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May 13, 2004

Mr. David Spearman
United General Industries, Inc.
3355 Annandale Lane, Suite 4
Suwanee, Georgia 30024

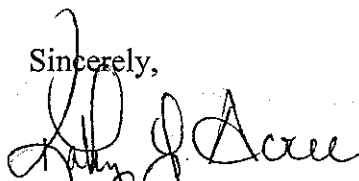
Re: Village Grove

Dear Mr. Spearman:

Enclosed, for your information and records, please find a copy of the First Amendment to Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove, filed and recorded April 20, 2004, at Deed Book 37903, page 137, Gwinnett County, Georgia land records.

If you have any questions in this regard, please do not hesitate to call me or Katie Bagley.

Sincerely,



Kathy D. Acree
Legal Assistant

Enclosures

04 APR 20 PM 3:06

TOM LAWLER, CLERK

304340

CROSS REFERENCE: GWINNETT COUNTY, GEORGIA:

Deed Book: 37345

Page: 43

After recording, please return to:
Kathleen N. Bagley
Dorough & Dorough, LLC
Attorneys at Law
Two Decatur TownCenter, Suite 520
125 Clairemont Avenue
Decatur, Georgia 30030

**FIRST AMENDMENT TO MASTER DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR VILLAGE GROVE**

THIS FIRST AMENDMENT (hereinafter referred to as "First Amendment") is made this 20th day of April, 2004 by SUWANEE JUNCTION, LLC, a Delaware limited liability company (hereinafter referred to as "Declarant").

WITNESSETH

WHEREAS, Declarant executed that certain Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove, which was recorded on March 9, 2004 in Deed Book 37345, Pages 43, *et seq.*, Gwinnett County, Georgia records (hereinafter as supplemented and/or amended from time to time, the "Declaration"); and

WHEREAS, pursuant to Article 14, Section 14.6 of the Declaration, Declarant may amend the Declaration for any purpose; provided, however any such amendment shall not materially adversely affect the substantive rights of any Owners hereunder nor shall it adversely affect title to any Unit without the consent of the affected Owner; and

WHEREAS, this First Amendment does not materially adversely affect the substantive rights of any Owners under the Declaration, or adversely affect the title to any Unit; and

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NOW THEREFORE, the undersigned hereby adopts this First Amendment to the Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove, hereby declaring that all the property now or hereafter subject to the Declaration shall be held, conveyed, encumbered, used, occupied and improved subject of the Declaration, amended as follows:

1.

The Declaration is hereby amended by deleting Article 8, Section 8.2, subsection (a), entitled "Association Maintenance in the Coventry at Village Grove," in its entirety and replacing it with a new subsection (a) to read as follows:

(a) Association Maintenance in the Coventry at Village Grove. In addition to the maintenance responsibilities of the Association described in Section 5.1 hereof, the Association shall also maintain (whether or not constituting Common Property) the private streets and alleys in the Coventry at Village Grove, if any.

2.

Unless otherwise defined herein, the words used in this First Amendment shall have the same meaning as set forth in the Declaration.

3.

This First Amendment shall be effective only upon being recorded in the records of the Clerk of Superior Court of Gwinnett County, Georgia.

4.

Except as herein modified, the Declaration shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Declarant has caused this First Amendment to be executed under seal the day and year first above written.

DECLARANT: SUWANEE JUNCTION, LLC., a Delaware limited liability company

By: Junction, Inc., a Georgia corporation, as its managing member

By: [Signature]
Bryan Cohen, Secretary

Signed, sealed, and delivered in the presence of:

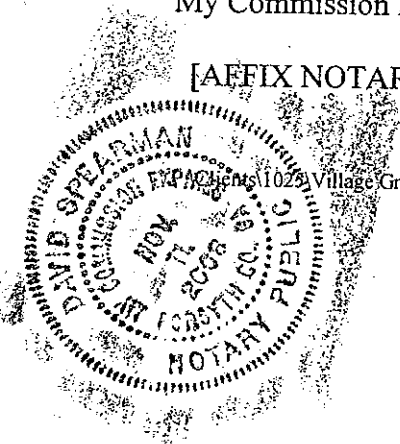
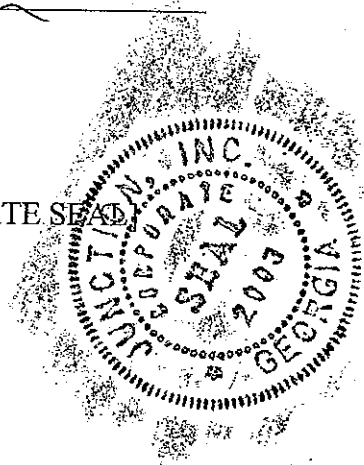
[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

My Commission Expires: 11/11/06

[AFFIX NOTARY SEAL]

[AFFIX CORPORATE SEAL]



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305099

FILED & RECORDED
CLERK SUPERIOR COURT
GWINNETT COUNTY, GA.

04 MAY -4 AM 11:50

TOM LAWLER, CLERK

Upon recording return to:
Kathleen N. Bagley
DOROUGH & DOROUGH, LLC
Two Decatur TownCenter
125 Clairemont Avenue, Suite 520
Decatur, Georgia 30030
(404) 687-9977

Cross Reference: Deed Book 37345
Page 43

SUPPLEMENTARY DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR VILLAGE GROVE

THIS SUPPLEMENTARY DECLARATION is made as of the 4th day of May, 2004, by SUWANEE JUNCTION, LLC, a Delaware limited liability company (hereinafter sometimes called "Declarant") and TOUCHSTONE HOMES (GEORGIA), INC., a Georgia corporation (hereinafter sometimes called "Touchstone"), J-SQUARED, INC., a Georgia corporation (hereinafter sometimes called "J-Squared"), HARCREST HOMES, LLC, a Georgia limited liability company (hereinafter sometimes called "Harcrest") and RICHPORT PROPERTIES, INC., a Georgia corporation (hereinafter sometimes called "Richport") (Touchstone, J-Squared, Harcrest and Richport are hereinafter sometimes collectively referred to as "Owner");

WITNESSETH

WHEREAS, Declarant executed that certain Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove which was recorded on March 9, 2004 in Deed Book 37345, page 43, *et seq.*, Gwinnett County, Georgia land records (hereinafter as such document may have been supplemented and amended from time to time referred to as the "Declaration"); and

WHEREAS, Section 2.2 of the Declaration provides that Declarant as the owner thereof or, if not the owner, with the consent of the owner thereof, has the unilateral right, privilege and option from time to time at any time until ten (10) years after the recording of the Declaration to

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subject portions of the real property described on Exhibit "B" to the Declaration to the provisions of the Declaration and the jurisdiction of the Village Grove Owners Association, Inc. by filing for record a Supplementary Declaration; and

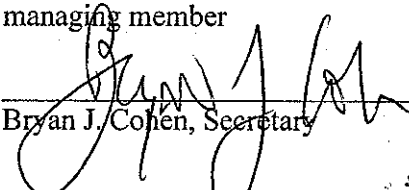
WHEREAS, Declarant is the owner, or if not the owner has the consent of the owner, of the real property described in Exhibit "A" attached hereto and desires to subject such property to the provisions of the Declaration, and such property is a portion of the property that may be subjected to the Declaration by the Declarant.

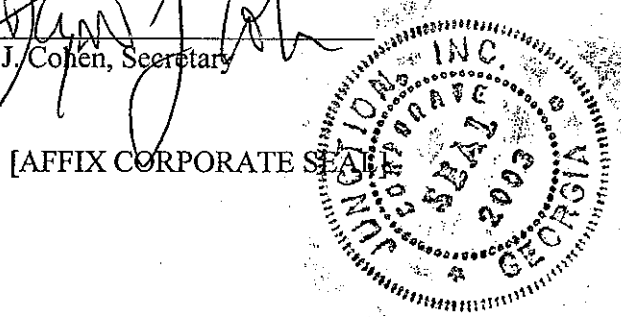
NOW, THEREFORE, pursuant to the powers retained in Declarant under Section 2.2 of the Declaration, and in accordance with the provisions of that Section, Declarant hereby subjects all of that tract or parcel of land described on Exhibit "A" attached hereto and by this reference incorporated herein to the provisions of the Declaration. Such property shall be sold, transferred, used, conveyed, occupied and encumbered pursuant to the provisions of the Declaration, all of which shall run with the title to such property and shall be binding upon all persons having any right, title, or interest in such property, their respective heirs, legal representatives, successors, successors-in-title and assigns.

IN WITNESS WHEREOF, Declarant has caused this Supplementary Declaration to be executed under seal the day and year first above written.

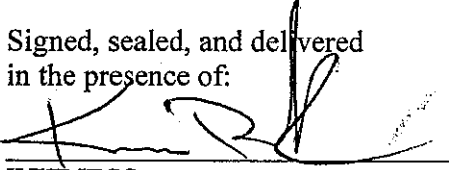
DECLARANT: SUWANEE JUNCTION, LLC, a Delaware limited liability company

By: Junction, Inc., a Georgia corporation, as its managing member

By: 
Bryan J. Cohen, Secretary



Signed, sealed, and delivered in the presence of:



WITNESS



NOTARY PUBLIC

My Commission Expires: 11/11/06

[AFFIX NOTARY SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]



EXHIBIT "A"

Property Description

All that tract or parcel of land lying and being in Land Lots 251 and 252 of the 7th District, City of Suwanee, Gwinnett County, Georgia as more particularly described on that certain Final Plat for Unit Two, Village Grove Subdivision, prepared by Brock Design Group, containing the seal of Charles H. Jackson, G.R.L.S. No. 2351, dated November 20, 2003, and recorded in Plat Book 102, Page 234, Gwinnett County, Georgia records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

The Declarant hereby designates the following as The Enclave at Village Grove Neighborhood pursuant to Section 1.13 of the Declaration:

All that tract or parcel of land lying and being in Land Lots 251 and 252 of the 7th District, City of Suwanee, Gwinnett County, Georgia being designated as Lots 1-25 of Block "B" on that certain Final Plat for Unit Two, Village Grove Subdivision, prepared by Brock Design Group, containing the seal of Charles H. Jackson, G.R.L.S. No. 2351, dated November 20, 2003, and recorded in Plat Book 102, Page 234, Gwinnett County, Georgia records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

The Declarant hereby designates the following as The Coventry at Village Grove Neighborhood pursuant to Section 1.13 of the Declaration:

All that tract or parcel of land lying and being in Land Lots 251 and 252 of the 7th District, City of Suwanee, Gwinnett County, Georgia being Units 501, 503, 505, 507, 509, 511, 513, 515, 517, 519, 521, 523, 525, 502, 504, 506, 508 510, 512, 514, 518, 520, 522, 524, 526, 528, 530, 4371, 4369, 4367, 4365, 4363, 4361, 4359, 4357, 4355, 4378, 4376, 4374, 4372, 4370, 4368, 4364, 4362, 4360, 4358, 4356 and 4354 of Block "A" and the "Park" (containing approximately .10 acres) and all other property contained in Block "A" being bounded in a generally easterly direction by Grove Field Court (having a 44-foot right-of-way) and in a generally southwesterly direction by Grove Field Park (having a 50-foot right-of-way) and in a generally northwesterly direction by Village Arbor Park (having a 44-foot right-of-way) as shown on that certain Final Plat for Unit Two, Village Grove Subdivision, prepared by Brock Design Group, containing the seal of Charles H. Jackson, G.R.L.S. No. 2351, dated November 20, 2003, and recorded in Plat Book 102, Page 234, Gwinnett County, Georgia records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

IN WITNESS WHEREOF, the undersigned Owner of some or all of the tract or parcel of land described on Exhibit "A" attached hereto does hereby declare and consent, on behalf of such Owner and such Owner's heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of Owner described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration. This 4th day of ~~April~~ ^{May}, 2004.

Owner: TOUCHSTONE HOMES (GEORGIA),
INC, a Georgia corporation

By: [Signature]
Name: Bryan J. Cohen
Title: President

[AFFIX CORPORATE SEAL]



Signed, sealed, and delivered
in the presence of:

[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

My Commission Expires: 11/11/06

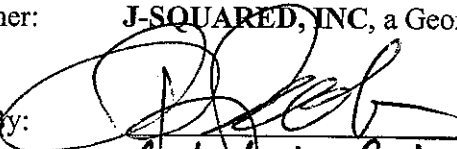
[AFFIX NOTARY SEAL]



[SIGNATURES CONTINUE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned Owner of some or all of the tract or parcel of land described on Exhibit "A" attached hereto does hereby declare and consent, on behalf of such Owner and such Owner's heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of Owner described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration. This 30th day of April, 2004.

Owner: **J-SQUARED, INC**, a Georgia corporation

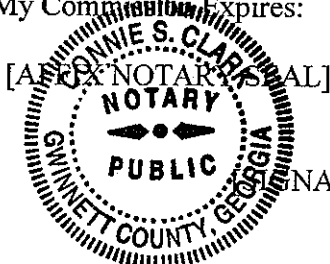
By: 
Name: Richard L. Porter
Title: President

Signed, sealed, and delivered in the presence of:


WITNESS


NOTARY PUBLIC

My Commission Expires:



[AFFIX CORPORATE SEAL]



[SIGNATURES CONTINUE ON FOLLOWING PAGE]

Notary Public, Gwinnett County, Georgia
My Commission Expires January 13, 2008

IN WITNESS WHEREOF, the undersigned Owner of some or all of the tract or parcel of land described on Exhibit "A" attached hereto does hereby declare and consent, on behalf of such Owner and such Owner's heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of Owner described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration. This 30th day of April, 2004.

