

WHEREAS, Sheffield Farms Homeowner's Association, Inc. has been incorporated under the laws of the state of Georgia as a non-profit corporation for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, Developer hereby declares that all of the property described in Exhibit "A" shall be held, sold and conveyed subject to the following restrictions, covenants and conditions, which shall run with the real property and shall be binding on all parties having any right, title or interest in the described property or any part thereof, their heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I. DEFINITIONS

The terms in this Declaration and the attached exhibit shall generally be given their natural, commonly accepted definitions except as otherwise specified.

Section 1. "Additional Property" shall mean that property (herein referred to as the "Additional Property") which is to be identified by the Developer and, at the option of the Developer submitted to the provisions hereof. Developer may, from time to time, subject the Additional Property to the provisions of this Declaration, as more particularly described hereinafter. Except as otherwise specifically provided, no portion of the Additional Property shall be subject to this Declaration unless and until the same is submitted in the manner hereinafter described.

Section 2. "Architectural Control Committee" shall mean the committee established by the Developer or the Board of Directors pursuant to this Declaration and the By-Laws which committee shall govern and enforce all proposed and completed architectural additions, changes, or modifications to any structure or Lot pursuant to the Design Guidelines for the Association. The Architectural Control Committee shall be comprised of one or more persons. As long as Developer has the right to annex Additional Property, unless otherwise waived or relinquished by Developer, Developer shall have the right to appoint all members of the Architectural Control Committee. Once the Developer no longer has the right to appoint the members of the Architectural Control Committee, the Association's Board shall appoint all Members of the Architectural Control Committee which shall then be comprised of no less than three (3) Members. Each Member so appointed shall serve a one (1) year term.

Section 3. "Articles of Incorporation" or "Articles" shall mean the Articles of Incorporation of Sheffield Farm Homeowner's Association, Inc., as filed with the Secretary of State of the state of Georgia.

Section 4. "Association" shall mean and refer to Sheffield Homeowner's Association, Inc., its successors and assigns.

Section 5. "Board of Directors" or "Board" shall mean the body responsible for administration of the Association selected as provided in the By-Laws.

Section 6. "Builder" shall mean any person who purchases one or more Lots for the

purpose of constructing improvements for later sale to consumers in the ordinary course of such person's business.

Section 7. "By-Laws" shall mean the Sheffield Farm Homeowner's Association, Inc.

Section 8. "Common Area" shall mean that portion of the Property (including the improvements thereto) depicted and designated as Common Area on Exhibit "B" attached hereto and made a part hereof. The Common Area shall be conveyed to the Association no later than the termination of the administration of the Association by the Developer as provided for in Article V of this Declaration.

Section 9. "Design Guidelines" shall mean the design and construction guidelines and application and review procedures applicable to the Property and Additional Property promulgated and administered pursuant to Article VII.

Section 10. "Developer" shall mean and refer to or 1107, LLC, a Georgia limited liability. "Developer" shall also include: (i) any lender who succeeds to the interest of Developer through foreclosure of any deed to secure debt or conveyance in lieu of foreclosure; (ii) any successor, successor-in-title or assign of the Developer if the Developer delivers to such party or parties a written assignment of Developer's rights under this Declaration; and (iii) for the limited purpose of executing an amendment to this Declaration for the purposes of adding the Additional Property to this Declaration, any successor, successor-in-title or assign of the Developer for the purpose of erecting improvements thereon or for the sale of such property to third parties for the erection of improvements thereon, and who owns title to said property at the time the Additional Property is to be added to this Declaration pursuant to said Article X.

Section 11. "First Mortgage Holder" or "First Mortgagee" shall mean the holder of any first priority mortgage.

Section 12. "Lot" shall mean any portion of the Property intended for individual ownership and use together with all improvements erected thereon, as such Lots are shown on the Plat or any revisions thereof.

Section 13. "Member" shall refer to a Person subject to membership in the Association pursuant to Article V.

Section 14. "Mortgage" shall refer to any deed to secure debt or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance for such purpose of fee title.

Section 15. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, but excluding those having such interest merely as security for the performance of an obligation of an Owner.

Section 16. "Person" shall mean a human being, a corporation, a partnership, a trustee, or any other legal entity.

Section 17. "Plat" shall refer to that certain Subdivision Plat of Survey prepared by _____, dated _____, and recorded at Plat Book _____, Page _____ Paulding County records, and any revisions thereof recorded in the aforesaid records.

Section 18. "Property" shall mean and refer to that certain real property described in Exhibit "A" attached hereto and made a part hereof, and such Additional Property as is made subject to this Declaration.

ARTICLE II. EASEMENTS

Section 1. Developer's Retained Easements for Construction. In connection with the development of the Property and the Additional Property, Developer hereby reserves for itself, its successors and assigns, and its designees (which may include, without limitation, any governmental or quasi-governmental entity and any utility or cable service company), easements for the installation, and cable television maintenance and repair of water, sanitary sewer and storm drainage lines and electric telephone and cable television lines. Developer may cut any trees, bushes or shrubbery or make any soil grading or excavations necessary to install such water, sanitary sewer or storm drainage lines or such electrical and telephone lines, provided Developer restores the affected areas to a condition as near as practical to its original condition. Developer also reserves, for itself, its successors and assigns, a temporary easement for pedestrian and vehicular ingress and egress across any and all streets and roads which now or hereafter exist upon the Property and the Additional Property for purposes of construction, maintenance or repair of Lots and Common Area improvements located thereon and for such other reasonable purposes as Developer may determine from time to time, and this easement shall not be limited to any period of development of the Property. The easements provided in this Article II, Section 1 may not be amended or terminated without the consent of Developer. Upon the date one (1) year after the conveyance of the private streets and roads by the Developer to the Association as Common Area (or the dedication of such private streets and roads to the appropriate governmental authority), this easement shall automatically lapse and expire.

Section 2. Right of Entry. The Association shall have the right, but not the obligation, to enter upon any Lot for emergency, security and safety reasons, to perform maintenance, and to inspect for the purpose of ensuring compliance with this Declaration, the By-Laws and the rules and regulations of the Association. Such right may be exercised by any member of the Board, the Association's officers, agents, employees, and managers, members of the Architectural Control Committee and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board, but shall not authorize entry into any single family detached dwelling without permission of the Owner, except by emergency personnel acting in their official capacities.

ARTICLE III. GENERAL COVENANTS AND RESTRICTIONS

The following restrictions shall apply to all Property subject to the Declaration.

Section 1. Restriction of Use. Lots may be used only for residential and related purposes (which may include, without limitation, an information center and/or a sales office of the Developer or its assigns) consistent with this Declaration. Subject to the maintenance responsibilities of the Association, each Owner shall maintain its Lot in a neat, clean and safe condition and in good repair.

Section 2. Subdivision of Lot. No Lot may be split, divided or subdivided for sale, resale, gift, transfer or otherwise, without the prior written approval in recordable form of the Developer or the Association, as the case may be. The transfer of an undivided fractional interest in a Lot shall not be a transfer requiring approval of the Association.

Section 3. Use of Common Area. There shall be no obstruction of the Common Area, nor shall anything be kept or stored on any part of the Common Area without the prior written consent of the Association, except as specifically provided herein. No vehicle shall be parked on the roadways and drive lanes that constitute a part of the Common Area for more than twenty-four (24) hours. Nothing shall be altered on, constructed in, or removed from the Common Area except upon the prior written consent of the Association.

Section 4. Prohibition of Damagé and Certain Activity. Without the prior written consent of the Developer or the Association, as the case may be, except as expressly permitted herein nothing shall be done or kept on the Property or Lot which would materially increase the rate of insurance on the Property or any Lot. Nothing shall be done or kept on the Property, or any Lot, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body. There shall be no noxious, destructive or offensive activity on the Property or the Lot. Each Owner shall refrain from any work which, in the reasonable opinion of the Association Board of Directors or its designee, would jeopardize thereon, would reduce the value thereof, or would impair any easement or hereditament thereto, without in every such case the unanimous, prior written consent of all members of the Association and their mortgagees. No damage to or waste of the Common Area, or any part thereof, or of the exterior of any building constructed upon any Lot shall be permitted by any Owner or member of his family or any invitee or any Owner. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or the other Owners resulting from any such damage or waste caused by him, members of his family or his invitees.

Section 5. Fences. No fence, hedge, shrub planting, wall or other dividing instrumentality shall be constructed or maintained on any Lot except the fence, if any, installed by the Developer on the Common Area and/or as Developer may construct or maintain or except as approved in writing by the Association's Architectural Control Committee in accordance with its guidelines and procedures. Notwithstanding the foregoing in no event shall a chain link fence or barbed wire fence be erected on any part of the Property; provided however, the Developer and the Association may erect any type of fence on the Common Area or elsewhere on the Property as they may deem appropriate or as necessary to satisfy the requirements of any law, regulation or governmental entity

or for the health and safety of the Owners and/or Occupants.

Section 6. Recreational Equipment. Recreational and playground equipment shall not be placed on a Lot without prior written permission of the Architectural Control Committee.

Section 7. Leases. Any Owner of a Lot may lease his Lot, but only in strict compliance with this paragraph. This paragraph shall not apply, except for the requirement of compliance with applicable zoning ordinances, to any individual Lot until it is first conveyed to an Owner by the Developer, nor to any Lot owned by a former first mortgagee or secondary purchase money mortgagee in possession of a Lot following default by the Lot Owner under such Mortgagee's loan documents. All leases shall be for only those purposes permitted under applicable zoning ordinances, and shall be subject to the terms and conditions of this Declaration, the Association's Articles of Incorporation and Bylaws, and the rules and regulations of the Association. The rules and regulations adopted by the Board of Directors with respect to leasing may provide for a reasonable limitation on the number of occupants of a Lot. All leases shall be in writing. The Owner of a Lot shall provide a copy of the written leases to the Association and shall provide the lessee with copies of the Declaration, By-Laws and rules and regulations, as each may be amended. All leases by a Lot Owner shall be for a term of at least twelve (12) months. No lease shall be of less than the entire Lot. The term "lease" shall include all leases, rental agreements and other agreements for occupancy.

