (which boundary is anticipated to be the high water mark of such lake, pond or water course) and the same shall not include the land and bed of water or any part thereof or the water above such land and bed.

(iv) Nothing herein contained shall require the Association, the Declarant, of the Club Operator or their lawful successors and assigns to maintain the water level of any lake, pond or water course at any certain level, nor are any of the foregoing parties bound to maintain any lake, pond or water course free from diminution.

(v) There is hereby reserved for the benefit of the Club Operator over, in and through any lake, pond, or water course the perpetual, transferable and alienable right and easement to construct docks or any other type of improvement or amenity, whether functional or aesthetic, into, on and across any lake, pond, or water course for the benefit of the Golf Club and the Club Operator or its guests, invitees and assigns.

(vi) There is hereby reserved for the benefit of the Club Operator and their lawful successors in interest and assigns, the perpetual, exclusive, alienable and transferable right and easement to enter upon any lake, pond or water course for the retrieval of golf balls.

(viii) Access to any lake, pond or water course for purposes of recreational fishing as herein provided to each Owner shall not interfere with or otherwise trespass upon private property rights of Owners, the Declarant or the Club Operator and access rights across any Lot, property owned by the Declarant or the Golf Club for purposes of entry onto any lake, pond, or water course, are not implied or created under the terms hereof nor are any such rights expressly granted. Access to any lake, pond or water course shall only be by permission of owners of property fronting on any such lake, pond or water course or across Common Property accessways, if any, as may be provided.

(ix) The Club Operator reserves the right to lower the water level of any lake, pond or water course, at any time, for any action deemed by the Club Operator necessary including restocking of any such lake, pond, or water course or irrigation.

(x) No fishing shall be permitted on any portions of the lakes, ponds or water courses which abut any greens on the Golf Club from and after the time that the first players of the day reach such green. All persons fishing in any lake, pond or water course shall yield at that time to the playing of golf and, at all times, any and all persons fishing on any lake, pond or watercourse shall thereafter remain removed from in any way interfering with the playing of golf on the Golf Club.

(xi) Each Owner shall defend and hold harmless the Club Operator, its lawful successors and assigns from and against any and all damages to any property within the Golf Club, including, but not limited to, the lakes, ponds or water courses, arising out of or in connection with

the Owner's use or any use incident thereto, and in respect to any of Owner's rights hereunder, except for any such damage arising from the sole negligence of the Club Operator, its lawful successors and assigns. Each Owner shall protect, indemnify, defend and hold harmless the Club Operator its successors and assigns, from and against any and all damage or injury (including death) to any person including Owners and their family members arising out of or in connection with the Owner's use of the Golf Club, including the lakes, ponds or water courses within the Golf Club or any use incident thereto, and in respect to any of the Owner's rights hereunder, except for any such damage or injury arising from the sole negligence of the Club Operator.

(P) **Limitations on Amendments.** In recognition of the fact that the provisions of this Exhibit are for the benefit of the owner of the Golf Club, no amendment to this Exhibit, and no amendment in derogation of any rights reserved or granted to the owner of the Golf Club by other provisions of this Declaration, may be made without the written approval of the Club Operator. The foregoing shall not apply, however, to amendments made by the Declarant.