Owner: **RICHPORT PROPERTIES, INC,** a Georgia corporation

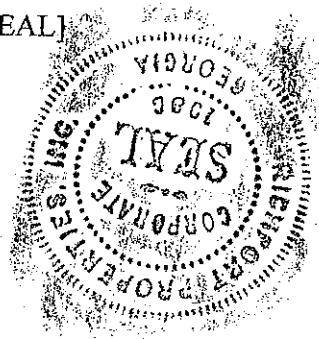
By: [Signature]
Name: Richard L. Porter
Title: President

[AFFIX CORPORATE SEAL]

Signed, sealed, and delivered in the presence of:

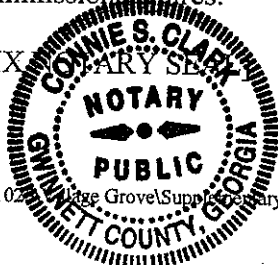
[Signature]
WITNESS

[Signature]
NOTARY PUBLIC



My Commission Expires:

[AFFIX



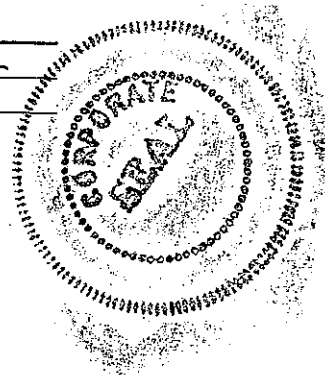
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Notary Public, Gwinnett County, Georgia
My Commission Expires January 13, 2008

IN WITNESS WHEREOF, the undersigned Owner of some or all of the tract or parcel of land described on Exhibit "A" attached hereto does hereby declare and consent, on behalf of such Owner and such Owner's heirs, successors, legal representatives, successors-in-title and assigns, that from and after the date hereof the property of Owner described on Exhibit "A" attached hereto shall be owned, held, transferred, sold, conveyed, used, occupied, and encumbered subject to all of the terms, provisions, covenants, restrictions and easements contained in the Declaration. This 4th day of May, 2004.

Owner: **HARCREST HOMES, LLC**, a Georgia limited liability company

By: [Signature]
Name: Michael A. Smith
Title: President



Signed, sealed, and delivered in the presence of:

[Signature]

WITNESS

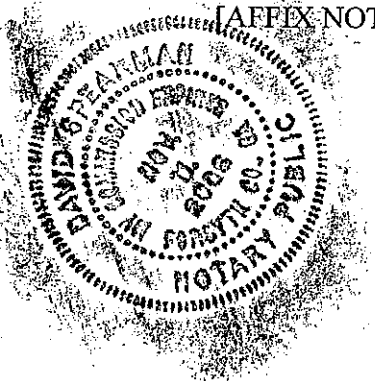
[Signature]

NOTARY PUBLIC

My Commission Expires: 11/11/06

[AFFIX NOTARY SEAL]

[SIGNATURES CONTINUE ON FOLLOWING PAGE]



CROSS REFERENCE: GWINNETT COUNTY, GEORGIA:

Deed Book: 37345

Page: 43

After recording, please return to:

Lisa A. Crawford

Dorough & Dorough, LLC

Attorneys at Law

Two Decatur TownCenter, Suite 520

125 Clairemont Avenue

Decatur, Georgia 30030

**SECOND AMENDMENT TO MASTER DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR VILLAGE GROVE**

THIS SECOND AMENDMENT (hereinafter referred to as "Second Amendment") is made this 9th day of July, 2004 by SUWANEE JUNCTION, LLC, a Delaware limited liability company (hereinafter referred to as "Declarant").

WITNESSETH

WHEREAS, Declarant executed that certain Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove, which was recorded on March 9, 2004 in Deed Book 37345, Pages 43, *et seq.*, Gwinnett County, Georgia records (hereinafter as supplemented and/or amended from time to time, the "Declaration"); and

WHEREAS, pursuant to Article 14, Section 14.6 of the Declaration, Declarant may unilaterally amend the Declaration for any purpose; provided, however any such amendment shall not materially adversely affect the substantive rights of any Owners nor shall it adversely affect title to any Unit without the consent of the affected Owner; and

WHEREAS, this Second Amendment does not materially adversely affect the substantive rights of any Owners under the Declaration, or adversely affect the title to any Unit;

NOW THEREFORE, the undersigned hereby adopts this Second Amendment to the Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove, hereby declaring that all the property now or hereafter subject to the Declaration shall be held, conveyed, encumbered, used, occupied and improved subject of the Declaration, amended as follows:

1.

The Declaration is hereby amended by deleting Article 4, Section 4.13, entitled "Initiation Fee," in its entirety and replacing it with a new section 4.13 to read as follows:

4.13 Initiation Fee. Upon the first sale of each and every Unit after it has been improved with a structure for which a certificate of occupancy has been issued, an initiation fee in the amount of \$250.00 shall be collected from the purchaser at the closing of such sale for the benefit of the Association. The initiation fee shall constitute a specific assessment against the Unit, shall be in addition to, not in lieu of, the annual general assessment and shall not be considered an advance payment of such assessment. The initiation fee may be used by the Association for any purpose, including, without limitation, for the payment of operating expenses of the Association and other expenses incurred by the Association pursuant to the provisions of this Declaration.

2.

Unless otherwise defined herein, the words used in this Second Amendment shall have the same meaning as set forth in the Declaration.

3.

This Second Amendment shall be effective only upon being recorded in the records of the Clerk of Superior Court of Gwinnett County, Georgia.

4.

Except as herein modified, the Declaration shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Declarant has caused this Second Amendment to be executed under seal the day and year first above written.

DECLARANT: SUWANEE JUNCTION, LLC., a Delaware limited liability company

By: Junction, Inc., a Georgia corporation, as its managing member

By: [Signature]
Bryan Cohen, Secretary

Signed, sealed, and delivered in the presence of:

[Signature]
WITNESS

[AFFIX CORPORATE SEAL]

[Signature]
NOTARY PUBLIC

Notary Public, Fulton County, Georgia
My Commission Expires November 18, 2003
My Commission Expires:

[AFFIX NOTARY SEAL]

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BK 37345 PG 0043

FILED & RECORDED
CLERK SUPERIOR COURT
GWINNETT COUNTY, GA.

04 MAR -9 AM 11:22

TOM LAWLER, CLERK

Upon recording return to:
Lisa A. Crawford
Dorough & Dorough, LLC
Attorneys At Law
Two Decatur TownCenter, Suite 520
125 Clairemont Avenue
Decatur, Georgia 30030-2551
(404) 687-9977

302601

MASTER DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
VILLAGE GROVE

THIS INSTRUMENT ESTABLISHES A MANDATORY MEMBERSHIP OWNERS
ASSOCIATION

044511

MASTER DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR
VILLAGE GROVE
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EXHIBIT "C" - BYLAWS OF VILLAGE GROVE OWNERS ASSOCIATION, INC.

MASTER DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS

FOR

THE VILLAGE GROVE

THIS DECLARATION is made on the date hereinafter set forth by **SUWANEE
JUNCTION, LLC**, a Delaware limited liability company (hereinafter sometimes called
"Declarant");

WITNESSETH

WHEREAS, Declarant is the owner, or if not the owner has the consent of the owner, of
the real property described in Exhibit "A" hereof; and

WHEREAS, Declarant desires to subject the real property described in Exhibit "A"
hereof to the provisions of this Declaration to provide for a general plan for the subdivision,
development and improvement of Village Grove in an orderly manner with appropriate
architectural, landscaping, construction, development and maintenance controls to maintain the
value, aesthetic appearance and architectural harmony of Village Grove during and after
development; and to provide for the subjecting of other real property to the provisions of this
Declaration;

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

Article 1
Definitions

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

1.1 "Articles of Incorporation" means the Articles of Incorporation of Village Grove Owners Association, Inc., filed with the Georgia Secretary of State and incorporated herein by this reference as may be amended from time to time.

1.2 "Association" means Village Grove Owners Association, Inc., a Georgia nonprofit corporation, its successors and assigns.

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

1.4 "Bylaws" means the Bylaws of Village Grove Owners Association, Inc., attached to this Declaration as Exhibit "C" and incorporated herein by this reference as may be amended from time to time.

1.5 "Common Property" means any and all real and personal property, and the facilities and improvements located thereon, now or hereafter owned by the Association for the use and enjoyment of the Owners.

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

1.7 "Community-Wide Standard" means the standard of conduct, maintenance or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board of Directors of the Association. Such determination, however, must be consistent with the Community-Wide Standard originally established by the Declarant.

1.8 "Condominium Unit" shall mean any portion of the Community which may be independently owned and conveyed for occupancy and which constitutes or will constitute, after the recording of a declaration of condominium, a unit as defined in a declaration of condominium. The ownership of each Condominium Unit shall include an appurtenant interest in the common elements of the condominium. The ownership of each Condominium Unit shall include, and there shall automatically pass with the title to each Condominium Unit as an appurtenance thereto, whether or not separately described, membership in the Association and all of the rights and interest of an Owner in the Common Property, as herein provided.

1.9 "Declarant" means **SUWANEE JUNCTION, LLC**, a Delaware limited liability company, and its successors-in-title and assigns; provided that in a recorded instrument, such successor-in-title or assignee is designated as the Declarant hereunder by the holder of all of the rights of Declarant hereunder.

1.10 "Lot" means any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes a single-family dwelling site, which dwellings will not be attached by one or more party walls to another dwelling, as shown on a plat recorded in the Office of the Clerk of Superior Court of Gwinnett County, Georgia. The ownership of each Lot

shall include, and there shall automatically pass with the title to each Lot as an appurtenance thereto membership in the Association and all rights and interest of an Owner in the Common Property.

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

1.12 "Mortgagee" means the holder of a Mortgage.

1.13 "Neighborhood" means each separately developed and denominated area within the Community which has been so designated on Exhibit "A" hereof or in one or more Supplementary Declarations. By way of illustration and not limitation, a townhouse development, single-family detached housing development or mixed use condominium development might each be designated as a separate Neighborhood. The Declarant shall have the right to designate separate Neighborhood status and change the Neighborhood status of any previously designated Neighborhood for any property in the Community. A Neighborhood may (but is not required to) have a separate incorporated mandatory membership Neighborhood Association.

1.14 "Neighborhood Association" means a condominium association, homeowners association or other mandatory membership owners association having concurrent jurisdiction with the Association over any Neighborhood.

1.15 "Neighborhood Declaration" shall refer to any declaration of condominium, declaration of protective covenants or similar instrument recorded in the Gwinnett County, Georgia land records which subjects all or a portion of the land within such Neighborhood to covenants, restrictions, and easements in addition to those contained in this Declaration.

1.16 "Occupant" means any Person occupying all or any portion of a Unit or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

1.17 "Owner" means the record owner, whether one or more Persons, of the fee simple title to any Unit within the Community but does not include any Mortgagee.

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

1.19 "Supplementary Declaration" means an amendment or supplement to this Declaration which subjects additional property to this Declaration and/or imposes additional covenants, conditions, restrictions or easements on the land described therein.

1.20 "Total Association Vote" means the votes attributable to the entire membership of the Association as of the record date for such action (including votes of the Declarant), whether or not such members are present or represented at the meeting, if any, where such votes are to be cast. If, for example, and without limitation, a majority of the Total Association Vote is required to approve a matter, such matter must receive more than half of the votes attributable to all existing members of the Association as of the record date for such action, whether or not such members are present or represented at the meeting, if any, where such votes are to be cast. As a further illustration, if a majority vote is required to approve a matter (and the term Total Association Vote is not used), such matter must receive more than half of the votes cast by the members present and entitled to vote on the matter.

1.21 "Townhome Unit" shall mean any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site for a townhome which will be attached by one or more party walls to another townhome. Where the dwelling on a Townhome Unit is attached by a party wall to one or more other dwellings, the boundary between Townhome Units shall be a line running along the center of the party wall separating the Townhome Units. The ownership of each Townhome Unit shall include the exclusive right to use and possession of any and all portions of the heating and air conditioning units which are appurtenant to and serve each Townhome Unit (including, but not limited to, compressors, conduits, wires and pipes) and any porch, deck, patio, steps, wall, roof, foundation, sunroom or any similar appurtenance as may be attached to a Townhome Unit when such Townhome Unit is initially constructed. The ownership of each Townhome Unit shall include, and there shall automatically pass with the title to each Townhome Unit as an appurtenance thereto, whether or not separately described, membership in the Association and all of the rights and interest of an Owner in the Common Property, as herein provided.

1.22 "Unit" shall mean a separate portion of the Community which may be independently owned and conveyed, including, without limitation a Condominium Unit, Townhome Unit or a Lot. The ownership of each Unit shall include, and there shall automatically pass with the title to each Unit as an appurtenance thereto, whether or not separately described, membership in the Association and all of the rights and interest of an Owner in the Common Property, as herein provided.

Article 2

Property Subject To This Declaration

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

2.2 Unilateral Annexation By Declarant. As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time at any time until ten (10) years after the recording of this Declaration to subject

all or any portion of the real property described in Exhibit "B" attached hereto and by this reference incorporated herein, to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia a Supplementary Declaration describing the property being subjected. Declarant intends to annex hereto the property contained in Declarant's land plan for the development as amended from time to time which property is a portion of the property described in Exhibit "B". However, inclusion of property on Declarant's land plan or in Exhibit "B" shall not obligate the Declarant to subject such property to the Declaration, nor shall exclusion of property from the initial land plan bar Declarant from subjecting such property to the Declaration. Any annexation shall be effective upon the filing for record of a Supplementary Declaration executed by the Declarant unless a later effective date is provided therein. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of existing Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property. If any land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

2.3 Additional Covenants, Restrictions and Easements. The Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by Supplementary Declaration to additional covenants, restrictions and easements and/or modify the applicability of the covenants, restrictions and easements contained in this Declaration as to such property. Such additional covenants, conditions, restrictions and easements may be set forth in a Supplementary Declaration or a separate declaration of protective covenants, declaration of condominium or other document filed either concurrently with or after the annexation of the subject property. Any such document filed by the Declarant may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property in order to reflect the different character and intended use of such property. No Person shall record any declaration of covenants, conditions and restrictions, declaration of condominium, easements, or similar instrument without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Gwinnett County, Georgia land records. No such instrument recorded by any Person, other than the Declarant pursuant to this section, may conflict with the Declaration, By-Laws or Articles.

2.4 Other Annexation. Upon the written consent of: (a) the owner(s) thereof; (b) the Declarant; and (c) the Owners of at least two-thirds (2/3) of the Units, the Association may annex real property to the provisions of this Declaration and the jurisdiction of the Association by filing for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia a Supplementary Declaration describing the property being annexed. Any such Supplementary Declaration shall be executed on behalf of the Association by the President of the Association whose signature shall be attested by the Secretary of the Association. The annexation shall be effective only upon the filing for record of such Supplementary Declaration, unless a later effective date is provided therein.