Section 8. Pets. No animals or birds, other than a reasonable number or generally recognized house pets, shall be kept or maintained on any portion of the Property and then only if they are kept or maintained solely as domestic pets and not for commercial purposes. No horse, animal or bird shall be allowed to make an unreasonable amount of noise, or to become a nuisance. No structure for the care, housing or confinement of any animal or bird shall be constructed or maintained on the Property; provided, however, that, subject to the prior written approval of the Architectural Control Committee, an Owner may maintain one structure per Lot for the housing of a dog so long as the structure is located on the rear of the Lot and is not visible from the street on which the Lot fronts. All such dog structures shall be painted or stained in a color scheme which matches that of the house on the Lot and shall be no larger than a reasonable size as determined by the Board of Directors. No dog runs shall be permitted on any Lot. Pets shall be under leash, lead or bridle, when walked, ridden or exercised on any unfenced area. Upon the written request of any Owner of a Lot, the Board of Directors of the Association shall conclusively determine whether, in its sole and absolute discretion for the purposes of this Section, a particular animal or bird is a generally recognized or appropriate house pet, or a nuisance, or whether the number of animals or birds on any Lot is unreasonable; provided, however, that no such determination shall be made by the Board of Directors unless given an opportunity to appear before the Board of Directors for a hearing after reasonable notice of such hearing.

Section 9. Parking, Motor Vehicles and Trailers. An Owner shall at all times maintain off street parking on their Lot for at least two (2) vehicles. An Owner's automobiles shall be parked only in enclosed garages or upon those portions of the Property or the Lot designated for such purpose by the Plat or by the Board of Directors. Any use or modification of a garage, including but not limited to, establishing a workshop in the garage or using it for household storage, which precludes or limits the use or capacity of the garage for the storage of two (2) vehicles, is

prohibited. The Board of Directors may prohibit mobile homes, motor homes, motorized bicycles, motorized go-carts, motorized boats and other such contrivances, or any of them, from being kept, placed, stored, maintained or operated for any period exceeding forty-eight (48) consecutive hours upon any portion of the Property other than in a Lot Owner's closed garage if, in the opinion of the Board of Directors, such prohibition shall be in the best interests of the Association and its members. Except with the prior written approval of the Architectural Control Committee and except for purposes of pick-up or delivery, no truck exceeding 3/4 ton pickup style shall be permitted on the Property.

Section 10. Signs. Except as may be required for legal proceedings or as provided for elsewhere in this Declaration, no "For Sale" signs or other signs or advertising posters of any kind shall be maintained or permitted on any Lot unless prior written approval is obtained from the Association or the Architectural Control Committee or unless said sign conforms to the following standards: A builder in the process of constructing improvements on a Lot or an Owner seeking to sell a Lot may display one sign on the Lot owned, provided it is professionally lettered and measures no more than four (4) square feet. No approval shall be given to any Lot Owner for erecting or maintaining a "For Rent" sign of any kind, except to mortgagees who are Lot Owners as a result of foreclosure proceedings.

Section 11. Mailboxes. A mailbox shall be supplied by Builder for each Lot on which a house is constructed. No changes or additions shall be made to the original mailbox, or its designs, materials or location, without obtaining prior written approval of the Architectural Control Committee pursuant to the terms of this Declaration.

Section 12. Building Locations. Prior to construction of any building, the proposed location of such building to be erected on a Lot shall be approved in writing by the Architectural Control Committee as provided in Article VII of this Declaration.

Section 13. Landscaping. All Lots shall be properly landscaped. Prior to commencement of the planting and installation of any landscaping on a Lot, the Owner of the Lot shall submit a plan for such landscaping to the Architectural Control Committee for approval in accordance with Article VII of this Declaration.

Section 14. Window Treatments. No interior or exterior window treatment, such as newspaper, foil paper, reflective or tinted film, mylar or other opaque or solid surfaces are permitted with respect to any residence constructed on a Lot. Draperies, curtains, shades, shutters, blinds, or any other interior window treatment which is visible from exterior of any residence constructed on a Lot shall be white or off-white in color and shall be maintained in good condition and repair.

Section 14. Miscellaneous. No exterior clotheslines shall be permitted on a Lot. No window air conditioning units shall be installed in any dwelling or improvements on a Lot. Television antennas may be installed only on the rear of any dwelling, provided said antennas do not extend above the ridge line of the residence. No free standing antennas for the sending or receiving of radio or television signals shall be erected on any Lot. No satellite dish more than twenty-four (24) inches in diameter shall be permitted on any Lot and such permitted

satellite dish shall be placed in a location previously approved by the Architectural Control Committee. No exterior fires whatsoever, except barbecue fires contained in the proper receptacles therefor, or other fires specifically permitted in writing by the Board, shall be permitted.

ARTICLE IV. ASSOCIATION: POWERS & DUTIES

Section 1. Purposes, General Powers and Duties of the Association. The Association shall be formed as a non-profit civic organization for the sole purpose of performing certain functions for the common good and general welfare of the Owners, including the Developer and/or Builders as Owner of Lots. The Association shall have no power or duty to do or perform any act or thing other than those acts and things which will promote in some way the common good and general welfare of the Owners. To the extent necessary to carry out such purposes, the Association shall have: (i) all of the powers of a corporation organized under the Georgia Non-Profit Corporation Code and (ii) the power and duty to exercise all of the rights, powers and privileges and to perform all of the duties and obligations of the Association as set forth in this Declaration. Neither the Developer (or any Builder) nor the Association shall be liable for injury to Person or property, whether occurring on the Common Area (or any lake, pond, creek or stream located on, or in the vicinity of, the Property) unless as a direct proximate gross negligence or willful misconduct of the Developer (or any Builder) or the Association, as applicable.

Section 2. The Common Area. Subject to the rights of the Owners set forth in this Declaration, the Association shall be responsible for the exclusive management and control of the Common Area and all improvements thereon, including all roads, curbs and other paved surfaces and fences, if any, and shall keep the same in good, clean, attractive and sanitary condition, order and repair. Neither the Developer (or any Builder) nor the Association shall be liable for injury to Person or property caused by the elements or by a leak or flow of water from any utility conduit or rain, snow or ice, whether or not any such flow or leak originates from the Common Area. Neither the Developer (or any Builder) nor the Association shall be liable for loss or damage to any property, by theft or otherwise, which is placed or stored anywhere on the Common Area.

Section 3. Lots. Maintenance of utility lines and conduits from the point such line is tapped into a main line or conduit shall be their responsibility of the benefited Lot Owners. Except as herein provided, each Owner shall have the sole responsibility for maintaining and repairing such Owner's Lot and the improvements located thereon and shall keep the Lot and structure located thereon in a neat, clean, attractive and sanitary condition.

Section 4. Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Property, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Property or the enforcement of this Declaration. The Association may arrange with others to furnish water, trash collection, sewer service and other common services to each Lot. The Association may also maintain on the Common Area signs as may be deemed necessary to identify the Property.

Section 5. Rules, Regulations and Fines. The Association may make reasonable Rules and Regulations governing the use of the Lots and the Common Area, which Rules and Regulations shall be consistent with the rights and duties established by this Declaration. The Association may impose such reasonable fines (not in excess of \$25 per day per violation) for violation of the Rules and Regulations as are determined by the Board of Directors of the Association. Any such fine shall be deemed a special assessment under Article VI of this Declaration and shall be added to and become a part of the assessment to which the Lot is subject.

Section 6. Failure to Maintain Lot. If Owner shall fail to maintain its Lot, or any improvement constructed thereon, in the manner required by this Declaration, then the Association, after approval by a two-thirds vote of the Board of Directors, shall have the right, through its agents and employees, to enter upon said Lot and to perform any maintenance, restoration, or repairs necessary to meet the standards and requirements imposed by this Declaration. The cost of such repair, maintenance or restoration shall be added to and become a part of the assessment to which such Lot is subject.

Section 7. Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonable to be implied from the existence of any right, privilege, or duty created herein or reasonably necessary to affect any such right, privilege or duty.

Section 8. Limitation of Powers. Notwithstanding anything in this Declaration to the contrary, the Association shall not have the power to convey any interest in the Common Area whether by deed, easement (other than general utility easements not materially affecting the use of the Common Area or any Lot), license, mortgage, deed to secure debt, lease or otherwise, except for such limited purposes as may be set out elsewhere in this Declaration, without the advance written consent of two-thirds (2/3) of all Owners and the advance written consent of two-thirds (2/3) of all first mortgagees of the individual Lots.

Section 9. Indemnification. The Association shall indemnify every officer, director, and committee member, including members of the committees established under Article IX, against all damages and expenses, including attorneys' fees, reasonably incurred 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 he or she may be a party by reason of being or having been an officer, director, or committee member, except that such obligation to indemnify shall be limited to those actions for which liability is limited under this Section and Georgia law.

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 and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to

which any present or former officer, director, or committee member may be entitled. The Association shall as a Common Expense, maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

Section 10. Security. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be. Neither the Association, nor the Developer shall in any way be considered insurers or guarantors of security within the Properties, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that: (i) any fire protection system, burglar alarm system or other security system or measures cannot be compromised or circumvented; or (ii) that any such system or security measures undertaken will in all cases prevent loss or provide the detection or protection for which the system is designated or intended. Each Owner acknowledges, understands and covenants to inform its tenants and all occupants of its Lot that the Association, its Board of Directors and committees, the Developer and any successor Declarant are not insurers and that each Person using the Properties assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, resulting from acts of third parties.

Section 11. Utility Lines. Each Owner, occupant, guest, and invitee acknowledges that neither the Association, the Board nor the Developer, shall in any way be considered insurers or guarantors of health within the Property and neither the Association, the Board, nor Developer shall be held liable for any personal injury, illness or any other loss or damage caused by the presence or malfunction of utility lines or utility sub-stations adjacent to, near, over, or on the Property. Each Owner, occupant, guest, and invitee assumes all risk of personal injury, illness or other loss or damage arising from the presence of utility lines or utility sub-stations and further acknowledges that neither the Developer nor the Association have made any representation or warranties, nor has any Owner, occupant, guest or invitee relied upon any representations or warranties, expressed or implied, relative to the condition or impact of utility lines or utility sub-stations.

ARTICLE V. ASSOCIATION: MEMBERSHIP & VOTING RIGHTS

Section 1. Membership. Every Owner, including the Developer, shall be a member of the Association by virtue of ownership of a Lot. There shall be only one membership, and one vote per Lot with each vote being equally weighted. If title to a Lot is held by more than one Person, each of such Persons shall have an equal percentage interest in the membership assigned to the Lot. Each such membership shall be appurtenant to the Lot upon which it is based and shall be transferred automatically by conveyance of that Lot. No person or entity other than an Owner or the Developer may be a member of the Association, and a membership in the Association may not be transferred except in connection with the transfer of title to a Lot; provided, however, that the rights or voting may, if required by a mortgagee, be assigned by an Owner to such mortgagee as further security for a loan secured by a Lot. If more than one person holds an interest in any Lot, then the vote for such Lot shall be exercised as such persons among themselves determine, but in no event shall more than one vote be cast with respect to such Lot. If the co-Owners of any Lot cannot agree as to how a vote on a particular issue shall be counted; there can be no split vote. Notwithstanding the foregoing, any co-Owner of a Lot who purports to cast a vote for such Lot shall be conclusively deemed to be casting such vote on behalf of, and with the approval of, all of the co-Owners of such Lot unless another co-Owner objects before the final vote tally.