2.5 Withdrawal of Property. Declarant reserves the right to amend this Declaration so long as it has a right to annex additional property pursuant to this Article for the purpose of removing any portion of the Community then owned by Declarant or the Association from the coverage of this Declaration, to the extent originally included in error or for the purpose of dedicating such property to the City of Suwanee to be used as a public park or as a result of any changes whatsoever in the plans for the Community, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Community. Any such withdrawal shall be accomplished by the filing for record of an amendment to this Declaration describing the property removed and shall be effective upon filing for record in the Office of the Clerk of Superior Court of Gwinnett County, Georgia unless a later effective date is provided therein. Such amendment shall be executed by the Declarant and the Owner(s) of the property being removed and shall not require the vote or consent of any other Person.

Article 3

Association Membership and Voting Rights

3.1 Membership. Every Person who is the record owner of a fee or undivided fee interest in any Unit subject to this Declaration shall have a membership in the Association. The foregoing is not intended to include Mortgagees and the conveyance of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one membership per Unit. Membership shall be appurtenant to and may not be separated from ownership of a Unit. The rights and privileges of membership, including the right to hold office, may be exercised by a member or the designee of a member, but in no event shall more than one office be held for each Unit owned. This Section is not intended to prohibit the same individual from being both an officer and a director of the Association. Nothing in this Section shall restrict the number of votes cast or the number of the officers and directors appointed by the Declarant.

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

3.3 Notice of Sale, Lease or Acquisition. Prior to the sale or lease of a Unit, the Owner shall provide the Association with written notice of the name of the purchaser or lessee, as the case may be, and such other information as the Board may reasonably require. Upon acquisition of a Unit each new Owner shall provide the Association with written notice of the name and mailing address of the Owner and such other information as the Board may reasonably require.

Article 4
Assessments

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

4.2 Creation of the Lien and Personal Obligation for Assessments. Each Owner of a Unit by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Association: (a) general assessments; (b) Neighborhood assessments, if applicable; (c) special assessments; and (d) specific assessments. All such assessments, together with late charges, interest (at a rate set by the Board of Directors from time to time, but not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due) and costs of collection, including, without limitation, reasonable attorney's fees actually incurred, shall, from the time the sums become due and payable, be a charge on the land and shall be a continuing lien in favor of the Association on the Unit against which each assessment is made. The recording of this Declaration shall constitute record notice of the existence of the lien and no further recordation of any claim of lien shall be required. Each such assessment, together with such late charges, interest and costs, shall also be the personal obligation of the Person who was the Owner of the Unit at the time the assessment fell due. Each Owner shall be personally liable for the portion of each assessment coming due while the Owner of a Unit and each grantee of an Owner shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of the grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings. No Owner may waive or otherwise exempt themselves from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the property. No diminution or abatement of any assessment shall be claimed or allowed by reason of any failure of the Association to take some action or perform some function required to be taken or performed by the Association, the obligation to pay assessments being a separate and independent covenant on the part of each Owner. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments.

4.3 General Assessments. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Association during the coming year. The general assessment to be levied against each Unit shall be an equal amount for all Units. The Board shall cause the budget and the assessments to be levied for the year to be delivered to each member at least thirty (30) days prior to the due date of any general assessment. The budget and the general assessment shall become effective unless disapproved at a meeting by a majority of the Total Association Vote and the Declarant. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for any period, then and until such time as a budget shall have been determined, as provided herein, the budget in effect shall continue. General assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include,

without limitation, acceleration, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the general assessment shall be paid in one annual installment. General assessments include any sums the Board determines necessary for the continued ownership, operation and maintenance of the Common Property, operating expenses of the Association, payment for any items of betterment and the establishment of reserve funds as the Board shall deem proper. General assessments may include, without limitation, sums for property taxes, insurance premiums, legal and accounting fees, management fees, charges for utilities, cleaning and janitor services, landscape maintenance, expenses and liabilities incurred as provided herein and in the Articles of Incorporation and Bylaws for indemnification of officers and directors and in connection with the enforcement of rights and duties of the Association against Owners and others.

4.4 Neighborhood Assessments. The Association may levy assessments against the property in a particular Neighborhood to fund actual and estimated expenses incurred by the Association for the primary benefit of property within such Neighborhood, including without limitation, maintenance required to be performed by the Association with respect to property within such Neighborhood. Neighborhood assessments shall be levied as specifically budgeted from time to time by the Board of Directors pursuant to this Declaration. In addition, the Board shall levy a Neighborhood assessment upon the request of the Owners holding two-thirds (2/3) of the Total Association Vote applicable to Units within a Neighborhood.

4.5 Special Assessments. The Association may levy a special assessment if approved by two-thirds (2/3) of the Total Association Vote and the Declarant. Special assessments shall be paid as determined by the Board. The Board may permit a special assessment to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

4.6 Specific Assessments. The Board shall have the power to levy specific assessments as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. Fines levied pursuant to this Declaration and the costs of maintenance performed by the Association for which the Owner is responsible shall be specific assessments. The Board of Directors may also specifically assess Owners for Association expenses as follows: (a) expenses of the Association which benefit less than all of the Units may be specifically assessed equitably among all of the Units which are benefited according to the benefit received; and (b) expenses of the Association which benefit all Units, but which do not provide an equal benefit to all Units, may be assessed equitably among all Units according to the benefit received.

4.7 Subordination of Liens to Mortgages. The lien of all assessments authorized herein is hereby made subordinate to the lien of any first Mortgage if, but only if, all assessments and charges with respect to such Unit authorized herein having a due date on or prior to the date of the Mortgage as filed of record have been paid. The lien hereby subordinated is only such lien as relates to assessments and charges authorized hereunder having a due date subsequent to the date such Mortgage is filed of record and prior to the satisfaction, cancellation or foreclosure of such

Mortgage or the sale or transfer of the property pursuant to any proceeding in lieu of foreclosure or the sale or transfer of the property pursuant to a sale under power contained in such Mortgage. Such subordination is merely a subordination and shall not relieve an Owner of the personal obligation to pay all assessments coming due during such period of ownership; shall not relieve such property from the lien provided for herein (except to the extent a subordinated lien is extinguished as a result of such subordination as against a Mortgagee or such Mortgagee's assignee or transferee by foreclosure or by sale under power); and no sale or transfer of such property to the Mortgagee or to any other Person pursuant to a decree of foreclosure, or pursuant to any other proceeding in lieu of foreclosure or pursuant to a sale under power, shall relieve any existing or previous Owner of any personal obligation or relieve such property or the then Owner from liability for any assessment authorized hereunder become due after such sale and transfer.

4.8 Remedies of the Association. Any assessments or installments thereof which are not paid when due shall be delinquent. In addition to the lien rights, the personal obligation of the then Owner to pay such assessments shall remain such Owner's personal obligation and shall also pass to such Owner's successors-in-title. Such Owner shall nevertheless remain as fully obligated as before to pay to the Association any and all amounts which such Owner was obligated to pay immediately preceding the transfer; and such Owner and such successors-in-title shall be jointly and severally liable with respect thereto, notwithstanding any agreement between such Owner and such successors-in-title creating any indemnification of the Owner or any relationship of principal and surety as between themselves. Any assessment or installment thereof delinquent for a period of more than ten (10) days shall incur a late charge in an amount as the Board may from time to time determine. The Association may cause a notice of delinquency to be given to any Owner who has not paid within ten (10) days following the due date. In the event that the assessment remains unpaid after sixty (60) days, the Association may institute suit to collect such amounts and/or to foreclose its lien. The Association may file a notice of its claim of lien with the Office of the Clerk of Superior Court of Gwinnett County, Georgia, but no such claim of lien shall be required to establish or perfect the lien for unpaid assessments contained in this Declaration. Each Owner, by acceptance of a deed, vests in the Association the right and power to bring all actions against such Owner personally for the collection of such charges as a debt or to foreclose the lien. The lien provided for in this Declaration shall be in favor of the Association and shall be for the benefit of all Owners. The Association shall have the power to bid on any property within the Community at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. The Association may also suspend the membership rights of the delinquent Owner, including the right to vote, the right of enjoyment in and to the Common Property maintained by the Association and the right to receive and enjoy such servicing and other benefits as may then be provided by the Association. Any such suspension shall not affect such member's obligation to pay assessments coming due during the period of such suspension and shall not affect the permanent lien on such property in favor of the Association.

4.9 Date of Commencement of Assessments. Assessments shall commence in general when the Board of Directors first determines a budget and levies assessments. The assessments provided for herein shall commence as to a particular Unit on the date that the Unit is first occupied; or is conveyed by Declarant to an owner who is not a successor Declarant or a builder acquiring the Unit for resale during the ordinary course of business. A Unit shall be occupied

when it has been improved with a structure and has been conveyed to an Owner who intends to occupy and use the structure as a residence, or, if the structure is occupied as a residence before such conveyance, the date of such occupancy.

4.10 Budget Deficits During Declarant Control. For so long as the Declarant has the authority to appoint the directors and officers of the Association, Declarant may: (a) advance funds to the Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Association (but specifically not including an allocation for capital reserves), and the sum of the general, Neighborhood, special and specific assessments collected by the Association in any fiscal year (such advances shall be evidenced by promissory notes from the Association in favor of the Declarant) or (b) cause the Association to borrow such amount from a commercial lending institution at the then prevailing rates for similar loans in the local area of the Community. No Mortgage secured by the Common Property or any of the improvements maintained by the Association shall be given in connection with such loan.

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

4.12 Estoppel Letter. The Association shall, within five (5) days after receiving a written request therefor and for a reasonable charge, as established by the Board, certify to the amount of any unpaid assessments constituting a lien on a specified Unit. A certification letter signed by an officer of the Association or the Association's managing agent, if any, as to the amount of assessments due with respect to a Unit shall be binding upon the Association.

4.13 Initiation Fee. Upon the first sale of each and every Unit after it has been improved with a structure for which a certificate of occupancy has been issued, an initiation fee in the amount of \$500.00 shall be collected from the purchaser at the closing of such sale for the benefit of the Association. The initiation fee shall constitute a specific assessment against the Unit, shall be in addition to, not in lieu of, the annual general assessment and shall not be considered an advance payment of such assessment. The initiation fee may be used by the Association for any purpose, including, without limitation, for the payment of operating expenses of the Association and other expenses incurred by the Association pursuant to the provisions of this Declaration.

Article 5

Maintenance; Common Property

5.1 Association's Responsibility. The Association shall maintain and keep in good repair the Common Property. The Association shall also maintain (whether or not constituting Common Property): (a) all Community entry features, including entry area landscaping and any irrigation system and the expenses for water and electricity, if any, provided to all such entry features; (b) all storm water detention/retention ponds and storm water drainage facilities serving

the Community, if and to the extent such facilities are not maintained by the owner of such facilities, the owners of nearby property served by such facilities or a government body; (c) all Community greenbelt and open spaces and any irrigation system and the expenses for water and electricity, if any, provided to all such greenbelt and open spaces; (d) Community recreational facilities and amenities located thereon, if any; (e) landscaping and private streets in the Neighborhoods provided for in Article 8 and Article 9 hereof; and (f) all property outside of Units located within the Community which was originally maintained by Declarant. In addition, the Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Community and to enter into easements and covenant to share costs agreements regarding such property where the Board has determined that such action would benefit the Owners. In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the Occupants, family, guests, lessees or invitees of an Owner, then the Association may perform such maintenance, repair or replacement and all costs thereof, not paid for by insurance, shall be assessed against the Owner as a specific assessment. All maintenance by the Association shall be performed consistent with the Community-Wide Standard. Any common irrigation system installed by the Declarant or the Association shall be Common Property, operated, maintained, repaired and replaced by the Association. The deed of conveyance of any Unit shall not include any right, title or interest in such irrigation system, if any.

5.2 Owner's Responsibility. Except for maintenance performed on a Unit by the Association pursuant to Section 5.1 or Article 8, Article 9, or maintenance performed by a Neighborhood Association pursuant to a Neighborhood Declaration, if any, all maintenance of the Unit and all structures, landscaping, and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Unit in a manner consistent with the Community-Wide Standard and this Declaration. Such maintenance obligation shall include, without limitation, the following: prompt removal of all litter, trash, refuse, and waste; lawn mowing on a regular basis; tree and shrub pruning; watering landscaped areas; keeping improvements, and exterior lighting in good repair and working order; keeping lawn and garden areas alive, free of weeds, and attractive; keeping driveways in good repair; complying with all governmental health and police requirements; and repair of exterior damage to improvements including, without limitation, repairing and painting (or other appropriate external care) of improvements located on a Unit. In the event that the Board of Directors determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair or replacement of items for which such Owner is responsible hereunder, the Association shall, except in an emergency situation, give the Owner written notice of the Association's intent to provide such 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. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair or replacement, or, in the event that such maintenance, repair or replacement is not capable of completion within a ten-day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair or replacement and all costs thereof shall be assessed against the Owner and the Unit as a specific assessment.

5.3 Conveyance of Common Property by Declarant to Association; No Implied Rights. Declarant may transfer or convey to the Association at any time and from time to time any personal property and any interest in improved or unimproved real property. Such conveyance shall be deemed to be accepted by the Association upon delivery of any personal property or upon recordation of an instrument of conveyance of any interest in real property, and the property shall thereafter be Common Property to be used and maintained by the Association for the benefit of its members. The Association hereby constitutes and appoints Declarant as its agent and attorney-in-fact to accept on behalf of the Association any such conveyance to the Association and to execute on behalf of the Association any and all documents, including, without limitation, deeds and transfer tax declaration forms, necessary or convenient to effectuate and document any such conveyance to the Association. The power and agency hereby granted are coupled with an interest and are irrevocable by death or otherwise. The Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section and shall have no duty or obligation to convey any property or property rights to the Association regardless of whether or not any such property has been made available for the use of Owners. The Declarant may reserve, by lease, license, easement or otherwise such rights of use and enjoyment in and to all or any portion of the property so conveyed as Declarant may reasonably require so long as such reservation is not materially inconsistent with the overall scheme of development for the Community. Neither the recordation of any subdivision plat nor the use by the Owners or maintenance by the Association of any property shall create any rights, easements or licenses, in the Association or the Owners, express or implied, unless and until any such property rights, easements or licenses are conveyed by the Declarant, or the owner of such property to the Association or the Owners, as the case may be, by an instrument recorded in the Office of the Clerk of Superior Court of Gwinnett County, Georgia.

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

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

5.6 Liability. Owners, Occupants and their guests shall use the Common Property, Community recreational facilities, green space, private streets and alleys, pedestrian paths and walking trails maintained by the Association at their own risk and shall assume sole responsibility for their personal belongings used or stored there. The Association, the Declarant

and their respective officers, directors, employees, representatives and agents shall not be held liable for personal injury to any person, nor for loss or damage to personal belongings used or stored on any of the foregoing property. The Association shall not be liable for injury or damage to any Person or property (a) caused by the elements or by an Owner or any other Person, (b) resulting from any rain or other surface water which may leak or flow from any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, or (c) caused by any street, pipe, plumbing, drain, conduit, appliance, equipment, security system, or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner or Occupant for loss or damage, by theft or otherwise, of any property of such Owner or Occupant.

5.7 Garbage Pick-Up. The Association may, but shall not be required to, contract with a private trash collection company to pick up all usual and customary household trash on a regular basis. Trash and recycling receptacles shall be placed at the curb no earlier than 5:00 p.m. the day before pick up and shall be removed within twenty-four (24) hours. Trash pick up shall also be subject to such reasonable rules and regulations as the Board of Directors may adopt. All charges for usual and customary trash collection shall be assessed to each Unit equally as part of the general assessment in accordance with Section 4.3 hereof. If a Unit Owner, for any reason, refuses trash collection service provided by the Association, such Owner shall nevertheless still be obligated to pay the full general assessment

Article 6 Architectural Standards

6.1 General. No exterior construction, alteration or addition of any improvements of any nature whatsoever (including, without limitation, staking, clearing, excavation, grading, filling, construction of impervious surface, building, exterior alteration of existing improvements, change in the exterior color of any existing improvement, and planting and removal of landscaping materials), shall be commenced or placed upon any part of the Community unless installed by the Declarant or an affiliate of the Declarant, approved in accordance with this Article, or otherwise expressly permitted under this Declaration. Any Owner may remodel, paint or redecorate the interior of structures on the Unit without approval hereunder. However, modifications to the interior of porches, patios and similar portions of a structure visible from outside the Unit shall be subject to approval. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. This Article shall not apply to the activities of the Declarant, affiliates of the Declarant, nor to improvements to the Common Property by or on behalf of the Association. This Article may not be amended without the written consent of the Declarant until (a) the Declarant no longer has the right to unilaterally annex additional property to the Community; and (b) each Unit has been improved with a structure for which a certificate of occupancy has been issued.

6.2 Guidelines and Procedures. Except as provided above, no exterior construction, addition or alteration shall be made unless and until plans and specifications shall have been submitted in writing to and approved by the Declarant. Such plans and specifications shall be of

sufficient detail to allow the Declarant to make its review and, to the extent required by the Declarant, shall show the nature, kind, shape, height, materials and location of the proposed improvement. The Declarant may adopt written design and development guidelines and application and review procedures, which may provide for a review fee. The Declarant shall have sole and full authority to prepare and to amend, from time to time at its sole discretion and without notice, the architectural guidelines. The Declarant shall make the architectural guidelines available to Owners and builders who seek to engage in construction upon all or any portion of the Community and such Owners and builders shall conduct their operations strictly in accordance therewith. If the Declarant fails to approve or to disapprove submitted plans and specifications within thirty (30) days after receipt of all required plans and specifications, such approval shall be deemed to have been given. As a condition of approval under this Article, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance to and on any improvement, change, modification, addition or alteration. In the discretion of the Declarant, an Owner may be required to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest. The Declarant shall be the sole arbiter of such plans and may withhold approval for any reason, including, without limitation, purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. The Declarant and its representatives shall have the right, during reasonable hours and after reasonable notice, to enter upon any property in the Community to inspect for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such Persons shall not be deemed guilty of trespass by reason of such entry. If construction does not commence on a project for which plans have been approved within twelve (12) months of such approval, such approval shall be deemed withdrawn, and it shall be necessary for the Owner to resubmit the plans to the Declarant for reconsideration.

6.3 Limitation of Liability. Plans and specifications are not approved for engineering or structural design or quality of materials and by approving such plans and specifications the Declarant assumes no liability or responsibility therefor or for any defect in any structure constructed from such plans and specifications. Neither Declarant, the Association, nor the officers, directors, members, employees and agents of any of them shall be liable in damages to anyone submitting plans and specifications to any of them for approval or to any Owner of property affected by these restrictions by reason of mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every Person who submits plans and specifications and every Owner agrees that such Person or Owner will not bring any action or suit against Declarant, the Association or the officers, directors, members, employees and agents of any of them to recover any damages and hereby releases, remises, quitclaims and covenants not to sue for all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given.

6.4 No Waiver. The approval of the Declarant of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter

requiring approval or consent of the Declarant, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications or drawings or matters whatever subsequently or additionally submitted for approval or consent.

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

6.6 Enforcement. Any structure or improvement placed or made in violation of this Article shall be deemed to be nonconforming. Upon written request from the Declarant, an Owner shall, at its own cost and expense, remove such nonconforming structure or improvement and restore the land to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to remove and restore as required, the Declarant and its agents shall have the right to enter the property, remove the nonconforming structure or improvement, and restore the property to substantially the same condition as previously existed. All costs, including, without limitation, attorney's fees, may be assessed against the Unit as a specific assessment. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the architectural guidelines may be excluded by the Declarant from the Community, subject to any applicable notice and hearing procedures contained in the Bylaws. In such event, neither the Declarant, the Association or the officers, directors, members, employees and agents of any of them shall be held liable to any Person for exercising the rights granted by this paragraph. In addition to any other remedies available to the Declarant, in the event of noncompliance with this Article, the Declarant may record in the appropriate land records a notice of violation hereunder naming the violating Owner. In addition to the foregoing, the Declarant shall have the authority and standing to pursue any and all remedies available at law and equity to enforce the provisions of this Article.

6.7 Architectural Review Committee. Until (a) the Declarant no longer has the right to unilaterally annex additional property to the Community; and (b) each Unit has been improved with a structure for which a certificate of occupancy has been issued, the Declarant shall have the sole right, power and authority under this Article. There shall be no surrender of this right except in a written instrument in recordable form executed by Declarant and recorded in the Office of the Clerk of Superior Court of Gwinnett County, Georgia. Upon expiration or earlier surrender in writing of all or a portion of such right and authority, the Board of Directors shall appoint an Architectural Review Committee of the Association ("ARC"), which shall then have such jurisdiction over architectural control under this Article as may have been relinquished by the Declarant. The Declarant may in its sole discretion relinquish architectural control as to certain types of improvements or modifications while retaining control over all other building

and construction in the Community. For example and without limitation, the Declarant may relinquish control over modifications of existing structures to the ARC while retaining all authority to review and approve new home construction. Any right, power or authority of the Declarant which may be relinquished prior to the termination of the rights of Declarant hereunder shall be by written recorded instrument only and no such right, power or authority shall be relinquished by implication or otherwise. The establishment of an advisory ARC shall not be deemed to be a relinquishment by Declarant of any of its right, power and authority hereunder. After the termination of all rights of Declarant hereunder, the ARC shall have all right, power and authority to review and approve building and construction activity within the Community hereunder and this Article shall then be read and interpreted as if any reference to the Declarant in this Article 6 were a reference to the ARC.

Article 7

Use Restrictions and Rules

7.1 Rules and Regulations. The Board of Directors may, from time to time, with the consent of Declarant and without a vote of the members, promulgate, modify or delete rules and regulations applicable to the Units in the Community. Such rules and regulations shall be distributed to all Owners prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled or modified by a majority of the votes attributable to the Units in the Community and the consent of Declarant.

7.2 Residential Use. Each Unit shall be used for single-family residential purposes exclusively. Leasing of a Unit for single-family residential occupancy shall not be considered a business or business activity. No trade or business of any kind may be conducted in or from a Unit, except that the Owner or Occupant in residence at the Unit may conduct business activities within the dwelling unit so long as the business activity: (a) does not otherwise violate the provisions of the Declaration or Bylaws; (b) is not apparent from the exterior of the Unit; (c) does not unduly increase traffic flow or parking congestion; (d) conforms to all zoning requirements for the Community; (e) does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (f) is consistent with the residential character of the Community; (g) does not constitute a nuisance or a hazardous or offensive use; and (h) does not threaten the security or safety of other residents of the Community, all as may be determined in each case in the sole discretion of the Board of Directors. The Board may issue rules regarding permitted business activities. The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to Persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (x) the activity is engaged in full or part-time; (y) the activity is intended to or does generate a profit; or (z) a license is required for the activity.

7.3 Leasing. Units may be leased for single-family residential purposes. Unless otherwise provided by the Board of Directors, all leases shall have a minimum term of at least twelve (12) months. All leases shall require, without limitation, that the Occupants acknowledge

receipt of a copy of the Declaration, Bylaws, use restrictions and rules and regulations of the Association and obligate the Occupants to comply with the foregoing.

7.4 Signs. No sign of any kind shall be erected within the Community without the prior written consent of: (a) the Declarant or, after the termination of the rights of Declarant hereunder, the Board of Directors; and (b) the Architectural Review Committee, if any. Notwithstanding the foregoing, the Board, the Declarant shall have the right to erect reasonable and appropriate signs. For-sale signs and security signs not larger than 18-inches by 18-inches and any signs required by legal proceedings may be erected upon any Unit. The provisions of this Section shall not apply to any Mortgagee in possession due to foreclosure of a first Mortgage or as grantee pursuant to any deed in lieu of such foreclosure. The Board may impose a fine of One-Hundred and Fifty and No/100 Dollars (\$150.00) per day for display of any sign in violation of this provision which is not removed within twenty-four hours after written demand is delivered to the Owner at that Unit.

7.5 Vehicles: Parking. Vehicles shall be parked only in appropriate parking spaces serving the Unit or other designated areas, if any. No on-street parking, other than in connection with special events as approved by the Board of Directors, shall be permitted within the Community. All parking shall be subject to such rules and regulations as the Board may adopt. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, golf carts, trucks, campers, buses, vans and automobiles. The term "parking areas" shall refer to the number of garage parking spaces and the spaces located in the driveway of each Unit. Carports shall not be permitted. Garage doors should be kept closed at all times, except during times of ingress and egress from the garage. No vehicle may be left upon any portion of the Community, except in a garage or other area designated by the Board, for a period longer than five days if it is not licensed or if it is in a condition such that it is incapable of being operated upon the public highways. After such five-day period, such vehicle may be removed from the Community by the Board of Directors. Any towed vehicle, boat, personal watercraft, recreational vehicle, motor home, trailer, motorcycle, minibike, scooter, go-cart, golf cart, commercial truck, camper, bus or mobile home regularly stored in the Community or temporarily kept in the Community, except if kept in a garage, for periods longer than 24 hours may be removed from the Community by the Board of Directors. Trucks with mounted campers which are used as a primary means of transportation shall not be considered recreational vehicles provided they are used on a regular basis for transportation and the camper is stored out of public view upon removal. No eighteen wheel trucks or the cabs of such trucks or trucks with a load capacity in excess of three-quarters of a ton shall be parked, kept or stored within the Community except during the time reasonably necessary to provide service or delivery within the Community.

If any vehicle is parked on any portion of the Community in violation of this Section or in violation of the Association's rules and regulations, the Board or agent of the Association may 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. The notice shall include the name and telephone number of the person or entity that will do the towing 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 in accordance with the notice, without further notice to the Owner or user of the vehicle.

If a vehicle is parked in a fire lane, is blocking another vehicle, is obstructing the flow of traffic, is parked on any grassy area, is parked in any alley, or otherwise creates a hazardous condition, no notice shall be required and the Board or agent of the Association may have the vehicle towed immediately. If a vehicle is towed 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 activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

7.6 Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept or permitted on the exterior of any Unit, with the exception of dogs, cats or other usual and common household pets. All pets shall be registered, licensed and inoculated if and as required by law. No pets shall be kept, bred or maintained for any commercial purpose. No exterior pens for household pets shall be erected or maintained on any Unit unless approved in accordance with the provisions of Article 6 hereof. Dogs shall at all times when outside the Unit be kept on a leash or otherwise under control at all times. Animal control authorities shall be permitted to enter the Community to patrol and remove unlicensed pets. An Owner shall not allow any animal waste to remain on the Common Property maintained by the Association. The Association may require the removal of any animal that presents an actual threat to the health or safety of residents and require abatement of any nuisance or unreasonable source of annoyance.

7.7 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly or unkempt condition on a Unit. No Unit shall be used for the storage of anything that will cause such Unit to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance or nuisance to any Person using any property within the Community. No plants, animals, device or thing of any sort shall be maintained in the Community whose activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of the Community by other Owners and Occupants. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Unit. Any noise that can be heard inside a neighboring house with the windows and doors closed will be considered too loud and in violation of this provision. This provision shall not apply to any Unit(s) owned by the Declarant.

7.8 Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause

disorderly, unsightly or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

7.9 Antennas. No exterior antenna, receiving dish or similar apparatus of any kind for receiving or transmitting of radio or video signals shall be placed, allowed or maintained upon any portion of the Community, including any Unit, unless approved in accordance with the provisions of Article 6 hereof; provided, however, no such approval shall be necessary to install (1) antennas designed to receive direct broadcast satellite services, including direct-to-home satellite services, that are one meter or less in diameter; (2) antennas designed to receive video programming services via multi-point distribution services that are one meter or less in diameter or diagonal measurement; or (3) antennas that are designed and intended to receive television broadcast signals. Owners shall install any permitted antennae on the rear of the structure unless an acceptable quality signal cannot otherwise be obtained.

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

7.11 Drainage. Catch basins, retention ponds, detention ponds, drainage swales and drainage easement areas are for the purpose of controlling the natural flow of water only. Owners shall not obstruct or alter the drainage flow across or from their Unit after location and installation of catch basins, retention ponds, detention ponds, drainage swales, storm sewers or storm drains without approval in accordance with the provisions of Article 6 hereof.