Section 2. Administration by Developer. Notwithstanding any other provisions hereof, the Developer shall have the right to appoint and remove any member or members of the Board of Directors of the Association and/or the Architectural Control Committee until the earliest of the following dates:

- (a) If the Developer does not have an unexpired and unexercised option to add Additional Property to the Declaration, such date which is thirty (30) days after one hundred percent (100%) of the Lots have been conveyed to Owners other than a person or person constituting the Developer; or
- (b) Such date as the Developer files of record with the Clerk of the Superior Court, Paulding County, Georgia, an amendment to this Declaration waiving all further rights to appoint and remove any member or members of the Board of Directors.

During any time when Developer has the right to appoint and remove the Board of Directors, Developer shall have the right to appoint and remove any officer of the Association.

Section 3. Amplification. The provisions of this Article are to be amplified by the Articles of Incorporation of the Association and by the Bylaws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth herein. In the event of any conflict between this Declaration and the Articles of Incorporation or the Bylaws, this Declaration shall control.

ARTICLE VI. ASSESSMENTS

Section 1. Initiation Fee. In addition to Assessments, each Lot Owner other than Developer and Builders, shall pay at closing when they acquire a Lot, and any improvements thereon, a one time initiation fee in the amount of Five Hundred and No/100 Dollars (\$500.00). This provision applies to each subsequent Owner of a Lot as well as the initial Owner.

Section 2. Creation of the Lien and Personal Obligation of Assessments.

- a. Each Owner of any Lot, other than a Builder (except as provided in subsection (b) below) or the Developer, shall pay the following sums to the Association: (i) annual assessments or charges; (ii) special assessments against all of the Lots for the purposes hereinafter described, such assessments to be established and collected as hereinafter provided; and (iii) special assessments against any particular Lot or Lots which are authorized and established pursuant to the terms of this Declaration. All such assessments, together with interest, costs and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees actually incurred, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for a delinquent assessment shall not pass to said Owner's successors in title to such Lot unless expressly assumed by them or unless a notice of lien had been filed prior to the date of transfer, but the lien against such Lot shall not be extinguished by any transfer of title. Every Owner of a Lot, by acceptance of a deed therefor, is deemed to covenant and agree to pay assessments as set forth in this Section 2, whether or not such covenant and agreement be expressed in such deed.
- b. Each Builder shall be exempt from paying Assessments under subsection (a) of this Section for any Lot or Lots owner by Builder until twenty-four (24) months after the date Builder acquires such Lot. Such exemption is not transferable by the Builder to any third party including a subsequent purchaser intending to build on a Lot. However, if Builder or any other Person moves into any dwelling constructed on a Lot while the Lot is still owned by the Builder, or Builder or such Person otherwise occupies, resides, dwells, leases or inhabits a Lot will still owned by Builder, Builder shall be liable for the payment of Assessments pursuant to subsection (a) above beginning on the date of such occurrence and continuing through such period of occupancy.
- c. The Developer shall be exempt from paying regular assessments under subsection (a) of this Section on any Lot owned by the Developer until such Lot is occupied for residential purposes. This exemption shall not pass to any Owner unless said Owner falls within the definition of Developer provided in this Declaration. During the period of exemption for any Lots submitted to this Declaration and owned by the Developer, the Developer shall be responsible for payment of an amount which is equal to the difference between the amount of regular assessments levied against other Lots (exclusive of the portion of such assessment which is designated by the Association's budget as being allocated for Reserves)



and the actual operating expenses of the Association. These sums due by the Developer shall be treated as assessments against the Lots owned by the Developer, and shall be enforceable and collectable in the same manner as assessments against any other Lot Owner. The period of exemption for any Lots owned by the Developer shall cease as to any particular Lot upon the earlier of: (i) as to an individual Lot, the occupancy of the Lot for residential purposes; (ii) as to all Lots owned by the Developer, the delivery of written notice to the Association of the Developer's election to terminate the exemption period; or (iii) as to all Lots owned by the Developer, the date upon which a judgment becomes final which awards to the Association any sums past due for assessments due by the Developer under the terms of this paragraph.

Section 3. Purpose and Categories of Assessments. The initiation fees and assessments levied by the Association shall be used exclusively to promote the recreation, and general welfare of the residents in the Property, to pay the cost of the improvements and maintenance of the Common Areas, including roads, streets and paved surfaces thereon and all fences and entry features located thereon, including management fees to others, to make such repairs as the Association may deem necessary, to pay ad valorem taxes, to pay any utility charges assessed against the Common Area and to pay insurance premiums as contemplated by Article IX hereof, and for such other related purposes as the Board of Directors may determine.

Section 4. Annual Assessment. The annual assessments to be levied by the Association shall be determined as follows:

(a) The initial annual assessments shall be established by the Board of Directors prior to the first conveyance of a Lot from the Developer.

(b) Within thirty (30) days prior to the date of each annual meeting of the Association, the Board of Directors shall cause to be prepared a budget for the maintenance and operation of the Common Areas for the succeeding fiscal year. The budget shall include compensation of any entity which is employed by the Board of Directors to perform the duties imposed upon the Association hereunder. The budget shall be based upon reasonable, good-faith estimates of the actual expenses of the Association for such year and shall include reasonable reserves for periodic, maintenance, repair and replacement which are the Association's responsibility. Based on this budget, the Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner. Unless the Board shall otherwise determine, the annual assessments shall be payable within thirty (30) days from the due date specified in the notice of annual assessment. The Association shall, upon request, and for a reasonable charge (not to exceed \$25), furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid.

(c) If the annual budget established hereunder proves inadequate for such fiscal year, then the Board of Directors may, at any time within said fiscal year, levy a special assessment for the purpose of meeting the expenses of the Association.

- (d) If the budget established hereunder for any fiscal year results in a surplus for such year, then the Board of Directors may credit such surplus to a reserve fund for maintenance and improvements of the Common Areas or make such other disposition of such surplus as the Board of Directors deems consistent with the obligations imposed on the Association hereunder. The Board shall take into consideration the existence and amount of such reserve fund when establishing the amount of assessments for succeeding fiscal years.

Section 5. Special Assessments Against Specific Lots. Any expenses incurred by the Association which are occasioned by the conduct of an Owner of a Lot, his family, tenants, invitees or licensees, including reasonable attorneys' fees actually incurred in enforcing this Declaration, shall be specially assessed against such Lot; provided, however, that no such assessment may be made against any Lot after the Owner thereof has conveyed the Lot to a bona fide purchaser or after such Lot has been transferred in a manner which would, under Section 10 hereof, extinguish the lien for any outstanding assessments. Any expenses incurred by the Association benefiting fewer than all of the Lots or significantly disproportionately benefiting the Lots shall be assessed equitably among the Lots so benefited. The special assessments provided for in this Section shall be levied by the Board of Directors, and the amount and due date(s) of such special assessments so levied shall be as specified by the Board of Directors.

Section 6. Special Assessments for Capital Improvements. In the addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of voting members of the Association who are voting in person or by proxy at a meeting duly called for that purpose, together with the vote of the Developer should the Developer be the original owner of any Lots at that time. The Board of Directors may make such special assessment payable in installments.

Section 7. Association Approval of Special Assessments. Written notice of any meeting called for the purpose of taking any action authorized under Section 5 shall be sent to all members not less than fifteen (15) days or more than thirty (30) days in advance of the meeting. At any such meeting called, the presence of members, either in person or by proxy, entitled to cast more than fifty percent (50%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements. No such subsequent meeting shall be held more than thirty (30) days following the preceding meeting.

Section 8. Payment of Annual Assessments. Except as otherwise provided in this Article, both annual and special assessments shall be equally assessed against all Lots. Notwithstanding the foregoing, this requirement of equal assessment shall not prevent disproportionate assessments against one or more of the Lots pursuant to specific provisions of this Declaration. Except as hereinafter set forth, the assessments provided for herein shall commence as to all Lots and subject to this Declaration on the date thirty (30) days after notice is sent by the Association to the Owner of each lot at the Lot address or such other address as furnished by the Owner to the Association; such notice may be addressed to "Owner" at the Lot address unless the Owner has provided to the Association a written notice of the name of the Owner. Failure to give proper notice to any Owner

shall not postpone the commencement of assessments for any other Owner. The first annual budget shall be adjusted according to the number of months then remaining in the fiscal year.

Section 9. Lien for Assessments. All sums assessed to any Lot pursuant to this Article together with late charges and interest as provided herein shall be secured by a lien on such Lot in favor of the Association. To the extent permitted by law, such lien shall be superior to all other liens and encumbrances on such Lot, except only for:

- a. Liens of ad valorem taxes for the Common Areas; and
- b. A lien for all sums unpaid on a first mortgage or on any secondary purchase money mortgage, duly recorded in the public records of Paulding County, Georgia and all amounts advanced pursuant to any such mortgage and secured thereby in accordance with the terms of such instrument.

All other persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in said records shall be deemed to consent that such liens or encumbrances shall be inferior to any lien for assessments against such Lot which are less than thirty (30) days delinquent or for which a notice of lien has been recorded prior to such person's acquisition of such lien or encumbrance, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens or encumbrances.

The Association shall evidence a lien for sums assessed pursuant to this Article by preparing a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Lot and a description of the Lot. Such a notice shall be signed by an appropriate officer of the Association and shall be recorded in the public records of Paulding County, Georgia. No notice of lien shall be recorded until there is a delinquency in payment of the assessment of at least thirty (30) days. Such lien may be enforced by appropriate proceedings in the Superior Court of Paulding County or by any other procedure permitted by applicable law. Any delinquent Owner shall be required to pay the costs and expenses of filing the notice of lien, the costs of any legal proceedings commenced to enforce or collect the amount of the lien, and all reasonable attorneys' fees actually incurred. All such costs and expenses shall also be secured by a lien against such Lot, which shall be enforceable against such Lot without the necessity for filing any further notice of lien. The Owner shall also be required to pay to the Association any assessments against the Lot which shall become due during the collection proceedings. The Association shall have the right and power to bid at any foreclosure or judicial sale or other legal sale and acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the Lot as the Owner thereof.