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

7.13 Garbage Cans, Woodpiles, Etc. All garbage cans, woodpiles, air conditioning units, heat pumps, swimming pool pumps, filters and related equipment, and other similar items shall be located or screened so as to be concealed from view from neighboring streets and property. All rubbish, trash and garbage shall be regularly removed and shall not be allowed to accumulate. Declarant, however, hereby expressly reserves the right to dump and bury rocks and trees on property within the Community as needed for efficient construction and to allow an approved builder to bury rocks and trees removed from a building site on such building site. Trash, garbage, debris, or other waste matter of any kind may not be burned within the Community except by the Declarant.

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

7.15 Firearms. The use or discharge of firearms in the Community is prohibited. The term "firearms" includes, without limitation, "B-B" guns, pellet guns and other guns of any type, regardless of size.

7.16 Fences. No fence or fencing type barrier of any kind shall be placed, erected, allowed or maintained upon any part of the Common Property except as may be installed by the Association or upon any Unit without prior written approval in accordance with the provisions of Article 6 hereof. Guidelines detailing acceptable fence styles or specifications may be issued pursuant to Article 6, but in no event may a chain link or barbed wire fence be approved; provided, however, the Declarant and the Association may erect any type of fence on the Common Property or elsewhere within the Community as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity or for health and safety of Owners and Occupants. In the event that the Owner of a Unit obtains approval to construct a fence in accordance with this Section, the Association shall no longer be obligated to maintain landscaping on enclosed portions of the Unit and such landscaping shall be the sole responsibility of the Owner.

7.17 Utility Lines. Except as may be permitted under and pursuant to Article 6 hereof, no overhead utility lines, including lines for cable television, shall be installed within the Community, except for temporary lines as required during construction and lines installed by or at the request of the Declarant.

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

7.19 Lighting. Exterior lighting on any Unit visible from the street shall not be permitted, except for: (a) approved lighting as originally installed on a Unit; (b) one decorative post light; (c) street lights in conformity with an established street lighting program for the Community; (d) seasonal decorative lights; (e) front house illumination of model homes; or (f) other lighting approved under and pursuant to Article 6 hereof.

7.20 Artificial Vegetation, Exterior Sculpture and Similar Items. No artificial vegetation shall be permitted on the exterior of any Unit. Exterior sculpture, fountains, flags or similar items must be approved under and pursuant to Article 6 hereof.

7.21 Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless as an

integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Declarant, in accordance with the provisions of Article 6 hereof.

7.22 Swimming Pools. No swimming pool shall be constructed, erected or maintained upon any Unit without prior written approval in accordance with the provisions of Article 6 hereof and in no event shall any above-ground swimming pool be permitted.

7.23 Gardens, Play Equipment and Water Features. No vegetable garden, hammock, statuary, play equipment (including, without limitation, basketball goals) or garden pool shall be erected on any Unit without the prior written approval in accordance with the provisions of Article 6 hereof.

7.24 Mailboxes. All mailboxes serving Units shall be approved in accordance with the provisions of Article 6 hereof. Identical replacement mailboxes may be installed without further approval; but no modification to or change in mailboxes may be made unless approved in accordance with the provisions of Article 6 hereof.

7.25 Clotheslines. No exterior clotheslines of any type shall be permitted upon any Residential Unit.

7.26 Entry Features. Owners shall not alter, remove or add improvements to any entry features constructed by the Declarant on any Unit, or any part of any easement area associated therewith without prior approval in accordance with the provisions of Article 6 hereof.

7.27 Window Treatments. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades, or any other purpose. The side of all window treatments which can be seen at any time from the outside of any structure located on a Unit must be white or off-white.

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

7.29 Wetlands and Streams. Except as herein provided, all wetlands, storm water retention or detention ponds and streams within the Community shall be used for aesthetic amenities and storm water drainage only, no other use thereof, including, without limitation, swimming, ice skating, playing, or use of personal flotation devices, and other recreation, shall be permitted, without the written consent of the Board of Directors. The Association and/or the Declarant shall not be responsible for any loss, damage, or injury to any person or property arising out of the authorized or unauthorized use of the wetlands, or streams within the

Community. For this purpose, "wetlands" means any area labeled as wetlands on a recorded plat for the Community or otherwise designated as wetlands by the Declarant or the Board of Directors. No Owner shall have any right to place rocks, stones, trash, garbage, sewage, waste water, rubbish, debris, ashes or other refuse in any wetlands, storm water retention ponds or streams within the Community. Applicable governmental agencies, the Declarant and the Association, shall have the sole right to control the water level of all bodies of water located within the Community and to control the growth and eradication of plants, fowls, reptiles, animals, fish and fungi in and around any wetlands, storm water retention ponds and streams within the Community. Owners shall have no riparian or littoral rights with respect to the waters in any stream within the Community and shall not be permitted to withdraw water from any stream as may exist in the Community without the prior written consent of the Board of Directors.

7.30 Stream Buffer. Land-disturbing activities shall not be conducted within any stream buffer area as shown on the recorded subdivision plats for the Community, except with prior written approval under Article 6 hereof and compliance with Georgia law, including without limitation, the Control of Erosion and Sedimentation Act, O.C.G.A. Section 12-7-1, *et seq.*, as amended from time to time.

7.31 Construction Buffer. The Community contains a forty (40) foot undisturbed buffer area as shown on the recorded subdivision plats for the Community. The forty (40) foot buffer area shall not contain any improvements. Except for the initial construction of utilities by the Declarant, the forty (40) foot buffer area shall exist as undisturbed natural buffer areas of existing vegetation. Owners shall not disturb the buffer areas in any way except for the removal of dying or dead trees and brush and the planting of new landscape material, clearing for utility crossing (if any), and for the construction of approved fencing. Any other activity within the forty (40) foot buffer area shall require approval in accordance with Article 6 hereof.

Article 8

Coventry at Village Grove

8.1 General. The provisions set forth in this Article shall be applicable only to the Townhome Units within the Neighborhood designated as the "Coventry at Village Grove" and shall be in addition to the other covenants, conditions, restrictions and easements set forth in this Declaration.

8.2 Maintenance.

(a) Association Maintenance in the Coventry at Village Grove. In addition to the maintenance responsibilities of the Association described in Section 5.1 hereof, the Association shall also maintain (whether or not constituting Common Property): (a) the private water system serving the Coventry at Village Grove, if any, including all meters; and (b) the private streets and alleys in the Coventry at Village Grove, if any.

(b) Coventry at Village Grove Owner Maintenance. In addition to the maintenance responsibilities of Owners described in Section 5.2 hereof, an Owner of a Townhome Unit within

the Coventry at Village Grove shall also maintain any driveway, walkway, pipe(s), wire(s) and conduit(s) which serve only the Townhome Unit, whether said driveway, walkway, pipe(s), wire(s) or conduit(s) are located within or outside of a Townhome Unit's boundaries. Accordingly, Owners of a Townhome Unit within the Coventry at Village Grove shall maintain the water line which exclusively serves a particular Townhome Unit.

(c) Yard Maintenance. The Association shall maintain and keep in good repair the landscaping improvements located on the exterior portions of the Coventry at Village Grove. The Board of Directors in its sole discretion may leave portions of the Coventry at Village Grove as undisturbed natural areas and may change the landscaping in the Coventry at Village Grove at any time and from time to time or may, with the consent of the Declarant, change the level of yard maintenance performed or for example maintain front yards only. Any common irrigation system installed by the Declarant or the Association shall be Common Property, operated, maintained, repaired and replaced by the Association. Reasonable steps shall be taken to protect the common irrigation system. Any damage caused to the common irrigation system shall be repaired by the party responsible for such damage. The deed of conveyance of any Unit shall not include any right, title or interest in such irrigation system, if any. Maintenance of lawns by the Association shall be limited to mowing, edging, fertilizing and weed control and shall not include any responsibility for replacing dead or dying grass, bushes, shrubs, trees or other vegetation. All yard maintenance shall be performed at a level to be determined in the sole discretion of the Board; provided, however, that all yards maintained by the Association must receive approximately equal attention and must be maintained according to the same standard. The Board of Directors may promulgate rules setting forth the extent of landscaping maintenance to be performed by the Association and the rights of Owners with respect to adding or modifying landscaping improvements, including, for example allowing seasonal flowering plants in certain areas of the Coventry at Village Grove at the expense of the Owner. In the event that the Owner of a Townhome Unit within the Coventry at Village Grove obtains approval to construct a fence in accordance with Section 7.16 of this Declaration, the Association shall no longer be obligated to maintain the landscaping within enclosed portions of the Townhome Unit and such landscaping shall be the sole responsibility of the Owner.

(d) Party Walls. Each wall or fence built as a part of the original construction of the Townhome Units which shall serve and separate any two (2) adjoining Townhome Units shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions. If a party wall or fence is destroyed or damaged by fire or other casualty, then any Owner who has benefited by the wall or fence may restore it, and the other Owner who is benefited by the wall or fence shall contribute one-half of the cost of restoration, without prejudice, however, to the right of any Owner to call for a larger contribution from any other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

8.3 Use Restrictions and Rules.

(a) Heating of Units in Colder Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to Townhome Units, increased common expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within all Townhome Units shall be maintained with heating operating and at a minimum of fifty (50°) degrees Fahrenheit during the months of October, November, December, January, February, March, and April. Owners shall take all steps possible on a timely basis to keep heating equipment, including, but not limited to, the thermostat, in good working order and repair. At any time during the months specified above when the heating equipment is not working, the Owner shall immediately inform the Owners of the other Townhome Units of this failure of the equipment and of the time needed in order to repair the equipment and shall take reasonable steps to keep the Townhome Unit heated sufficiently to prevent the breakage of water pipes.

(b) Traffic Regulations. All vehicular traffic on the private streets and roads in the Coventry at Village Grove shall be subject to the provisions of the state and local laws concerning operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits and including modifications of those in force on public streets, within the Coventry at Village Grove. 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 state and local laws and such rules and regulations promulgated by the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle on the public roads and private streets within the Coventry at Village Grove. All vehicles of any kind and nature which are operated on the streets in the Coventry at Village Grove shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants.

8.4 Budget. It shall be the duty of the Board to prepare a budget covering the estimated expenses to be incurred during the coming year for the Coventry at Village Grove Neighborhood. Neighborhood Assessments for the Coventry at Village Grove shall be allocated equally among all Units within the Coventry of Village Grove.

The Board shall cause a copy of such budget and notice of the amount of the assessment for the Coventry at Village Grove for the coming year to be delivered to each Owner of a Unit in the Coventry at Village Grove at least thirty (30) days prior to the due date of any assessment. The budget and assessment shall become effective unless disapproved by a majority of the Owners of Units in the Coventry at Village Grove and Declarant. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for any period, then and until such time as a budget shall have been determined, as provided herein, the budget in effect shall continue. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which

may include, without limitation, acceleration, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the assessment shall be paid in one annual installment.

8.5 Easements.

(a) Easement for Encroachment and Overhang. There is hereby reserved to the Declarant for the benefit of each Townhome Unit within the Coventry at Village Grove a reciprocal appurtenant easement for encroachment and overhang between adjacent Townhome Units and between a Townhome Unit and adjacent Common Property due to the original construction or the unintentional placement or settling or shifting of the improvements including, but not limited to, retaining walls, downspouts and gutters, constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than two (2) feet, as measured from any point on such common boundary; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association, other than in the original construction of the Units.

(b) Easements for Driveway Encroachment. There is hereby reserved appurtenant easements for encroachment as between each Townhome Unit in the Coventry at Village Grove and such portion or portions of the driveway serving an adjacent Townhome Unit due to the placement or settling or shifting of the driveway constructed, reconstructed, or altered thereon (as approved under Article 6 of the Declaration) to a distance of not more than two (2) feet, as measured from any point on the common boundary between adjacent Townhome Units 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 or Occupant after the initial construction of improvements.

(c) Townhome Unit Owner - Easement for Utilities. Declarant hereby establishes for the benefit of each Townhome Unit in the Coventry at Village Grove a nonexclusive easement for access to and installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Townhome Unit and situated in, on or under any other Townhome Unit or the Common Property. In the event that any Owner desires access to another Townhome Unit to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of such other Townhome Unit(s) at least two (2) days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted immediately upon request. Any Owner of a Townhome Unit to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected Townhome Units, reasonable steps shall be taken to protect such Townhome Units and the property of the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense.

(d) Easement for Private Streets, Sidewalks and Signs. Declarant hereby grants, conveys, declares, creates, imposes and establishes a perpetual, non-exclusive right-of-way

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

Article 9
Enclave at Village Grove

9.1 General. The provisions set forth in this Article shall be applicable only to the Units within the Neighborhood designated as the "Enclave at Village Grove" and shall be in addition to the other covenants, conditions, restrictions and easements set forth in this Declaration.

9.2 Maintenance.

(a) Association Maintenance in the Enclave at Village Grove. In addition to the maintenance responsibilities of the Association described in Section 5.1 hereof, the Association shall also maintain (whether or not constituting Common Property) the private streets and alleys in the Enclave at Village Grove, if any.

(b) Enclave at Village Grove Owner Maintenance. In addition to the maintenance responsibilities of Owners described in Section 5.2 hereof, an Owner of a Unit within the Enclave at Village Grove shall also maintain (i) the gas lantern located on the Unit, if any; and (ii) any driveway, walkway, pipe(s), wire(s) and conduit(s) which serve only the Unit, whether said driveway, walkway, pipe(s), wire(s) or conduit(s) are located within or outside of a Unit's boundaries. Accordingly, Owners of a Unit within the Enclave at Village Grove shall maintain the water line which exclusively serves a particular Unit.