A release of notice of lien shall be executed by the Association and recorded in the public records of Paulding County, Georgia, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Section 10. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment or portion thereof not paid when due shall be delinquent. Any assessment or portion thereof which remains delinquent for more than ten (10) days shall bear a late charge in an amount

as determined by the Board but in excess of fifteen percent (15%) of the amount past due. In addition, any assessment not paid within thirty (30) days after the due date, may at the option of the Board of Directors, bear interest from the due date at the rate of fifteen percent (15%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose or otherwise enforce the lien against the Lot in any manner permitted by law. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or the abandonment of his or her Lot. A suit to recover a money judgment for unpaid assessments hereunder shall be maintainable without foreclosing or waiving the lien securing the same. Upon default in the payment of any one or more installments of any assessment, the Board of Directors may accelerate the remaining installment payments and declare the entire balance of said assessment then due and payable in full.

Section 11. Extinguishment of Lien. Except as hereinafter provided, the sale or transfer of a Lot shall not affect the lien for unpaid assessments. The enforcement of any lien which is superior to the lien for assessments, as provided in Section 8 hereof, whether by sale under power or judicial sale or foreclosure, or the enforcement of any first mortgage or secondary purchase money mortgage by transfer in lieu of foreclosure, shall extinguish the lien for any special assessments and any installments of annual assessments which are inferior to such lien and which fell due prior to the date of such under power, foreclosure, or transfer.

ARTICLE VII. ARCHITECTURAL CONTROLS

Section 1. Approval Procedure. No buildings or improvements, exterior additions or alterations to any building or improvement on the Property, additional awnings, additional fences, additional outbuildings or other structures, or changes in existing fences, hedges, walls, walkways and other structures or landscape design shall be commenced, erected or maintained, as applicable, except such as are installed or approved by the Developer in connection with the initial construction of the buildings and/or landscaping on the Property, until the plans and specifications showing the nature, kind, shape, height, materials, location, color and approximate cost of same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding buildings located on the Property by the Architectural Control Committee or by a representative or representatives designated by the Architectural Control Committee. No alterations may be made in approved plans or specifications without further approval by the Architectural Control Committee. No road or driveway shall be constructed or altered on any Lot without prior written approval of the Architectural Control Committee. No additional paving or landscaping of any kind shall be permitted without prior written approval of the Architectural Control Committee. In the event the Architectural Control Committee or its designated representative fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, such approval will be deemed to have been given. If no application has been made to the Architectural Control Committee or their representatives, suit to enjoin or remove such additions, alterations or changes may be instituted at any time by the Association or by the Owner of any Lot. The members of the Architectural Control Committee or its designated representatives shall not be entitled to compensate themselves for services performed pursuant to this paragraph, but compensation may be allowed to independent professional advisors retained by the Board of Directors to assist the Architectural Control Committee. The costs of such permitted compensation shall be the responsibility of the Owner making the application, the amount shall be payable upon

demand, and payment shall be condition precedent to any approval of submitted plans. The Architectural Control Committee may adopt Design Guidelines to be provided, upon request, to Lot Owners to assist with the approval process.

Section 2. Architectural Control Committee. The Architectural Control Committee shall constitute a standing committee of the Association. The Committee shall consist of the Board of Directors unless the Board of Directors delegates to other Lot Owners the authority to serve on the Committee. The initial members of the Committee and the membership shall be appointed by the Board of Directors until the administration of the Association by the Developer terminates pursuant to Article V, Section 2 of this Declaration. The Board may delegate such authority to individual Lot Owners by resolution, or the Board may call for a special election by the Association to select the Lot Owners to whom the authority shall be delegated. At all times, however, the chairperson of the Committee shall be a member of the Board of Directors.

Section 3. Landscaping. All landscaping shall conform to the following standards:

- (a) Final landscaping plans for all initial construction shall be approved by the Architectural Control Committee before any dwelling is occupied. In all events within thirty (30) days after final inspection by the building inspector, all of the yard visible from the street must be planted and landscaped in accordance with approved plans, unless a delay is approved in writing by the Committee.
- (b) The Architectural Control Committee may publish rules regarding alterations to the initial landscaping of the portion of any Lot visible from any public or private road. In the absence of published rules relating to such alterations, all changes from the initial landscaping of the portion of any Lot visible from any public or private road must be approved by the Committee as provided in this Article.

ARTICLE VIII. INSURANCE

Section 1. Scope of Insurance. The Board of Directors of the Association or its duly authorized agent shall obtain and maintain fire and extended coverage insurance for all insurable improvements located in the Common Area in an amount sufficient to cover the full replacement cost of such improvements in the event of damage or destruction from any insured peril. Unless a higher amount is approved by a majority of the Association membership at a special meeting duly called for such purpose, the deductible amount on such policy shall not exceed One Thousand and No/100 (\$1,000.00) per occurrence or, if such a deductible is unavailable, the lowest available deductible amount in excess of One Thousand and No/100 Dollars (\$1,000.00) per occurrence. The Board of Directors shall also obtain such public liability and property damage insurance in such amounts and in such forms as shall be determined by the Board of Directors of the Association, but not in amounts less than One Million and No/100 Dollars (\$1,000,000.00) for injury, including death, arising out of a single occurrence, and Fifty Thousand and No/100 Dollars (\$50,000.00) property damage, covering the Association, all agents and employees of the Association, all Lot Owners and other persons entitled to occupy any Lot and, to the extent obtainable, the Board of Directors and officers of the Association. If the Board is unable to obtain a liability policy providing coverage on a "per occurrence" basis, the Board may substitute therefore a liability policy

providing an aggregate of One Million and No/100 Dollars (\$1,000,000.00) coverage accompanied by an additional umbrella liability policy in an amount not less than One Million and No/100 Dollars (\$1,000,000.00). The Board of Directors shall obtain and maintain such worker's compensation insurance as may be required by law, directors and officers liability coverage, and such other insurance as it may from time to time deem appropriate. Premiums for all such insurance shall be an expense of the Association. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association. Such insurance shall be governed by the provisions contained in the By-Laws of the Association.

ARTICLE IX. STAGE DEVELOPMENT AND ANNEXATION

Section 1. Annexation of Additional Property. The Additional Property may, at any time and from time to time, be annexed by the Developer and made subject to the governing provisions of this Declaration without the consent of the Owners of the Lots. The right to annex Additional Property shall expire twenty-four (24) months after the sale by Developer of its last Lot.

Section 2. Legal Requirements. At any time or from time to time prior to the expiration of the right to annex Additional Property provided in Section 1 above, Developer may submit all or any portion of the Additional Property to the provisions of this Declaration by an amendment to this Declaration, in recordable form, executed by the Developer which shall be effective upon the date it is filed for record in Paulding County, Georgia. From and after the date that the Additional Property is submitted by filing such an amendment, all of the provisions of this Declaration shall apply to the Additional Property submitted by such amendment, and all references herein to "the Property" shall thereafter include such portion of the Additional Property.

Section 3. Reallocation of Votes and Liability for Common Expenses. Upon the effective submission of any portion of the Additional Property pursuant to this Article, the votes in the Association and liability for the expenses for the Common Areas shall be reallocated, so that all Lots, including and Lots added by such submission, shall be allocated equal votes and equal liabilities for payment thereof.

ARTICLE X. GENERAL PROVISIONS

Section 1. Amendment. The covenants and restrictions of this Declaration shall run with the land and, except as otherwise provided in this Declaration, may be amended only upon approval of at least two-thirds (2/3) of the Owners other than the Developer, by the Developer if the Developer is the Owner of any Lot or Lots or if the Developer has an unexpired option to add the Additional Property to the Declaration, and, if such amendment materially affects the rights of mortgage holders, upon approval of two-thirds (2/3) of the first mortgagees of the individual Lots based upon one vote for each first mortgage owned. Any such amendment shall be executed by the President and Secretary of the Association and shall include a certificate that all of the foregoing requirements were met. So long as the Developer owns any Lot, the Developer may amend this Declaration without the consent of any Owner for any of the following purposes: (i) to add the Additional Property to the Declaration pursuant to Article IX hereof and, subject to the limitations contained therein; (ii) to comply with any requirement imposed by any institutional lender or by any government agency issuing or insuring mortgage loans for Lots within the Development; or (iii) to

comply with any federal, state, or local statute or ordinance applicable to the Property. Any such amendment shall be executed by the Developer and shall state the purpose thereof. Any amendment after execution as provided above shall become effective upon the date it is filed for record in Paulding County, Georgia.

Section 2. Enforcement. The Association and any Owner shall each have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or thereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. If the restrictions are enforced by appropriate proceedings by any Owner, such Owner may be reimbursed by the Association for all or any part of the cost incurred in the discretion of the Board of Directors of the Association. The Association shall be entitled to recover its costs of obtaining an order enforcing this Declaration from any Owner found by a court to be in violation of this Declaration.

Section 3. Duration. Any easements created hereby shall be perpetual and shall pass with title to the Property and the Additional Property. Except for such easements, the term of this Declaration shall be twenty (20) years, from the date on which the Declaration is filed for record in the Office of the Clerk of the Superior Court of Paulding County, Georgia, unless sooner terminated, and shall remain in effect and shall inure to the benefit of and be enforceable by any Owner of any Lot subject to this Declaration, their respective legal representatives, heirs, successors and assigns. Upon the expiration of said twenty (20) year term, this Declaration shall be automatically extended, as permitted by the laws of the state of Georgia, for successive renewal periods of ten (10) years each, unless terminated as hereinafter provided. This Declaration may be terminated, renewed or extended, in whole or in part, if any agreement for termination, renewal or extension is signed by all Owners and first mortgage holders and filed in the public records of Paulding County, Georgia.

Section 4. Severability. Invalidation of any one of these covenants or restrictions or any other provision of this Declaration by judgment or court order shall in no way effect any other provisions which shall remain in full force and effect.

Section 5. No Liability. The Developer has, using best efforts and all due diligence, ~~prepared and recorded this Declaration so that each and every Owner shall have the right and power to enforce the terms and provisions of this Declaration against every other Owner and the Developer shall have no liability for its failure to enforce any term hereof or provision.~~

Section 6. Litigation. Except as provided below, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of Members holding seventy-five percent (75%) of the total votes in the Association and the approval of the Developer so long as the Developer owns a portion of the Property or has the right to add additional property. This Section shall not apply, however, 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 in Article VIII; (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 services or supplies. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above. This Section shall apply in addition to the provisions Article XIV, if applicable.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed under seal the date first above written.

Signed, sealed and delivered in the presence of:

1107, LLC, a Georgia limited liability company

Louis E. Bridges
Unofficial Witness

By: Donald Tomberlin
Name: DONALD TOMBERLIN
Member and Manager

STEPHEN HAGER
STEPHEN HAGER
NOTARY PUBLIC
DEKALB COUNTY
GEORGIA
OCT. 17, 2008
EXPIRES

[COMPANY SEAL]

EXHIBIT "A"
(Legal Description)

ALL THAT TRACT OR PARCEL OF LAND lying and being in Land Lots 1112, 1113, 1182 & 1183, 19th District, 2nd Section of Paulding County, Georgia as more particularly described as follows:

BEGIN at the intersection of northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) and the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way);

Thence leave the intersection of northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) and the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) and continue along the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) along a 1095.41 foot radius curve to the left (said curve being subtended by a chord having a bearing of North 03° 26' 45" East a chord distance of 127.55 feet) an arc distance of 127.62 feet to a point;

Thence continue along the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) North 00° 06' 29" East a distance of 310.91 feet to a point;

Thence continue along the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) North 00° 06' 29" East a distance of 79.92 feet to a point;

Thence continue along the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) North 02° 11' 20" East a distance of 71.65 feet to a point;

Thence continue along the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) North 02° 11' 20" East a distance of 50.21 feet to a point;

Thence leave the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) and continue South 81° 09' 15" East a distance of 210.59 feet to a point;

Thence continue North 02° 14' 33" East a distance of 311.96 feet to a point;

Thence continue North 81° 09' 15" West a distance of 210.88 feet to a point, said point being located on the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way);

Thence continue along the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) North 02° 11' 20" East a distance of 289.61 feet to a point;

Thence leave the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) and continue South 81° 45' 52" East a distance of 400.84 feet to a point;

Thence continue South 13° 09' 58" West a distance of 344.27 feet to a point;

Thence continue North 80° 31' 18" East a distance of 624.50 feet to a point;

Thence continue North 03° 25' 22" East a distance of 499.56 feet to a point;

Thence continue North 76° 12' 35" East a distance of 218.26 feet to a point;

Thence continue South 20° 01' 55" East a distance of 1202.93 feet to a point;

Thence continue South 19° 30' 19" West a distance of 454.77 feet to a point;

Thence continue North 85° 52' 04" West a distance of 260.69 feet to a point;

Thence continue South 04° 08' 06" West a distance of 185.00 feet to a point, said point being located along the northern side of the right-of-way along Pine Valley Road (80 foot right-of-way);

Thence continue along the northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) North 85° 52' 04" West a distance of 576.47. feet to a point;

Thence continue along the northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) North 84° 44' 18" West a distance of 13.92 feet to a point;

Thence continue along the northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) North 84° 44' 18" West a distance of 90.03 feet to a point;

Thence continue along northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) North 84° 44' 18" West a distance of 16.21 feet to a point;

Thence continue along the northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) along a 1150.86 foot radius curve to the right (said curve being subtended by a chord bearing North 71° 22' 09" West a chord distance of 532.20 feet) an arc distance of 537.06 feet to a point, said point being located at the intersection of northern side of the right-of-way along Pine Valley Road (80 foot right-of-way) and the eastern side of the right-of-way along Weeping Willow Drive (40 foot right-of-way) and said point also being the **POINT OF BEGINNING**.

Said tract or parcel of land containing approximately 42.034 ± acres and being more particularly depicted and described on that certain Final Plat for Sheffield Farms (Pages 1-3) dated January 28, 2005 (certified February 23, 2005) and prepared by Hughes-Ray Company, Inc. and bearing the seal of Clifford R. Hughes (G.R.L.S. No. 2010), said plat (Pages 1-3) being recorded in Plat Book 45, Pages 62-64 of the Office of the Clerk of the Superior Court of Paulding County, Georgia.

OWNER'S ACKNOWLEDGEMENT

I hereby certify as the owner of the land shown on this plat and whose name is subscribed hereto, acknowledge that this plat was made from an actual survey, and for value received the sufficiency of which is hereby acknowledged, do hereby convey, all streets and rights-of-way, water mains and sewer lines shown hereon as being necessary and proper for the purposes herein expressed, and do hereby forever all alleys, paths, water courses, ditches, easements and public places herein shown for the purposes and considerations herein expressed. In consideration of the amount of this development plan and other valuable considerations, the owner releases and holds harmless the Planning Commission from any and all claims, demands or proceedings of any kind or nature that may be made against or asserted by the property shown hereon; on account of the roads, alleys, easements, ditches, cross drains, water mains, sewer lines, and bridges within the proposed rights-of-way and easements shown and on account of becomer, the collection and disposal of garbage, and on account of any other matters whatsoever.

I, the undersigned, do hereby certify that the plan shown and described hereon is a true and correct survey made by me or under my supervision, that the monuments have been duly placed as shown hereon, and that the accuracy and specifications required by the Planning Commission have been complied with. I hereby certify that the plan shows and described hereon is a true and correct survey made by me or under my supervision, that the monuments have been duly placed as shown hereon, and that the accuracy and specifications required by the Planning Commission have been complied with.

Date: 2-23-05
Signature: [Signature]

SURVEYOR'S ACKNOWLEDGEMENT

I hereby certify that the plan shown and described hereon is a true and correct survey made by me or under my supervision, that the monuments have been duly placed as shown hereon, and that the accuracy and specifications required by the Planning Commission have been complied with.

Date: 2-23-05
Signature: [Signature]

CERTIFICATE OF INDIVIDUAL SEWER DISPOSAL SYSTEMS

This subdivision is approved for development utilizing on-site sewage management systems as a condition of subdivision. The physical merits of each lot shown on this subdivision are subject to the final determination of the Planning Commission. The approval of this plat does not constitute an approval of any individual lot.

Date: 3-3-05
Signature: [Signature]

PAULDING COUNTY DEVELOPMENT CERTIFICATE

This plat, having been submitted for Paulding County and having been found to comply with the Paulding County Development Regulations and the Paulding County Zoning Ordinances, is approved subject to the installation and dedication of streets, utilities, easements and other improvements in accordance with the terms of this certificate.

Date: 2-24-05
Signature: [Signature]

DATE: 2-24-05
COMMISSIONER OF COMMUNITY DEVELOPMENT
DATE: 2-24-05
PLANNING COMMISSION
DATE: 2-24-05
PLANNING COMMISSION

FINAL PLAT REVISIONS
Pending county Board of Commissioners

APPROVED BY: [Signature] COMMUNITY DEVELOPMENT DIRECTOR

SAFE DRAIN CERTIFICATE

I hereby certify that the final plat is a true representation of the results of an actual survey by me or under my supervision, conforming to the laws of the State of Georgia, and that the monuments shown hereon actually exist on or in the "PLATS" AND THAT THE SURVEYOR'S RECOMMENDATIONS FOR THE PLATS OF THIS PLAT HAVE BEEN FULFILLED. I HAVE ALSO DECLARED THAT THE PLAT DOES NOT CONTAIN ANY MISTAKES OF ANY KIND AND THAT I AM NOT AWARE OF ANY SUCH MISTAKES.

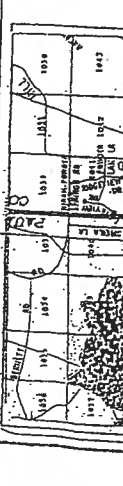
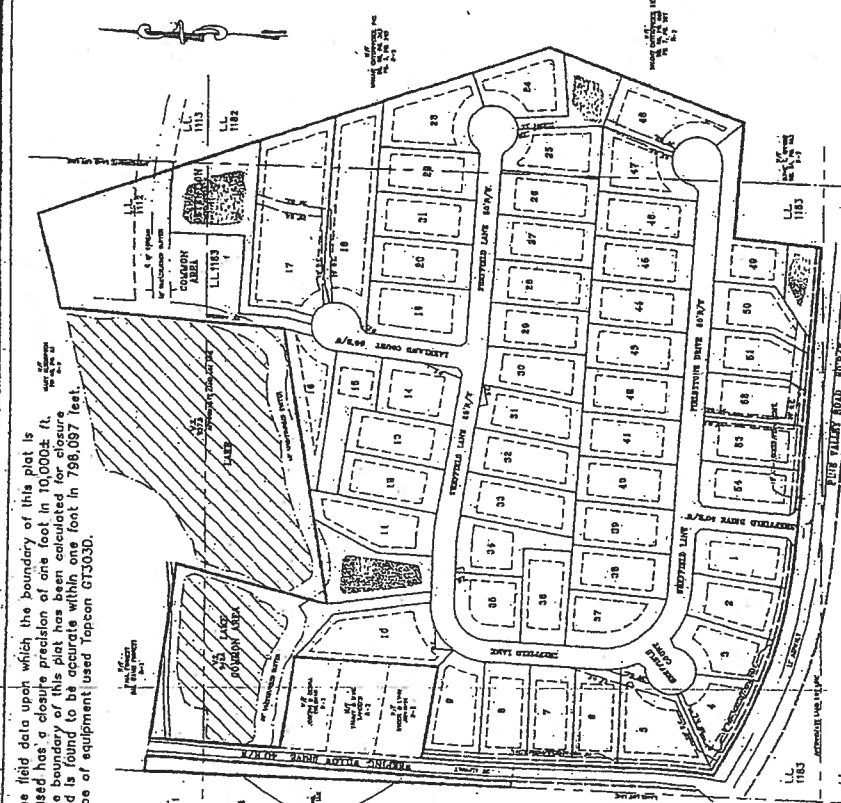
Date: 2-23-05
Signature: [Signature]



PREPARED BY HRC

47355

Civil Engineering Storm Water Management
Land Surveying Land Planning Site Design
HUGHES-RAY COMPANY, INC.
6554 E. CHURCH STREET DUCALVILLE, GEORGIA 30134
Phone (770) 844-0186



DEVELOPMENT REGULATION NOTES

- In accordance with the Paulding County Street Light District Ordinance (amendment 8/26/97), the developer of this subdivision must provide street lighting.
- The developer shall submit to the Planning and Zoning Division the street lighting survey showing exact location of street lighting fixtures, including poles, fixtures, and any other related items or materials necessary for installation.
- The street lighting equipment must be installed in accordance with provisions of the Paulding County Street Light District Ordinance. The developer shall obtain all permits or water meters for this subdivision.