(c) Yard Maintenance. The Association shall maintain and keep in good repair the landscaping improvements located on the exterior portions of the Enclave at Village Grove. The Board of Directors in its sole discretion may leave portions of the Enclave at Village Grove as undisturbed natural areas and may change the landscaping in the Enclave at Village Grove at any time and from time to time or may, with the consent of the Declarant, change the level of yard

maintenance performed or for example maintain front yards only. Unit Owners may, but shall not be required to, install an irrigation system on a Unit subject to approval in accordance with Article 6 hereof. The Unit Owner shall be responsible for all maintenance, repair and replacement of any such irrigation system installed. Maintenance of lawns by the Association shall be limited to mowing, edging, fertilizing and weed control and shall not include any responsibility for replacing dead or dying grass, bushes, shrubs, trees or other vegetation. All yard maintenance shall be performed at a level to be determined in the sole discretion of the Board; provided, however, that all yards maintained by the Association must receive approximately equal attention and must be maintained according to the same standard. The Board of Directors may promulgate rules setting forth the extent of landscaping maintenance to be performed by the Association and the rights of Owners with respect to adding or modifying landscaping improvements, including, for example allowing seasonal flowering plants in certain areas of the Enclave at Village Grove at the expense of the Owner. In the event that the Owner of a Unit within the Enclave at Village Grove obtains approval to construct a fence in accordance with Section 7.16 of this Declaration, the Association shall no longer be obligated to maintain the landscaping within enclosed portions of the Unit and such landscaping shall be the sole responsibility of the Owner.

9.3 Budget. It shall be the duty of the Board to prepare a budget covering the estimated expenses to be incurred during the coming year for the Enclave at Village Grove Neighborhood. The Board shall be entitled to set such budget only to the extent that this Declaration, any Supplemental Declaration, or the Bylaws specifically authorize the Board to assess certain costs as a Neighborhood Assessment. Neighborhood Assessments for the Enclave at Village Grove shall be allocated equally among all Units within the Enclave of Village Grove.

The Board shall cause a copy of such budget and notice of the amount of the assessment for the Enclave at Village Grove for the coming year to be delivered to each Owner of a Unit in the Enclave at Village Grove at least thirty (30) days prior to the due date of any assessment. The budget and assessment shall become effective unless disapproved by a majority of the Owners of Units in the Enclave at Village Grove and Declarant. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason to determine the budget for any period, then and until such time as a budget shall have been determined, as provided herein, the budget in effect shall continue. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice for delinquents. Unless otherwise provided by the Board, the assessment shall be paid in one annual installment.

9.4 Traffic Regulations. All vehicular traffic on the private streets and roads in the Enclave at Village Grove shall be subject to the provisions of the state and local laws concerning operation of motor vehicles on public streets. The Association is hereby authorized to promulgate, administer, and enforce reasonable rules and regulations governing vehicular and pedestrian traffic, including reasonable safety measures and speed limits and including modifications of those in force on public streets, within the Enclave at Village Grove. 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 state and local laws and such rules and regulations promulgated by

the Association, the rules and regulations of the Association shall govern. Only drivers properly licensed to operate motor vehicles on the public roads within the State of Georgia may operate any type of motor vehicle on the public roads and private streets within the Enclave at Village Grove. All vehicles of any kind and nature which are operated on the streets in the Enclave at Village Grove shall be operated in a careful, prudent, safe, and quiet manner and with due consideration for the rights of all Owners and Occupants. There shall be no parking on the private streets and alleys in the Enclave at Village Grove.

9.5 Easements.

(a) Easement for Utilities. Declarant hereby establishes for the benefit of each Unit in the Enclave at Village Grove a nonexclusive easement for access to and installation, maintenance, repair, replacement and use of all pipes, wires, cables, conduits, utility lines, flues and ducts serving such Unit and situated in, on or under any other Unit in the Enclave at Village Grove or the Common Property. In the event that any Owner desires access to another Unit in the Enclave at Village Grove to install, maintain, repair or replace any utility pipe, wire, cable, conduit, utility line, flue or duct, the Owner shall contact the Owner of such other Unit(s) at least two (2) days in advance of the date that access is needed and attempt to agree on a convenient date and time for access by the Owner and the Owner's contractors. Access in emergency situations shall be granted immediately upon request. Any Owner of a Unit to which access is needed under this Section shall not unreasonably withhold, condition or delay such access. Rights exercised pursuant to this easement shall be exercised with a minimum of interference to the quiet enjoyment of affected Units, reasonable steps shall be taken to protect such Units and the property of the Owners and Occupants thereof, and damage shall be repaired by the Person causing the damage at its sole expense.

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

Article 10
Insurance and Casualty Losses

10.1 Insurance on Common Property. The Association shall obtain the insurance coverage necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association ("Fannie Mae"), the U.S. Department of Veterans Affairs ("VA"), and the U.S. Department of Housing and Urban Development ("HUD"), as applicable to the Community. Accordingly, the Board of Directors shall obtain casualty insurance for all insurable improvements located on the Common Property which the Association is obligated to maintain. This insurance shall provide, at a minimum, fire and extended coverage 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. The Board of Directors shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million (\$1,000,000.00) Dollars. Policies may contain a reasonable deductible as determined by the Board of Directors. In addition to the other insurance required by this Section, the Board of Directors 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, if reasonably available. If obtained, the amount of fidelity coverage shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the policy is in force, or any lesser amount of fidelity coverage allowable under the applicable Fannie Mae guidelines. Fidelity coverage shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation. All such insurance coverage shall be written in the name of the Association.

10.2 Individual Insurance. By virtue of taking title to a Unit subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of individual Units and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry all-risk casualty insurance on all structures and a liability policy covering damage or injury occurring on the Owner's property. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an all-risk policy, if reasonably available 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. The policies required hereunder shall be in effect at all times and a copy of such policies shall be furnished to the Association upon request. In the event that any Owner of a Unit fails to obtain insurance as required by this Declaration, the Association may purchase such insurance on behalf of the Unit Owner and assess the cost thereof to the Owner, as a specific assessment.

10.3 Damage and Destruction -- Insured by Association. Immediately after damage or destruction by fire or other casualty to any portion of any improvement covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall

proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, a proposal not to repair or reconstruct such property is approved by at least seventy-five percent (75%) of the Total Association Vote and the Declarant. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the members of the Association, levy a special assessment against the Owner of each Unit. Additional assessments may be made in like manner, as necessary, at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association. In the event that it should be determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, the property shall thereafter be maintained by the Association in a neat and attractive condition.

10.4 Damage and Destruction -- Insured by Owners. Improvement on a Unit damaged by fire or other casualty shall be repaired or reconstructed in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 6 of this Declaration. The repair or reconstruction shall be completed within seventy-five (75) days after the damage occurred or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the Unit and remove all debris and ruins therefrom within seventy-five (75) days after such damage occurred and thereafter maintain the Unit in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay all costs which are not covered by insurance proceeds.

Article 11 Mortgagee Provisions

11.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Unit number, therefore becoming an "eligible holder"), will be entitled to timely written notice of: (a) any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Unit on which there is a first Mortgage held, insured, or guaranteed by such eligible holder; (b) any delinquency in the

payment of assessments or charges owed by an Owner of a Unit subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by the Owner of the encumbered Unit of any obligation under the Declaration or Bylaws of the Association which is not cured within sixty (60) days; and (c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

11.2 Audit. Upon written request of any institutional holder of a first Mortgage and upon payment of all necessary costs, such holder shall be entitled to receive a copy of audited financial statements of the Association within ninety (90) days of the date of the request.

11.3 No Priority. No provision of this Declaration or the Bylaws gives any Owner or other party priority over any rights of a Mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.

Article 12 Easements

12.1 General. Each Unit shall be subject to those easements, if any, shown or set forth on the recorded subdivision plats for the Community, as amended from time to time as well as the easements now or hereafter established by the Declarant in this Declaration or by any other document recorded in the Office of the Clerk of Superior Court for Gwinnett County, Georgia.

12.2 Easements for Use and Enjoyment – Common Property. Except as otherwise provided herein, every Owner of a Unit shall have a right and easement of ingress and egress, use and enjoyment by the Owner and the Occupants of the Owner's Unit in and to the Common Property which shall be appurtenant to and shall pass with the title to each Unit, subject to the following:

(a) the right of the Association to charge reasonable admission and other fees for the use of the Community recreational facilities, if any, to limit the number of Persons who may use the Community recreational facilities, if any, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by authorized users and their guests and invitees;

(b) the right of the Association to suspend the right of an Owner to use the Community recreational facilities, if any, for any period during which any past due assessment against any Unit of the Owner remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws or rules and regulations;

(c) the right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon and, upon the affirmative vote of the Owners of at least two-thirds (2/3) of the Units (other than Declarant) and the consent of Declarant, to give as

security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Unit or other property located within the Community (Regardless of any contrary provision in this Declaration or in any such Mortgage given by the Association, the exercise of any rights by the holder of such Mortgage in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant or any Owner or the holder of any Mortgage encumbering any Unit or other property located within the Community.);

(d) the right of the Association, acting through the Board of Directors and without a vote of the members, to dedicate or grant licenses, permits, easements and rights-of-way over, under and through the Common Property to government entities, any quasi-governmental agency or to any utility company or cable television company;

(e) the right of the Association to dedicate or transfer all or any portion of the Common Property upon the approval of the Owners of at least two-thirds (2/3) of the Units (other than Declarant) and the Declarant;

(f) the rights of the grantee, holder or a person having a third-party right of enforcement under any conservation easement over any portion of the Common Property (The Association acting through the Board of Directors and without a vote of the members may grant a conservation easement, as such term is defined in O.C.G.A. - §44-10-1, *et seq.*, over any portion of the Common Property and shall accept Common Property which has been burdened with a conservation easement by Declarant, a Developer or any other predecessors in title.);

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

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

12.3 Easements for Utilities. There is hereby reserved to the Declarant and granted to the Association a blanket easement upon, across, above and under all property within the Community for access, ingress, egress, installation, alteration, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Declarant or the Association might decide to have installed to serve the Community. Declarant, the Association or the designee of either, as the case may be, may alter drainage and water flow, install, repair, replace and maintain or authorize the installation, repairing, replacing and maintaining of such wires, conduits, cables and other equipment related to the providing of any utility or service. Should any party furnishing any such utility or service

request a specific license or easement by separate recordable document, the Declarant or the Board shall have the right to grant such easement.

12.4 Easement for Emergency Entry. The Association shall have the right, but not the obligation, to enter upon any Unit for emergency, security and safety reasons and to inspect for the purpose of ensuring compliance with this Declaration, any Supplemental Declaration, Bylaws, and rules, which right may be exercised by any member of the Board, the officers, agents, employees, and managers of the Association and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Unit to cure any condition which may increase the possibility of a fire, slope erosion or other hazard in an emergency situation and in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Association, but shall not authorize entry into any single family dwelling without permission of the Owner.

12.5 Easement for Maintenance - Association. Declarant hereby grant to the Association a perpetual easement across the exterior portions of all Units and Townhome Units as may be reasonably necessary for the maintenance required hereunder. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Units and Townhome Units, reasonable steps shall be taken to protect such property and damage shall be repaired by the Association or its contractors at their sole expense.

12.6 Easement for Maintenance - Owners. Declarant hereby reserves for the benefit of each Unit reciprocal appurtenant easements between adjacent Units for the purpose of maintaining or repairing the improvements located on each Unit which easement shall extend to a distance of three (3) feet as measured from any point on the common boundary between the Unit. The easement shall be used only for such period of time as is reasonably necessary in order to complete the maintenance or repair. The Owner exercising this easement right shall be liable for the prompt repair of any damage to the improvements located on the Unit over which this easement is exercised which arises out of such maintenance or repair work.

12.7 Easement for Signage, Lighting, Landscaping and Similar Items. There is hereby reserved to Declarant for so long as it retains its rights as Declarant, a nonexclusive easement over all Units and Common Property for a distance of ten (10) feet behind any Unit line which parallels a street (whether public or private) for the purpose of erecting and maintaining street intersection signs, directional signs, temporary promotional signs, plantings, street lights, entrance features and/or "theme areas," lighting, stone, wood, or masonry wall features and/or related landscaping.

12.8 Easement for Entry Features and Streetscapes. There is hereby reserved to the Declarant and granted to the Association an easement for ingress, egress, installation, construction, landscaping and maintenance of entry features and similar streetscapes for the Community, over and upon any portion of a Unit containing such entry features or streetscapes as may be more fully described on the recorded subdivision plats for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees,

shrubbery, flowers and other vegetation around entry features and streetscapes and the right to grade the land under and around the same.

12.9 Easement for Drainage. There is hereby reserved to the Declarant and granted to the Association and any approved builder a blanket easement across all Units for creating and maintaining satisfactory storm water drainage in the Community; provided, however, such easement area shall not include any portion of a Unit within the outer perimeter of the structure. This easement shall include the right to construct and maintain catch basins, retention ponds, detention ponds, drainage swales, storm sewers, storm drains, sloping banks, cut or fill. This easement expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the land, or to take any other similar action reasonably necessary, following which Declarant, or Association or an approved builder, as applicable, shall restore the affected property to its original condition as near as practicable. It is anticipated that increased storm water run off across downstream Units will result from the construction of impervious surface within or adjacent to the Community. Neither the Declarant, the Association or any builder or Owner constructing according to plans and specifications approved under Article 6 hereof shall have any liability to any Owner due to the increased flow or increased velocity of surface water resulting from approved construction within the Community.

12.10 Easement During Construction and Sale Period. Notwithstanding any provisions now or hereafter contained in this Declaration, the Bylaws, Articles of Incorporation, use restrictions, rules and regulations, architectural guidelines, and amendments thereto, Declarant reserves an easement across the Community for Declarant and any approved builder to maintain and carry on, upon such portion of the Community as Declarant may reasonably deem necessary, such facilities and activities as in the sole opinion of Declarant may be required or convenient for Declarant's and such approved builder's development, construction and sales activities related to property hereby and hereafter subjected to this Declaration or nearby property being developed by Declarant or such approved builder, including, but not limited to: the right to place or authorize the placement of marketing and directional signs on Units or right-of-way at street intersections within the Community; the right of access, ingress and egress for vehicular and pedestrian traffic and construction activities over, under, on or in the Community, including, without limitation, any Unit; the right to tie into any portion of the Community with streets, driveways, paths, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, cable television, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; the right to grant easements over, under, in or on the Community, including without limitation the Units, for the benefit of neighboring properties for the purpose of tying into and/or otherwise connecting and using sewer and drainage lines and facilities constructed or installed in, on, under and/or over the Community; the right to convert Units (with the consent of the Owner thereof) to Common Property and/or streets; the right to construct recreational facilities, utilities and other improvements on Common Property; the right to carry on sales and promotional activities in the Community; and the right to construct and operate business offices, signs, construction trailers, model residences and sales offices. Declarant and any approved builder may use residences, offices or other buildings owned or leased by Declarant or such approved builder as model residences and sales offices and

may also use Community recreational facilities as a sales office without charge. This Section shall not be amended without the Declarant's written consent until the Declarant's rights hereunder have terminated as herein provided.