GENERAL NOTES:

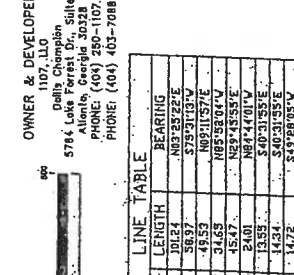
- Zoning is R-2, Subdivision Residential.
- Zoning Case No. 100-0-20-2 (1985 Act. was approved on 3-23-04 from R-2 to R-2 with no conditions).
- Number of lots: 54
Acreage: 42.034 Acs.
Utility (Units/Ac.): 2800
Front Setback: 33 ft. of 63' noted
Side Yards: 15 ft. of 25 ft. corner lot
Rear Yards: 25 ft.

4. All lots to be served by individual septic tank systems.
5. Delineation of this property is not located in a designated flood hazard area.

OWNER & DEVELOPER
Della Champion
5784 Lake Forest Dr., Suite 280
Atlanta, Georgia 30328
PHONE: (404) 280-1107
PHONE: (404) 403-1088

LEGEND
R/W RIGHT OF WAY
I.P.P. IRON PIPE
C.T. CHIMNEY
O.P. OPEN TOP PIPE
R.F. REINFORCING BAR
O.P. OPEN TOP PIPE
B.L. BUILDING LINE
H.L.P. HOUSE LOCATION PLAN

FINAL PLAT
SHEFFIELD FARMS
Land Lots 1112, 1113, 1182 & 1183
19th District, 2nd Section
Paulding County, Georgia
Date: January 28, 2005 Scale: 1" = 100'
THIS PLAT RECORDED IN PLAT BOOK 415 PAGE 62



1 inch = 200 ft.

LINE	LENGTH	BEARING
L1	15.56	N89°32'00"E
L2	38.40	N86°19'28"W
L3	40.03	S60°39'26"W
L4	18.98	N04°33'25"E
L5	24.76	N84°08'26"E
L6	32.25	S88°08'26"E
L7	24.40	S89°48'09"W
L8	15.93	N82°49'05"E
L9	7.44	N06°26'07"E
L10	11.93	S38°34'40"W
L11	15.93	S38°34'40"W
L12	10.49	N57°52'08"E
L13	10.49	N57°52'08"E
L14	31.98	N85°19'24"W
L15	15.49	N86°19'24"W
L16	31.10	N89°48'09"W
L17	22.68	S85°19'24"E
L18	14.89	N89°17'00"E
L19	14.89	N89°17'00"E
L20	61.29	S72°48'33"E
L21	61.29	S72°48'33"E
L22	68.58	N12°48'27"E
L23	59.84	N12°48'27"E

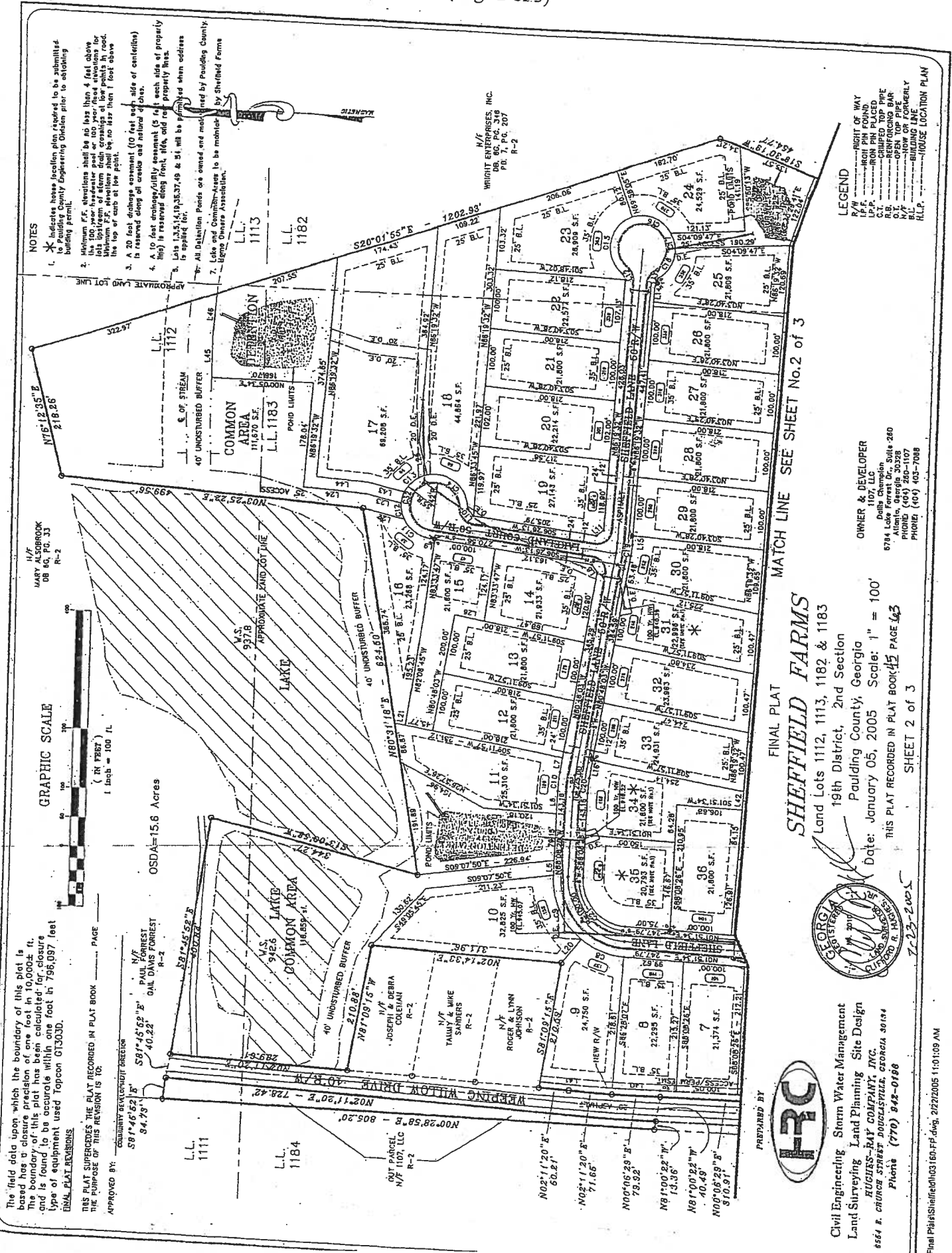
LINE	LENGTH	BEARING
L24	10.24	S42°28'05"W
L25	56.97	S74°51'57"W
L26	48.53	N09°11'57"E
L27	34.65	N83°53'04"W
L28	45.47	N89°43'55"E
L29	24.01	N84°44'01"W
L30	13.55	S40°31'55"E
L31	14.84	S40°31'55"E
L32	14.72	S42°28'05"W
L33	12.95	S42°28'05"W
L34	30.63	S84°44'18"E
L35	13.92	S84°44'18"E
L36	10.00	N84°44'18"E
L37	25.93	N84°44'18"E
L38	25.93	N84°44'18"E
L39	26.49	N00°06'28"E
L40	79.56	N00°06'28"E
L41	120.33	N83°19'24"E
L42	31.16	N83°19'24"E
L43	62.30	N03°23'22"E
L44	72.55	S89°35'28"E
L45	71.25	S89°35'28"E
L46	71.25	S89°35'28"E

CURVE	LENGTH	RADIUS	CHORD	BEARING
C1	86.28	200.00	86.07	S78°15'01"E
C2	64.35	50.00	54.32	S50°57'10"E
C3	47.83	50.00	47.83	N02°29'37"E
C4	65.20	55.00	61.45	N02°29'37"E
C5	104.03	55.00	89.33	S39°37'08"W
C6	41.59	200.00	41.51	S18°07'08"E
C7	52.43	200.00	52.28	S03°53'04"E
C8	77.51	128.00	78.28	S13°27'21"W
C9	118.84	128.00	116.41	S84°27'44"W
C10	37.03	350.00	37.00	N84°26'14"W
C11	55.33	350.00	55.03	S35°18'28"W
C12	49.54	450.00	49.45	S35°18'28"W
C13	49.54	450.00	49.45	S35°18'28"W
C14	101.47	450.00	97.88	N107°17'07"W
C15	118.30	450.00	114.78	N107°17'07"W
C16	78.67	350.00	83.84	N102°28'03"E
C17	25.95	35.00	24.71	N72°10'01"E
C18	62.19	35.00	58.83	S51°46'20"E
C19	19.26	200.00	19.28	S83°48'42"E
C20	25.95	200.00	25.80	N84°28'14"W
C21	110.91	25.00	106.97	S48°53'13"W
C22	28.93	50.00	29.74	S37°28'28"E
C23	28.93	50.00	29.74	S37°28'28"E
C24	68.16	50.00	61.17	S31°17'48"E
C25	113.73	50.00	81.52	N114°15'56"W
C26	44.81	50.00	41.59	N70°25'39"E
C27	78.90	110.88	78.89	S82°48'26"E
C28	111.81	110.88	121.85	S72°48'33"E
C29	99.29	110.88	91.28	S24°17'08"E
C30	238.98	110.88	238.98	S63°54'03"E
C31	238.98	110.88	238.98	S63°54'03"E
C32	20.11	55.00	20.00	N74°45'02"W

PAULDING COUNTY DEVELOPMENT CERTIFICATE

EXHIBIT "B" (CONTINUED)

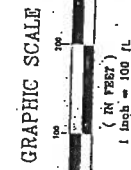
(Page 2 of 3)



NOTES

- * Indicates house location plan required to be submitted to Paulding County Engineering Division prior to obtaining building permit.
- Minimum F.F. elevations shall be no less than 4 feet above lots to prevent storm drain crossing into adjacent lots. Minimum F.F. elevations shall be no less than 1 foot above the top of curb at low point.
- A 20 foot drainage easement (10 feet each side of centerline) is reserved along all creeks and nature preserves.
- A 10 foot drainage/utility easement (5 feet each side of property line) is reserved along front, side, and rear property lines.
- Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36 will be platted when address is applied for.
- All Detention Ponds are owned and maintained by Paulding County.
- Lake and Common Areas to be maintained by Sheffield Farms Home Owners Association.

N/E MARY ALSBROOK
DB 60, PG. 33
R-2



OSDA = 15.6 Acres

APPROVED BY:
N/E PAUL FORREST
GAIL DAVIS FORREST
R-2

APPROVED BY:
N/E DEBRA COLEMAN
R-2

APPROVED BY:
ROGER & LYNN JOHNSON
R-2

APPROVED BY:
TAMMY & MIKE SANDERS
R-2

APPROVED BY:
HEW R/V
R-2

APPROVED BY:
N/E 828
R-2

APPROVED BY:
N/E 22289
R-2

APPROVED BY:
N/E 21374
R-2

APPROVED BY:
N/E 31097
R-2

N/E WHIGHT ENTERPRISES, INC.
DB 60, PG. 207
R-2

LEGEND

- R/W - RIGHT OF WAY
- L.P.P. - IRON PIN FOUND
- L.P.P. - IRON PIN PLACED
- R.P. - CRIMPED TOP PIPE
- R.P. - OPEN TOP PIPE
- O.T. - OPEN TOP PIPE
- N/E - HOW OR FORMERLY
- B.L. - BUILDING LINE
- H.L.P. - HOUSE LOCATION PLAN

MATCH LINE SEE SHEET No.2 of 3

FINAL PLAT
SHEFFIELD FARMS
Land Lots 1112, 1113, 1182 & 1183

19th District, 2nd Section
Paulding County, Georgia

Date: January 05, 2005 Scale: 1" = 100'

THIS PLAT RECORDED IN PLAT BOOK 45 PAGE 145

SHEET 2 of 3

OWNER & DEVELOPER
Doris Chapman
1107, LLC
Atlanta, Georgia 30328
PHONE: (404) 260-1107
PHONE: (404) 403-7088



PREPARED BY
HRC
Civil Engineering Storm Water Management
Land Surveying Land Planning Site Design
RUGERS-STAY COMPANY, INC.
6564 E. CHURCH STREET DUNWOODY, GEORGIA 30134
Phone (770) 842-0186

EXHIBIT "B" (CONTINUED)
(Page 3 of 3)

NOTES

- * Indicates house location plan required to be submitted to Paulding County Engineering Division prior to obtaining building permit.
- Minimum F.F. elevations shall be no less than 4 feet above the 100 year floodwater pool or 100 year flood elevations for lots upstream of storm drain crossings at low points in road. Minimum F.F. elevations shall be no less than 1 foot above the top of curb at low point.
- A 20 foot drainage easement (10 feet each side of centerline) is reserved along all creeks and natural ditches.
- A 10 foot drainage/utility easement (5 feet each side of property line) is reserved along front, side, and rear property lines.
- Lots 1,3,5,11,19,35,37,49 & 64 will be permitted when address is applied for.

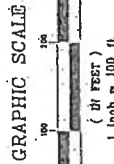
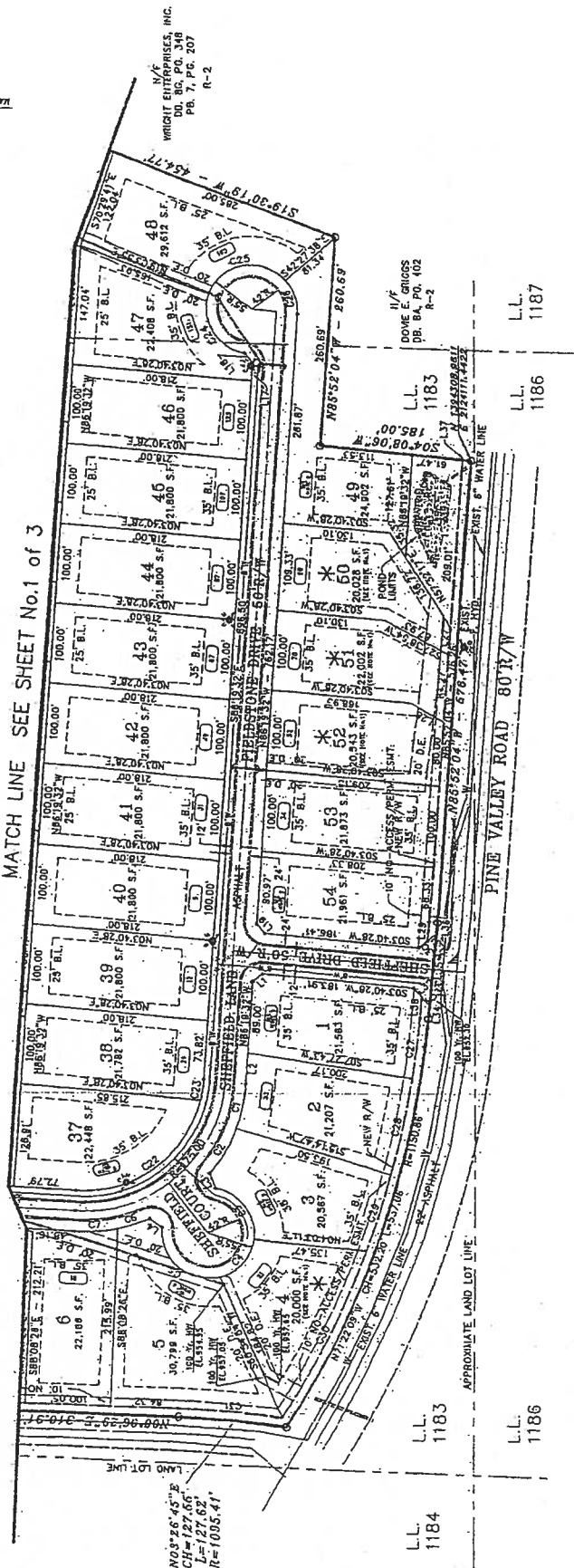
The field data upon which the boundary of this plot is based has a closure precision of one foot in 10,000± feet. The bearings and distances are calculated by traverse and is found to be correct within one foot in 790,097 feet. Type of equipment used is Topcon GT303D.

DUAL PLAT REVISIONS

THIS PLAT SUPERSEDES THE PLAT RECORDED IN PLAT BOOK _____ PAGE _____ THE PURPOSE OF THIS REVISION IS TO:

APPROVED BY: _____ COMMUNITY DEVELOPMENT DIRECTOR

MATCH LINE SEE SHEET No.1 of 3



FINAL PLAT

SHEFFIELD FARMS

Land Lots 1112, 1113, 1182 & 1183

19th District, 2nd Section

Paulding County, Georgia

Date: January 05, 2006 Scale: 1" = 100'

THIS PLAT RECORDED IN PLAT BOOK PAGE 64

SHEET 3 of 3

- LEGEND**
- R/W - RIGHT OF WAY
 - DR - DRAINAGE
 - LP - LOT PLOT
 - BO - BOUNDARY
 - CT - CRIMPED TOP PIPE
 - AB - REINFORCING BAR
 - U/E - UTILITY EASEMENT
 - BL - BUILDING LOT LINE
 - HL - HOUSE LOCATION PLAN

OWNER & DEVELOPER
1107, LLC
P.O. Box 280
5784 Lake Forest Dr., Suite 280
Alpharetta, Georgia 30228
PHONE: (404) 250-1107
PHONE: (404) 403-7086

PREPARED BY



Civil Engineering Storm Water Management
Land Surveying Land Planning Site Design
BUSINESS-RAY COMPANY, INC.
3654 E. CHURCH STREET DOUGLASSVILLE, GEORGIA 30134
Phone (770) 942-0186



7-25-2005

EXHIBIT "C"

[Paulding Property]

Any other additional property now or in the future owned by Developer in Paulding County, Georgia that is contiguous to the property described in Exhibit "A" above, or can be made contiguous by the submission of other additional property.

BY-LAWS
OF
SHEFFIELD FARM HOMEOWNER'S ASSOCIATION, INC.

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BY-LAWS
OF
SHEFFIELD FARM HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I
Name, Principal Office and Definitions

1.1 Name. The name of the corporation is Sheffield Farm Homeowner's Association, Inc. (the "Association").

1.2 Principal Office. The principal office of the Association shall be located in Paulding County, Georgia. The Association may have such other offices, either within or outside the state of Georgia, as the Board of Directors may determine or as the affairs of the Association may require.

1.3 Definitions. The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that Declaration of Covenants, Conditions, Easements and Restrictions for Sheffield Farm Subdivision filed in Paulding County, Georgia, Public Records, as it may be amended (the "Declaration"), unless the context indicates otherwise.

ARTICLE II

Association: Membership, Meetings, Quorum, Voting, Proxies

2.1 Membership. Each Owner shall be a Member of the Association as more fully set forth in Article V of the Declaration:

2.2 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board, either within the Properties or as convenient as is possible and practical.

2.3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meetings shall be set by the Board so as to occur during the third quarter of the Association's fiscal year on a date and at a time set by the Board.

2.4. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members eligible to vote representing at least 25% of the total votes in the Association.

2.5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally, or by mail, to each Member entitled to vote at such meeting, not less than 10 nor more than 50 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

2.6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting by a Member of the Member's proxy shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7. Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, Members or their proxies holding a majority of the votes represented at such meeting may adjourn the meeting to a time not less than five (5) or more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members represented at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

2.8. Voting. The voting rights of the Members shall be as set forth in the Declaration and in these By-Laws, and such voting rights provisions are specifically incorporated by this reference.

2.9. Proxies. At all meetings of Members, each member may vote in person (if a corporation, partnership or trust, through any officer, director, partner or trustee duly authorized to act on behalf of the Member) or by proxy, subject to the limitations of Georgia law. All proxies shall be in writing specifying the Lot(s) for which it is given, signed by the Member or its duly authorized attorney-in-fact, dated and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable shall automatically cease upon conveyance of any Lot for which it was given, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or 11 months from the date of the proxy, unless a shorter period is specified in the proxy.

2.10. Majority. As used in these By-Laws, the terms "majority" shall mean those votes, Owners, Members, or other group, as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.

2.11. Quorum. Except as otherwise provided in these By-laws or in the Declaration, the presence, in person or by proxy, of Members representing fifty percent (50%) of the total Class "A" votes in the Association shall constitute a quorum at all meetings of the Association.

2.12. Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.13. Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice and without a vote, if written consent specifically authorizing the proposed action is signed by all Members entitled to vote thereon. Such consent shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members at a meeting. Within 10 days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE III
Board of Directors; Number, Powers, Meetings

A. Composition and Selection.

3.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Except with respect to directors appointed by the Developer, the directors shall be Members or Residents; provided, no Owner and Resident representing the same Lot may serve on the Board at the same time. A "Resident" shall be any natural person eighteen (18) years of age or older whose principal place of residence is a dwelling located on a Lot within the Properties. In the case of a Member which is not a natural person, any officer, director, partner, employee or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member; provided, no Member may have more than one such representative on the Board at a time, except in the case of directors appointed by the Developer.

3.2 Number of Directors. The Board shall consist of three to five directors, as provided in Sections 3.3 and 3.5 below. The initial Board shall consist of three directors.