12.11 Easement for Private Streets, Alleys, Sidewalks and Signs. Declarant hereby grants, conveys, declares, creates, imposes and establishes a perpetual, non-exclusive right-of-way easement for vehicular and pedestrian access, ingress and egress (a) over and across the private streets and alleys within the Community as depicted on the subdivision plat(s) recorded in the Office of the Clerk of Superior Court of Gwinnett County, Georgia. The right-of-way easement herein granted shall permit joint usage of such easement by (i) the Owners and Occupants, (ii) the legal representatives, successors and assigns of the Owners, and (iii) invitees and licensees of the Owners and Occupants. Declarant hereby expressly reserves for itself, its successors and assigns, all rights and privileges incident to the ownership of the fee simple estate of any right-of-way easement area which are not inconsistent with the rights and privileges herein granted, including, without limitation, the right to maintain one or more proprietary signs on the easement area and the right to grant additional non-exclusive easements to third parties, over, under and across the easement area. Declarant hereby reserves for the benefit of Declarant and grants to the Association as Common Property, the perpetual nonexclusive right and easement upon, over and across those utility easement areas and private streets, alleys and roads for the installation, maintenance, and use of such streets and roads, sidewalks, traffic directional signs, grading for proper drainage of said streets and roads, and related activities and improvements.

Article 13

Use of Recreational Facilities by Nonmembers

13.1 Rights Reserved by Declarant. So long as the Declarant owns any property for development and/or sale in the Community or has the right to annex additional property to the Community, Declarant shall have the right to grant to Persons who are not members of the Association the right to use the Community recreational facilities. The extent and duration of nonmember use and the fee to be charged therefor shall be determined solely by Declarant. The Declarant may grant nonmember use rights to Persons on a nonrenewable annual basis or as an easement appurtenant to such Persons' residential real property so that such use rights shall automatically inure to the benefit of both the original grantees and their respective successors-in-title to such real property. Nonmember user fees shall be paid to the Association. Unless otherwise established by the Board of Directors, all fees shall be paid in one annual installment. The amount of such annual payment may be increased each year by the Board so long as the annual fee does not exceed the annual general assessment levied against members of the Association. Any use rights granted to nonmembers may not be terminated by the Association so long as the terms and conditions imposed upon nonmember use by Declarant are complied with by the nonmember user.

13.2 Right and Easement of Use. Declarant hereby expressly reserves unto itself, its successors and assigns a non-exclusive, perpetual right, privilege and easement with respect to the Community for the benefit of Declarant, its successors, assigns and the above discussed

nonmember users, over, under, in and/or on the Community (including, without limitation, the above described recreational facilities), without obligation and without further charge to the foregoing, for the purposes of taking all actions related to or connected with the granting of nonmember use and the use of Community recreational facilities by such nonmembers as described above. Such right, privilege and easement shall include, without limitation, the right of access, ingress, use and egress to and from the above described recreational facilities and the right of access, ingress to, use and egress from for vehicular and pedestrian traffic over, under, on and across the Community roads, parking areas and walkways.

13.3 Remedy of Association Upon Failure to Pay User Fees. Declarant shall not be liable for and is hereby held harmless from any failure of any nonmember to pay a nonmember user fee to the Association where required to do so by this Section. In such case, the Association's sole remedy shall be to suspend the use right of the nonmember who has not timely paid until all amounts owed are paid. Declarant shall also not be liable for and is hereby held harmless from any personal injury or property damage caused by nonmembers, their family, guests and invitees, exercising any rights hereunder. The provisions of this Section shall apply notwithstanding any contrary provisions in this Declaration, the ByLaws, Articles of Incorporation, rules and regulations, use restrictions and any amendments to any of the foregoing.

13.4 Right of Association to Grant Nonmember Use Rights. After the Declarant's option to grant nonmember use rights as set forth above terminates, the Association, acting by and through the Board of Directors, without a vote of the members shall be entitled to exercise the same rights reserved to the Declarant in this Article.

13.5 Capacity of Facilities. The rights granted under this Article for use of the Community recreational facilities shall be subject to any applicable limitations on bathing load for any swimming pool that may be a part of such facilities and other limitations on capacity of any of such facilities as may be established by any applicable government law, ordinance, rule or regulation.

Article 14 General Provisions

14.1 Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws, rules and regulations and use restrictions, as amended or modified from time to time, and with the covenants, conditions, easements and restrictions set forth in this Declaration, the recorded subdivision plats for the Community and in the deed to such Owner's Unit, if any. The Board of Directors may impose fines or other sanctions for violations of the foregoing, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Association, the Declarant or an aggrieved Owner. Failure by the Declarant, the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Association shall have the right to record in the appropriate land records a notice of violation of the Declaration, Bylaws, rules and regulations, use restrictions or design guidelines and to assess

the cost of recording and removing such notice against the Unit of the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

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

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

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

14.5 Termination of Rights of Declarant. The rights of Declarant to take, approve or consent to actions under this Declaration, the Articles of Incorporation and the Bylaws shall cease and be of no further force and effect upon the earlier of: (a) the date that the Declarant no longer owns any property in the Community and Declarant no longer has the right to unilaterally annex additional property to the Community as provided herein and a certificate of occupancy has been issued for a structure on each Unit in the Community; or (b) the date of recording by Declarant in the real estate records of the county where the Community is located of a written instrument terminating all of Declarant's rights hereunder.

14.6 Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Units subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or private insurance company, including, without limitation, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs, to insure or guarantee Mortgage loans on the Units subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner of such Unit consents thereto in writing. Further, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Owners hereunder nor shall it adversely affect title to any Unit without the consent of the affected Owner. The Board of Directors, with the written consent of the Declarant, and without a vote of the members may amend this Declaration for the sole purpose of electing to be governed by the provisions of the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, *et seq.* In addition to the above, this Declaration may be amended upon the affirmative vote or written consent of the Owners of at least two-thirds (2/3) of the Units and the consent of Declarant. Amendments to this Declaration shall become effective upon recordation unless a later effective date is specified therein. The consent of the Declarant to any amendment shall be evidenced by the execution of said amendment by Declarant. The consent of the requisite number of Owners to any amendment shall be evidenced by the execution of the amendment by said Owners, or, in the alternative, the sworn statement of the President or any Vice President or the Secretary of the Association attached to or incorporated in the amendment, which sworn statement states unequivocally that the consent of the required number of Owners was obtained and that any notices required by this Declaration, the Bylaws, the Articles of Incorporation and Georgia law were given.

14.7 Challenges to Amendment. Any action to challenge the validity of an amendment adopted as provided herein must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

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

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

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

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

14.12 Preparer. This Declaration was prepared by David N. Dorough, Jr. and Kathleen N. Bagley, Dorough & Dorough, LLC, Attorneys at Law, Two Decatur TownCenter, Suite 520, 125 Clairemont Avenue, Decatur, Georgia 30030-2551.

14.13 Notices. Notices provided for in this Declaration or the Articles or Bylaws shall be in writing, and shall be addressed to an Owner at the address of the Unit and to the Declarant or the Association at the address of their respective registered agent on file with the Secretary of State of the State of Georgia. Any Owner may designate a different address for notices to such Owner by giving written notice to the Association. Notices addressed as above shall be mailed by United States Registered or Certified Mail, return receipt requested, postage paid, or delivered in person, including delivery by private courier service. The time period in which a response to any such notice must be given or any action taken with respect thereto, shall commence to run from the date of personal delivery or the date of receipt shown on the return receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice sent.

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

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

14.16 Indemnification. To the fullest extent allowed by the Georgia Nonprofit Corporation Code, and in accordance therewith, the Association shall indemnify every current and former officer, director and committee member against any and all expenses, including, but not limited to, attorney's fees, imposed upon or reasonably incurred by any officer, director or committee member in connection with any action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member. The officers, directors and committee members shall not be

liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct or bad faith. The officers, directors and committee members shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association and the Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer, director or committee member, or former officer, director or committee member, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

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

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

14.19 Security. ALL OWNERS, OCCUPANTS, GUESTS, LICENSEES, AND INVITEES, AS APPLICABLE, ACKNOWLEDGE THAT THE ASSOCIATION AND ITS BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, DO NOT REPRESENT OR WARRANT THAT ANY SAFETY OR SECURITY MEASURES WILL BE IMPLEMENTED IN THE COMMUNITY OR, IF IMPLEMENTED, THAT SUCH SAFETY OR SECURITY MEASURES MAY NOT BE COMPROMISED OR CIRCUMVENTED, OR THAT ANY SUCH SAFETY OR SECURITY MEASURES WILL IN ALL CASES PROVIDE THE DETECTION OR PROTECTION FOR WHICH THEY ARE DESIGNED. EACH OWNER, OCCUPANT, GUEST, LICENSEE, OR INVITEE, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT THE ASSOCIATION, THE BOARD OF DIRECTORS AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, ARE NOT INSURERS AND THAT EACH OWNER, OCCUPANT, GUEST, LICENSEE, AND INVITEE ASSUMES ALL RISKS OF PERSONAL INJURY AND PROPERTY DAMAGE AND FURTHER ACKNOWLEDGES THAT THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THE ARCHITECTURAL REVIEW COMMITTEE, IF ANY, HAVE MADE NO REPRESENTATIONS OR WARRANTIES, NOR HAS ANY

OWNER, OCCUPANT, GUEST, LICENSEE, OR INVITEE RELIED UPON ANY REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY OR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE RELATIVE TO ANY SAFETY OR SECURITY MEASURES IMPLEMENTED OR APPROVED.

14.20 Cumulative Effect; Conflict. The covenants, restrictions and provisions of this Declaration shall be cumulative with those of any Neighborhood Declaration and the Association may, but shall not be required to, enforce the latter; provided, however, in the event of conflict between or among such covenants and restrictions, and provisions of any articles of incorporation, bylaws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of any Neighborhood Declaration or Neighborhood Association shall be subject and subordinate to those of this Declaration and the Association. In the event of a conflict between the provisions of this Declaration and the provisions of Georgia law, then to the extent that the provisions of Georgia law cannot be waived by agreement, Georgia law shall control.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Declarant herein hereby execute this instrument under seal, this 9TH day of MARCH, 2004.

DECLARANT: **SUWANEE JUNCTION, LLC**, a Delaware limited liability company

By: Junction, Inc., a Georgia corporation, as its managing member

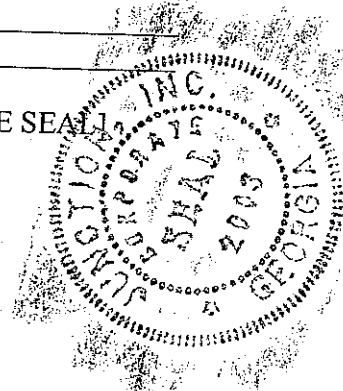
By: *Bryan Cohen*
Name: BRYAN COHEN
Title: SECRETARY

Signed, sealed, and delivered in the presence of:

Heonni Kienson
WITNESS

[Signature]
NOTARY PUBLIC

[AFFIX CORPORATE SEAL]



My Commission Expires: 11/11/02

[AFFIX NOTARY SEAL]



EXHIBIT "A"
Property Description

All that tract or parcel of land lying and being in Land Lot 252 of the 7th District City of Suwanee, Gwinnett County, Georgia as more particularly described on that certain Final Plat for Unit One, Rockdale Subdivision, prepared by Brock Design Group, dated November 20, 2003, and recorded on March 4, 2004 in Plat Book 102, Page 75, Gwinnett County, Georgia records, reference to said plat of survey and the record thereof being hereby made for a more complete description.

EXHIBIT "B"

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

All that tract or parcel of land lying and being in Land Lots 235, 236, 237, 238, 250, 251, 252, 253, 276, 277, 278 and 279 of the 7th District, City of Suwanee, Gwinnett County, Georgia.

FILED & RECORDED
CLERK SUPERIOR COURT
GWINNETT COUNTY, GA.

BK 40841 PG 0253

04 DEC -7 PM 4:17

TOM LAWLER, CLERK

CROSS REFERENCE: GWINNETT COUNTY, GEORGIA:
Deed Book: 37345; Page: 43;

After recording, please return to:
Heather Blackwelder
Dorough & Dorough, LLC
Attorneys at Law
Two Decatur TownCenter, Suite 520
125 Clairemont Avenue
Decatur, Georgia 30030

**THIRD AMENDMENT TO MASTER DECLARATION OF
PROTECTIVE COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS
FOR VILLAGE GROVE**

THIS THIRD AMENDMENT (hereinafter referred to as "Third Amendment") is made this
24 day of November, 2004 by SUWANEE JUNCTION, LLC, a
Delaware limited liability company (hereinafter referred to as "Declarant").

WITNESSETH

WHEREAS, Declarant executed that certain Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove, which was recorded on March 9, 2004 in Deed Book 37345, Pages 43, *et seq.*, Gwinnett County, Georgia records, as amended by that certain First Amendment to Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove which was recorded on April 20, 2004 in Deed Book 37903, Pages 137, *et seq.*, aforesaid records and that certain Second Amendment to Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove which was recorded on July 14, 2004 in Deed Book 39077, Pages 97, *et seq.*, aforesaid records and supplemented by that certain Supplementary Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove recorded May 4, 2004 in Deed Book 38094, Pages

61, *et seq.*, aforesaid records (hereinafter as supplemented and/or amended from time to time, the "Declaration"); and

WHEREAS, the Owners and the Declarant desire to amend the Declaration as set forth herein and intend for this Third Amendment to be prospective only; and

WHEREAS, pursuant to Section 14.6 of the Declaration, the Declaration may be amended upon the affirmative vote or written consent of the Owners of at least two-thirds (2/3) of the Units and the consent of Declarant; and

WHEREAS, attached hereto as Exhibit "A" and incorporated herein by reference is the sworn statement of the President of the Association, which sworn statement states unequivocally that the affirmative vote or written consent of the Owners of at least two-thirds of the Units was lawfully obtained;

NOW THEREFORE, the Declarant and the Association hereby adopt this Third Amendment, hereby declaring that all the property now or hereafter subject to the Declaration shall be held, conveyed, encumbered, used, occupied and improved subject to the Declaration, amended as follows:

1.