3.3 Directors During Developer Control Period. Subject to the provisions of Section 3.5, the directors shall be selected by the Developer acting in its sole discretion and shall serve at the pleasure of the Developer until the first to occur of the following:

(a) when two thirds (2/3) of the maximum number of Lots subjected to the Declaration have been conveyed to Persons other than Builders; or

(b) when, in its discretion, the Developer so determines.

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

Each Owner may cast the entire vote assigned to his or her Lot for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.5 Election and term of Office. Notwithstanding any other provision of these By-Laws:

(a) Not later than the first annual meeting after the termination of the Developer Control Period, the Board shall be increased to five (5) directors. The President shall call for an election by which the Members shall be entitled to elect the five directors, with the two directors receiving the largest number of votes being elected for a term of two years and the remaining three directors being elected for a term of one year.

Upon the expiration of the term of office of each director elected by the Members, a successor shall be elected to serve a term of two years. The directors elected by the Members shall hold office until their respective successors have been elected.

3.6 Removal of Directors and Vacancies. Any director elected by the Class "A" Members may be removed, with or without cause, by Members holding two-thirds (2/3) of the votes entitled to be cast for his or her election. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members, to fill the vacancy for the remainder of the term of such director.

Any director elected by the Members who has three or more consecutive unexcused absences from Board Meetings, or who is more than thirty (30) days delinquent (or is the representative of a Member who is so delinquent) in the payment of any assessment or other charge due the Association, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy for the remainder of the term.

In the event of the death, disability, or resignation of a director elected by the Members, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

This Section shall not apply to directors appointed by the Developer. The Developer shall be entitled to appoint a successor to fill any vacancy on the Board resulting from the death, disability or resignation of a director appointed by or elected as a representative of the Developer.

B. Meetings.

3.7 Organizational Meetings. The first meeting of the Board following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as the Board shall fix.

3.8 Regular Meetings. Regular meetings of the Board may be held at such time and place as a majority of the directors shall determine, but at least four such meetings shall be held during each fiscal year with at least one per quarter.

3.9 Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President or Vice President or by any two directors.

3.10 Notice; Waiver of Notice.

(a) Notice of the time and place of a regular meeting shall be communicated to directors not less than four calendar days prior to the meeting. Notice of the time and place of a special meeting shall be communicated to directors not less than seventy-two (72) hours prior to the meeting. No notice need be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. The notice shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. Notices shall be given to each director by: (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; (iv) telecopier transmission to the director's home or office, with confirmation of receipt by receiving telecopier; or (v) telegram, charges prepaid. All such notices shall be given at the director's telephone or telecopier number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deemed communicated when deposited into a United States mailbox. Notices given by personal delivery, telephone, telecopier or telegraph shall be deemed communicated when delivered, telephoned, telecopied or given to the telegraph company.

(b) The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11 Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

3.12 Quorum of Board of Directors. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meetings may adjourn the meeting to a time not less than 5 nor more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13 Compensation. Directors shall not receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total Class "A" votes in the Association at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

3.14 Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.15 Open Meetings. Subject to the provisions of Section 3.16, all meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene ~~in executive session, and may exclude Members, to discuss matters of a sensitive nature.~~

3.16 Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

3.17 Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these By-Laws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things as are not directed by the Declaration, Articles, these By-Laws, or Georgia law to be done and exercised exclusively by the membership generally.

3.18 Duties. The duties of the Board shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's assessment for his her share of the common expenses of the Association;
- (b) levying and collecting such assessments from the Owners;
- (c) providing for the operation, care, upkeep and maintenance of the Common Area;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in a bank depository which it shall approve, and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) making and amending use restrictions and rules in accordance with the Declaration;
- (g) opening of bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Area in accordance with the Declaration and these By-Laws;
- (i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules of the Association and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the

Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;

(j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) making available to any Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules and all other books, records, and financial statements of the Association, as provided in Section 6.4;

(n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties; and

(o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required under Georgia law, the Articles of Incorporation or the Declaration.

3.19 Right of Developer to Disapprove Actions. So long as the Developer has the right to annex additional Property, the Developer shall give a right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Developer, would tend to impair rights of the Developer or Builders under the Declaration or these By-Laws, or interfere with development of or construction on any portion of the Properties, or diminish the level of services being provided by the Association.

(a) The Developer shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, which notice complies as to the board meetings with Sections 3.8, 3.9, 3.10, and 3.11 and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(b) The Developer shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein.

No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met.

The Developer, its representatives or agents shall make its concerns, thoughts, and suggestions known to the Board and /or the members of the subject committee. The Developer, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within 10 days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within 10 days following receipt of written notice of the proposed action. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, or the Board of the Association. The Developer shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

3.20 Management. The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy making authority or those duties set forth in Sections 3.18(a), 3.18(b), 3.18(f), 3.18(g) and 3.18(i). The Developer, or an affiliate of the Developer, may be employed as managing agent or manager.

The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the board.

3.21 Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of

commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;

(f) commencing at the end of the quarter in which the first Lot is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent (Any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless otherwise specified by Board resolution); and

(g) an annual report consisting of at least the following shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. Such annual report may be prepared on an audited, reviewed or compiled basis, as the board determines, by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Lot, the Association shall provide an audited financial statement.

3.22 Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Member approval in the same manner provided for special Assessments in Article VI, Sections 5 and 6 of the Declaration if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that fiscal year.

3.23 Right to Contract. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or neighborhood and other owners or residents associations, within and outside the Properties; provided, any common management agreement shall require the consent of a majority of the total number of directors of the Association.

3.24 Enforcement. In addition to such other rights as are specifically granted under the Declaration, the Board shall have the power to impose reasonable monetary fines, which shall constitute a lien upon the Lot of the violator, and to suspend an Owner's right to vote or to use the Common Area (for purposes other than ingress and egress to and from such Owner's Unit) for violation of any duty imposed under the Declaration, these By-Laws, or any Association rules. In addition, the Board may suspend any services provided by the Association to an Owner or the Owner's Lot if the Owner is more than thirty (30) days delinquent in paying any assessment or other charges owed to the Association. In the event that any occupant, tenant, employee, guest or invitee of a Lot violates the Declaration, By-Laws, or a rule and a fine is imposed, the fine shall first be assessed against the occupancy; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the fine shall be assessed against the Lot and the Owner thereof upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule shall not be deemed a waiver of the right of the Board to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than 10 days within which the alleged violator may present a written request for a hearing to the Board or the Covenants Committee, if one has been appointed pursuant to Article V; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within 10 days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed; provided, the Board or Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the 10-day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(b) Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing shall be held before the Covenants Committee, if one, or if none, then before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together

with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the board of Directors. To exercise this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within 10 days after the hearing date.

(d) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Declaration, these By-Laws, or the rules of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules) by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred. Any entry onto a Lot for purposes of exercising this power of self-help shall not be deemed as trespass.

Article IV **Officers**

4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among the members of the Board; other officers may, but need not be members of the Board. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2 Election and Term of Office. The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of the Members, to serve until their successors are elected.

4.3 Removal and Vacancies. The Board may remove any officer whenever in its judgment the best interests of the Association will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

4.4 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

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

4.6 Agreements, Contracts, Deeds, Leases, Checks, Etc.. All agreements, contracts, deeds, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.

4.7 Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.13.

Article V Committees

5.1 General. The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall in accordance with the terms of such resolution.

5.2. Covenants Committee. In addition to any other committees which the Board may establish pursuant to the Declaration, these By-Laws and, specifically, Section 5.1, the Board may appoint a Covenants Committee consisting of at least three and no more than seven Members. Acting in accordance with the provisions of the Declaration, these By-Laws and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.24 of these By-Laws.

5.3. Architectural Control Committee. There shall be an Architectural Control Committee which shall govern and enforce all proposed and completed architectural additions, changes, or modifications to any structure or Lot pursuant to the Design Guidelines for the Association. The Architectural Control Committee shall be comprised of one or more persons. As long as Developer has the right to annex Additional Property, unless otherwise waived or relinquished by Developer, Developer shall have the right to appoint all members of the

Architectural Control Committee. Once the Developer no longer has the right to appoint the members of the Architectural Control Committee, the Association's Board shall appoint all Members of the Architectural Control Committee which shall then be comprised of no less than three (3) Members. Each Member so appointed shall serve a one (1) year term. Members of the Architectural Control Committees appointed by the Members may be removed and replaced in accordance with the procedures set forth in Section 3.6 for election of directors.

Article VI

Miscellaneous

6.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board establishes a different fiscal year by resolution.

6.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order Newly Revised (current edition) shall govern the conduct of Association proceedings when not in conflict with Georgia law, the Articles of Incorporation, the Declaration, or these By-Laws.

6.3. Conflicts. If there are conflicts between the provisions of Georgia law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Georgia law, the Declaration, the Articles of Incorporation and these By-Laws (in that order) shall prevail.

6.4. Books and Records.

(a) Inspection by Members and Mortgagees. The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, any Member, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot: the Declaration, By-Laws and Articles of Incorporation, any amendments to the foregoing, the rules of the Association, the membership register, books or account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the Properties as the Board shall designate.

(b) Rules for Inspection. the Board shall establish reasonable rules with respect to:

(i) notice to be given to the custodian of the records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.

6.5. Notice. Except as otherwise provided, in the Declaration or these By-Laws, all notices, demands, bills, statements, and other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot or such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6 Amendment.

(a) By Developer. Until conveyance of the first Lot to a Person other than a Builder, the Developer may unilaterally amend these By-Laws. Thereafter, during the Developer Control Period, the Developer may unilaterally amend these By-Laws for any purpose, provided the amendment has no material adverse effect upon any right of any Member.

(b) By Members Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members representing at least 51% of the total votes in the Association, and the consent of the Developer, if such amendment occurs during the Developer Control Period. Notwithstanding the above, the percentage of votes necessary to amend specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall become effective upon the date such amendment is approved according to the requirements set forth above as applicable, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its approval or

such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

No amendment may remove, revoke or modify any right or privilege of the Developer without the written consent of Developer, or the assignee of such right or privilege.

If a Member consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such Member has the authority so to consent and no contrary provision in any Mortgage or contract between the Member and a third party will affect the validity of such amendment.

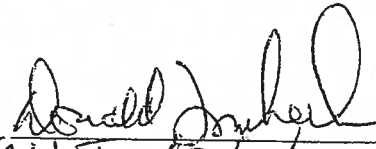
CERTIFICATION

I, the undersigned, do hereby certify:

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

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof held on the 6th day of April, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 6th day of April, 2005.


DONALD Tomberlin, Secretary (SEAL)