The Declaration is hereby amended by deleting Section 8.2 of the Declaration in its entirety and inserting in lieu thereof the following new Section 8.2:

8.2 Maintenance.

(a) Association Maintenance in the Coventry at Village Grove. In addition to the maintenance responsibilities of the Association described in Section 5.1 hereof, the Association shall also maintain (whether or not constituting Common Property): (a) the private driveways and walkways serving Townhome Units located in Coventry at Village Grove, if any; (b) the private streets and alleys in the Coventry at Village Grove, if any; and (c) the exterior portions of all Townhome Units located in the Coventry at Village Grove as provided in Section 8.2 (e) hereof.

(b) Coventry at Village Grove Owner Maintenance. In addition to the maintenance responsibilities of Owners described in Section 5.2 hereof, an Owner of a Townhome Unit within the Coventry at Village Grove shall also maintain any pipe(s), wire(s) and conduit(s) which serve only the Townhome Unit, whether said pipe(s), wire(s) or conduit(s) are located within or outside of a Townhome Unit's boundaries. Accordingly, Owners of a Townhome Unit within the Coventry at Village Grove shall maintain the water line which exclusively serves a particular Townhome Unit. Notwithstanding any provision to the contrary in this Declaration, the Owner of a Townhome Unit within the Coventry at Village Grove shall not be responsible for the maintenance of the exterior portion of such

Owner's Townhome Unit, including without limitation, exterior painting; provided however, the Owner shall be responsible for maintaining and keeping in good repair the following: (i) landscaping within the patios, planters and courtyards, if any, of such Owner's Townhome Units; (ii) HVAC or similar equipment located outside the Owner's Townhome Unit; (iii) all doors, including screen and storm doors, hinges, frames and door frames and hardware which are part of the entry system of such Owner's Townhome Unit; (iv) hose bibs contained in exterior walls of such Owner's Townhome Unit; (v) lighting fixtures pertaining to such Owner's Townhome Unit and being located outside an entryway or in a garage; (vi) window screens and window frames of such Owner's Townhome Unit; (vii) foundations and footings of such Owner's Townhome Unit, including waterproofing; and (viii) pipes which serve only such Owner's Townhome Unit whether located within or outside of the Townhome Unit's boundaries

(c) Yard Maintenance. The Association shall maintain and keep in good repair the landscaping improvements located on the exterior portions of the Coventry at Village Grove. The Board of Directors in its sole discretion may leave portions of the Coventry at Village Grove as undisturbed natural areas and may change the landscaping in the Coventry at Village Grove at any time and from time to time or may, with the consent of the Declarant, change the level of yard maintenance performed or for example maintain front yards only. Any common irrigation system installed by the Declarant or the Association shall be Common Property, operated, maintained, repaired and replaced by the Association. Reasonable steps shall be taken to protect the common irrigation system. Any damage caused to the common irrigation system shall be repaired by the party responsible for such damage. The deed of conveyance of any Townhome Unit shall not include any right, title or interest in such irrigation system, if any. Maintenance of lawns by the Association shall be limited to mowing, edging, fertilizing and weed control and shall not include any responsibility for replacing dead or dying grass, bushes, shrubs, trees or other vegetation. All yard maintenance shall be performed at a level to be determined in the sole discretion of the Board; provided, however, that all yards maintained by the Association must receive approximately equal attention and must be maintained according to the same standard. The Board of Directors may promulgate rules setting forth the extent of landscaping maintenance to be performed by the Association and the rights of Owners with respect to adding or modifying landscaping improvements, including, for example allowing seasonal flowering plants in certain areas of the Coventry at Village Grove at the expense of the Owner. In the event that the Owner of a Townhome Unit within the Coventry at Village Grove obtains approval to construct a fence in accordance with Section 7.16 of this Declaration, the Association shall no longer be obligated to maintain the landscaping within enclosed portions of the Townhome Unit and such landscaping shall be the sole responsibility of the Owner.

(d) Party Walls. Each wall or fence built as a part of the original construction of the Townhome Units which shall serve and separate any two (2) adjoining Townhome Units shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto. The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions. If a party wall or fence is destroyed or damaged by fire or other casualty, then any Owner who has benefited by the wall or fence may restore it, and the other Owner who is benefited by the wall or fence shall contribute one-half of the cost of restoration, without prejudice, however, to the right of any Owner to call for a larger contribution from any other Owner under any rule of law regarding liability for negligent or willful acts or omissions.

(e) Exterior Maintenance. As provided in Section 8.2(a) above, the Association shall maintain and keep in good repair the exterior portions of all Townhome Units in the Coventry at Village Grove. Maintenance by the Association of exterior portions of such Townhome Units shall include the following: (a) all roofs, downspouts and gutters; (b) all exterior building surfaces and exterior glass, including without limitation repainting such surfaces as necessary, with the exception of hardware; provided, however, the Association shall not be responsible for waterproofing foundations either above or below grade; and (c) all stoops, decks, rails and walks. The Association shall not be responsible for maintaining and keeping in good repair the following: (i) landscaping within the patios, planters and courtyards, if any, of the Townhome Units; (ii) HVAC or similar equipment located outside the Townhome Units; (iii) all doors, including screen and storm doors, hinges, frames and door frames and hardware which are part of the entry system; (iv) hose bibs contained in exterior walls of a Townhome Unit; (v) lighting fixtures pertaining to a particular Townhome Unit and being located outside an entryway or in a garage; (vi) window screens and window frames; (vii) foundations and footings, including waterproofing; and (viii) pipes which serve only one (1) Townhome Unit whether located within or outside of the Townhome Unit's boundaries. The Board of Directors may promulgate rules setting forth the extent of maintenance to be performed by the Association and may assume responsibility for providing additional maintenance as long as Townhome Units have equal rights to maintenance. The Board of Directors may authorize the officers of the Association to enter into contracts with any Person or Persons to perform maintenance hereunder on behalf of the Association.

2.

The Declaration is hereby amended by deleting Section 9.2(a) of the Declaration in its entirety and inserting in lieu thereof the following new Section 9.2(a):

(a) Association Maintenance in the Enclave at Village Grove. In addition to the maintenance responsibilities of the Association described in Section 5.1 hereof, the Association shall also maintain (whether or not constituting Common Property, located on a Unit, or public right-of-way): (a) the private streets and alleys in the Enclave at Village Grove, if any; and (b) retaining wall(s) and fencing, if any, serving the Enclave at Village Grove which is located along all or a portion of the boundary of a Unit and adjacent to a public right-of-way, whether or not said retaining wall(s) or fencing are located on a Unit, private property or public right-of-way.

3.

The Declaration is hereby amended by deleting Section 14.6 of the Declaration in its entirety and inserting in lieu thereof the following new Section 14.6:

14.6 Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Units subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, without limitation, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Units subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or private insurance company, including, without limitation, the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs, to insure or guarantee Mortgage loans on the Units subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Unit unless the Owner of such Unit consents thereto in writing. Further, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Owners hereunder nor shall it adversely affect title to any Unit without the consent of the affected Owner. The Board of Directors, with the written consent of the Declarant, and without a vote of the members may amend this Declaration for the sole purpose of electing to be governed by the provisions of the Georgia Property Owners' Association Act, O.C.G.A. Section 44-3-220, *et seq.* Any provision in the Declaration which affects or applies to a particular Neighborhood or particular Neighborhoods may be amended upon the affirmative vote or written consent of the Owners of at least two-thirds (2/3) of the Units located in said Neighborhood or Neighborhoods and the consent of Declarant. In addition to the above, this Declaration may be amended upon the affirmative vote or written consent of the Owners of at least two-thirds (2/3) of the Units and the consent of Declarant. Amendments to this Declaration shall become effective upon

recording unless a later effective date is specified therein. The consent of the Declarant to any amendment shall be evidenced by the execution of said amendment by Declarant. The consent of the requisite number of Owners to any amendment shall be evidenced by the execution of the amendment by said Owners, or, in the alternative, the sworn statement of the President or any Vice President or the Secretary of the Association attached to or incorporated in the amendment, which sworn statement states unequivocally that the consent of the required number of Owners was obtained and that any notices required by this Declaration, the Bylaws, the Articles of Incorporation and Georgia law were given.

4.

Unless otherwise defined herein, the words used in this Third Amendment shall have the same meaning as set forth in the Declaration.

5.

This Third Amendment shall be effective only upon being recorded in the records of the Clerk of Superior Court of Gwinnett County, Georgia.

6.

Except as herein modified, the Declaration shall remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGE]

Sworn Statement Of President Of
Village Grove Owners Association, Inc.

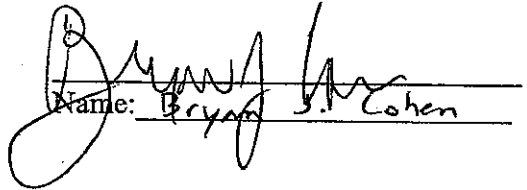
STATE OF GEORGIA

COUNTY OF _____


Personally appeared before me, the undersigned deponent who, being duly sworn, deposed and said on oath that:

1. Deponent is the President of Village Grove Owners Association, Inc.
2. Deponent is duly qualified and authorized to make this Affidavit and knows the facts contained herein of his/her own personal knowledge.
3. The foregoing Third Amendment to Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Village Grove was approved by the affirmative vote or written consent of the Owners of at least two-thirds of the Units as provided in the Declaration.
4. Deponent makes this Affidavit pursuant to Official Code of Georgia Annotated Section 44-2-20.

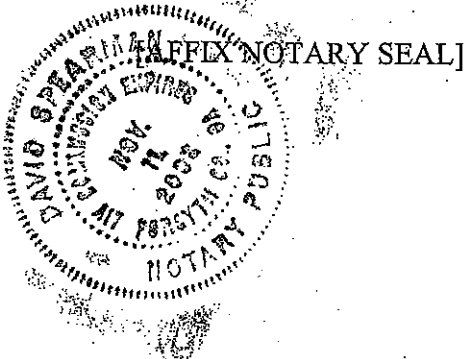
This the 24 day of November, 2004.


Name: Bryan S. Cohen

Sworn to and subscribed before me on this 24th day of November, 2004:



Notary Public



IN WITNESS WHEREOF, the Declarant has caused this Third Amendment to be executed under seal the day and year first above written.

DECLARANT: SUWANEE JUNCTION, LLC., a Delaware limited liability company

By: Junction, Inc., a Georgia corporation, as its managing member

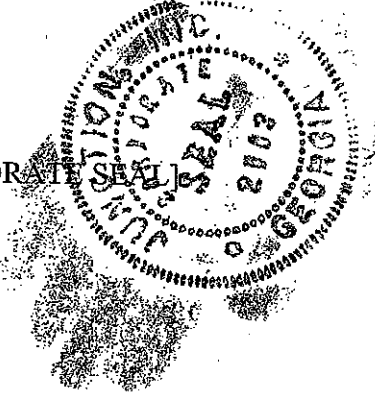
By: [Signature]
Bryan Cohen, Secretary

Signed, sealed, and delivered in the presence of:

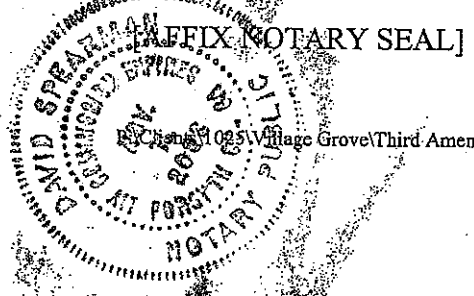
[Signature]
WITNESS

[Signature]
NOTARY PUBLIC

[AFFIX CORPORATE SEAL]



My Commission Expires: 11/11/06



By: [Signature] 025 Village Grove Third Amendment.doc

SUWANEE JUNCTION, LLC

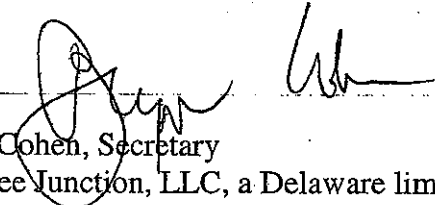
BK4084 | PG0261

November 22, 2004

To whom it may concern:

I have reviewed the Third Amendment to the Declaration of Protective Covenants for Village Grove and approve it.

Sincerely,



Bryan Cohen, Secretary
Suwanee Junction, LLC, a Delaware limited liability company
By: Junction, Inc., a Georgia corporation, as its managing member



TOUCHSTONE HOMES

Designed For Living, Built For Life.

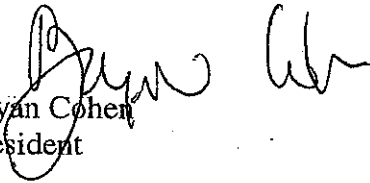
BK 40841 PG0262

November 22, 2004

To whom it may concern:

I have reviewed the Third Amendment to the Declaration of Protective Covenants for Village Grove and approve it.

Sincerely,


Bryan Cohen
President

3355 Annandale Lane, Suite 4
Suwanee, Georgia 30024
770-945-5228 Fax 770-945-0408

www.touchstonehomes.com

BK40841PG0263

J-Squared, Inc.

November 12, 2004

David Spearman
Touchstone Homes
3355 Annandale Lane - Suite 4
Suwanee Georgia 30024
Fax (770) 454-0109

Dear Mr. Spearman,

J-Squared, Inc. approves the Third Amendment to the Covenants for the Village Grove Home Owners Association.

Sincerely,



Lee Williams
Director of Development

F.O. Box 427, Tucker, GA 30085
Ph: (770) 934-0710 Fax: (770) 934-0735

BK 4084 | PG 0264

Richport Properties
P.O. Box 427
Tucker, GA 30085

November 12, 2004

David Spearman
Touchstone Homes
3355 Annandale Lane - Suite 4
Suwanee Georgia 30024
Fax (770) 454-0109

Dear Mr. Spearman,

Richport Properties approves the Third Amendment to the Covenants for the Village Grove Home Owners Association.

Sincerely,



Lee Williams
Director of Development

www.richport.com



BK40841PG0265

November 19, 2004

To Whom It May Concern:

I have read and approve Amendment 3 to the covenants for Village Grove.

Regards,



Michael Smith
President

